

Subdivision 1. **APPLICABILITY.** This section applies to:

- (1) health plans as defined in section 62A.011, issued to groups;
- (2) group accident and health insurance;
- (3) group life insurance;
- (4) group accidental death and dismemberment insurance; and
- (5) group disability income insurance.

Subd. 2. **REQUIREMENT.** No plan of coverage described in subdivision 1 shall permit the issuer to retroactively cancel, retroactively rescind, or otherwise retroactively terminate the coverage of an employee, dependent, or other covered person under the group coverage, without the written consent of that employee, dependent, or other covered person. For purposes of this subdivision, "covered person" includes a person on continuation coverage or eligible for continuation coverage.

Subd. 3. **NONAPPLICABILITY.** (a) This section does not apply where the group policy or contract is lawfully terminated retroactively and not replaced with substantially similar coverage.

(b) This section does not apply where the employee, dependent, or other covered person committed fraud or misrepresentation with respect to eligibility under the terms of the group policy or contract or with respect to any other material fact, but retroactive termination without written consent must not be based upon the failure of the employee, dependent, or other covered person to meet the group sponsor's eligibility requirements, if the group sponsor requested the issuer of the coverage to include the person as a covered person.

(c) This section does not apply where the issuer of coverage described in subdivision 1 retroactively terminates coverage of an employee, dependent, or other covered person solely because the group sponsor did not notify the issuer of the coverage in advance of the employee's voluntary or involuntary termination from employment, provided that the retroactive termination of coverage is effective no earlier than the end of the day of termination from employment. This paragraph does not affect continuation rights under federal or state law and does not limit the effect of section 62Q.16.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following enactment and applies to coverage issued or renewed on or after that date.

Presented to the governor March 12, 1996

Signed by the governor March 13, 1996, 2:20 p.m.

CHAPTER 305—H.F.No. 2938

An act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making

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miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1994, sections 10A.27, subdivision 1; 13.99, subdivisions 8a and 19c; 14.47, subdivision 1; 17.03, subdivision 10; 18.54, subdivisions 1 and 2; 18B.39; 18E.05, subdivision 1; 21.92; 32.417; 41A.023; 41A.04, subdivision 4; 44A.0311; 48.301; 60B.39, subdivision 5; 62D.02, subdivision 4; 62D.12, subdivisions 12 and 13; 62E.04, subdivision 8; 62E.09; 62I.22, subdivision 6; 72C.07, subdivision 1; 83.23, subdivisions 2 and 3; 83.24, subdivisions 3 and 5; 83.26, subdivision 1; 83.28, subdivision 2; 83.30, subdivision 1; 83.31, subdivisions 1 and 3; 83.39, subdivision 1; 85A.02, subdivision 5b; 97B.025; 103G.301, subdivision 3; 103I.101, subdivision 5; 103I.525, subdivisions 8 and 9; 103I.531, subdivisions 8 and 9; 103I.535, subdivision 8; 103I.541, subdivisions 4 and 5; 115A.156, subdivision 3; 115B.223, subdivision 2; 115C.07, subdivision 3; 116C.834, subdivision 1; 116J.403; 116J.63, subdivision 2; 116J.68, subdivision 2; 129D.14, subdivision 5; 136D.23, subdivisions 1 and 2; 136D.83, subdivisions 1 and 2; 144.98, subdivision 4; 145.61, subdivision 5; 145.889; 145.97; 148B.17; 148B.61, subdivision 2; 148B.64, subdivision 2; 148B.69, subdivision 1; 160.265, subdivision 2; 161.1231, subdivision 5; 169.128; 176.021, subdivision 7; 176.129, subdivisions 4a and 13; 176.225, subdivision 2; 176.83, subdivision 7; 177.24, subdivisions 1 and 4; 177.27, subdivision 6; 182.675; 183.375, subdivision 5; 183.411, subdivisions 2a and 3; 183.545; 197.447; 198.002, subdivision 2; 198.003, subdivision 1; 205A.13; 216A.037, subdivision 3; 216B.164, subdivision 6; 216C.10; 216C.14, subdivision 3; 216C.15, subdivision 2; 216C.37, subdivision 7; 223.17, subdivision 3; 239.101, subdivision 4; 240.24, subdivision 2; 240A.03, subdivision 10; 254B.041, subdivision 2; 256.871, subdivision 7; 256.9753, subdivision 3; 256.991; 256B.431, subdivision 22; 256B.501, subdivisions 5a and 10; 256B.502; 256B.503; 256B.74, subdivision 10; 268.166; 268.37, subdivision 3; 270.84, subdivision 1; 270A.12; 270B.07, subdivision 4; 284.28, subdivisions 5 and 6; 298.39; 299L.07, subdivision 8; 299M.04; 308A.135, subdivision 3; 325D.01, subdivision 1; 325D.69, subdivision 2; 325D.70; 325F.20, subdivision 1; 326.47, subdivision 6; 326.86, subdivision 1; 349A.02, subdivision 6; 352.75, subdivision 6; 352B.26, subdivision 3; 353.271, subdivision 2; 353.84; 354.094, as amended; 354.53, subdivision 1; 354.55, subdivisions 14 and 15; 354.66, subdivisions 1 and 6; 354A.092; 354A.093; 355.391, subdivision 1; 355.392, subdivisions 2 and 3; 356.86, subdivision 2; 356.865, subdivision 2; 363.06, subdivision 4a; 402.01, subdivision 1; 422A.06, subdivision 5; 462A.06, subdivision 11; 462A.07, subdivision 14; 462A.08, subdivision 3; 462A.236; 469.141, subdivision 2; 473.446, subdivision 2; 473.516, subdivision 3; 473.545; 473.639; 480A.06, subdivision 3; 524.3-101; 524.3-108; 524.3-901; 524.3-1204; 525.712; 550.15; 583.285; 624.7132, subdivision 8; 626A.13, subdivision 8; and 629.68; Minnesota Statutes 1995 Supplement, sections 13.99, subdivision 19h; 15.0591, subdivision 2; 15.991, subdivision 1; 16A.6701, subdivision 1; 16B.43, subdivision 1; 16B.748; 41A.066, subdivision 1; 43A.191, subdivision 3; 43A.24, subdivision 2; 47.60, subdivision 4; 62A.307, subdivision 2; 62L.045, subdivision 1; 62M.09, subdivision 5; 72C.03; 79A.31, subdivision 1; 83.26, subdivision 2; 84.9691; 97A.0453; 103B.231, subdivision 3; 103G.301, subdivision 2; 116.07, subdivisions 4 and 4d; 121.703, subdivision 2; 144.057, subdivision 1; 144A.071, subdivision 2; 144A.073, subdivision 8; 144D.06; 148C.03, subdivision 1; 151.37, subdivision 2; 237.16, subdivision 11; 256.737, subdivision 1a; 256D.01, subdivision 1b; 275.065, subdivision 6; 276.04, subdivision 2; 295.50, subdivision 4; 297A.25, subdivision 11; 326.50; 336.9-411; 354.05, subdivision 5; 354.63, subdivision 2; 354A.094, subdivision 4; 354D.01, subdivision 2; 354D.06; 462A.201, subdivision 2; 474.191; 525.6197; 609.101, subdivision 2; 609.485, subdivisions 2 and 4; and 626.557, subdivision 16; Laws 1995, chapters 159, section 1; 202, article 4, section 24; and 212, article 4, section 65; First Special Session chapter 3, article 8, section 25, subdivision 6; repealing Minnesota Statutes 1994, sections 13.99, subdivisions 2 and 39a; 148B.60, subdivision 6; 177.28, subdivision 4; 222.61; 254B.041, subdivision 1; 289A.60, subdivision 9; 349.218; 471.6161, subdivision 7; 473.604, subdivision 7; and 473.704, subdivision 6; Laws 1991, chapter 354, article 6, section 7, subdivisions 2 and 3; Laws 1995, chapters 186, sections 38 and 78; 224, sections 117, 118, 119, 120,

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and 121; 234, article 3, section 3; 247, article 1, section 44; 248, article 10, section 15; and 259, article 3, section 7, subdivision 2.

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

ARTICLE 1

GENERAL

Section 1. Minnesota Statutes 1994, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. **CONTRIBUTION LIMITS.** Except as provided in subdivisions subdivision 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept aggregate contributions made or delivered by any individual, political committee, or political fund in excess of the following:

(a) to candidates for governor and lieutenant governor running together, \$2,000 in an election year for the office sought and \$500 in other years;

(b) to a candidate for attorney general, \$1,000 in an election year for the office sought and \$200 in other years;

(c) to a candidate for the office of secretary of state, state treasurer or state auditor, \$500 in an election year for the office sought and \$100 in other years;

(d) to a candidate for state senator, \$500 in an election year for the office sought and \$100 in other years; and

(e) to a candidate for state representative, \$500 in an election year for the office sought and \$100 in the other year.

The following deliveries are not subject to the bundling limitation in this subdivision:

(1) delivery of contributions collected by a member of the candidate's principal campaign committee, such as a block worker or a volunteer who hosts a fund raising event, to the committee's treasurer; and

(2) a delivery made by an individual on behalf of the individual's spouse.

Sec. 2. **REPEALER.**

Minnesota Statutes 1994, section 13.99, subdivision 2, is repealed.

Sec. 3. Minnesota Statutes 1994, section 13.99, subdivision 8a, is amended to read:

Subd. 8a. **DAIRY PRODUCT DATA.** Financial and production information obtained by the commissioner of agriculture to administer chapter 34 32 are classified under section 32.71, subdivision 2.

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Sec. 4. Minnesota Statutes 1994, section 13.99, subdivision 19c, is amended to read:

Subd. 19c. **DATA ANALYSIS HEALTH DATA AND RESEARCH INITIATIVES.** Data collected by the data analysis unit commissioner of health for data and research initiatives are classified under section ~~62J.30~~ 62J.321, subdivision 7 5.

Sec. 5. Minnesota Statutes 1995 Supplement, section 13.99, subdivision 19h, is amended to read:

Subd. 19h. **HEALTH CARE COST CONTAINMENT.** Data required to be submitted under health care cost containment provisions are classified by sections ~~62J.35~~, subdivision ~~3~~ 62J.321, subdivision 5, and ~~62J.45~~, subdivision 4a 62J.452, subdivision 2.

Sec. 6. **REPEALER.**

Minnesota Statutes 1994, section 13.99, subdivision 39a, is repealed.

Sec. 7. Minnesota Statutes 1995 Supplement, section 15.0591, subdivision 2, is amended to read:

Subd. 2. **BODIES AFFECTED.** A member meeting the qualifications in subdivision 1 must be appointed to the following boards, commissions, advisory councils, task forces, or committees:

- (1) advisory council on battered women;
- (2) advisory task force on the use of state facilities;
- (3) alcohol and other drug abuse advisory council;
- (4) board of examiners for nursing home administrators;
- (5) board on aging;
- (6) chiropractic examiners board;
- (7) consumer advisory council on vocational rehabilitation;
- (8) council on disability;
- (9) council on affairs of Spanish-speaking people;
- (10) council on black Minnesotans;
- (11) dentistry board;
- (12) department of economic security advisory council;
- (13) higher education services office;
- (14) housing finance agency;
- (15) Indian advisory council on chemical dependency;
- (16) medical practice board;
- (17) medical policy directional task force on mental health;
- (18) Minnesota employment and economic development task force;

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- (19) Minnesota office of citizenship and volunteer services advisory committee;
- (20) Minnesota state arts board;
- (21) mortuary sciences advisory council;
- (22) nursing board;
- (23) optometry board;
- (24) pharmacy board;
- (25) physical therapists council;
- (26) podiatry board;
- (27) psychology board;
- (28) veterans advisory committee.

Sec. 8. Minnesota Statutes 1995 Supplement, section 15.991, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For purposes of this section and section 15.992:

(1) "business license" or "license" has the meaning given it in section 116J.70, subdivision 2, and also includes licenses and other forms of approval listed in section 116J.70, subdivision 2a, clauses (7) and (8), but does not include those listed in subdivision 2a, clauses (1) to (6);

(2) "customer" means an individual; a small business as defined in section 645.445, but also including a nonprofit corporation that otherwise meets the criteria in that section; a family farm, family farm corporation, or family farm partnership as defined in section 500.24, subdivision 2; or a political subdivision as defined in section ~~3.881~~ 103G.005, subdivision ~~2~~ 14a;

(3) "initial agency" means the state agency to which a customer submits an application for a license or inquires about submitting an application; and

(4) "responsible agency" means the initial agency or another state agency that agrees to be designated the responsible agency.

Sec. 9. Minnesota Statutes 1995 Supplement, section 16A.6701, subdivision 1, is amended to read:

Subdivision 1. **STATE LICENSE AND SERVICE FEES.** For purposes of section ~~16A.665~~ 16A.67, subdivision 3, and this section, the term "state license and service fees" means, and refers to, all license fees, service fees, and charges imposed by law and collected by any state officer, agency, or employee, which are listed below or which are defined as departmental earnings under section 16A.1285, subdivision 1, and the use of which is not otherwise restricted by law, and which are not required to be credited or transferred to a fund other than the general fund:

Minnesota Statutes 1994, sections 3.9221; 5.12; 5.14; 5.16; 5A.04; 6.58; 13.03, subdivision 10; 16A.155; 16A.48; 16A.54; 16A.72; 16B.59; 16B.70; 17A.04; 18.51, subdivision 2; 18.53; 18.54; 18C.551; 19.58; 19.64; 27.041, subdivision 2, clauses (d) and (e);

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27.07, subdivision 5; 28A.08; 32.071; 32.075; 32.392; 35.71; 35.824; 35.95; 41C.12; 45.027, subdivisions 3 and 6; 46.041, subdivision 1; 46.131, subdivisions 2, 7, 8, 9, and 10; 47.101, subdivision 2; 47.54, subdivisions 1 and 4; 47.62, subdivision 4; 47.65; 48.475, subdivision 1; 48.61, subdivision 7; 48.93; 49.36, subdivision 1; 52.01; 52.203; 53.03, subdivisions 1, 5, and 6; 53.09, subdivision 1; 53A.03; 53A.05, subdivision 1; 53A.081, subdivision 3; 54.294, subdivision 1; 55.04, subdivision 2; 55.095; 56.02; 56.04; 56.10; 59A.03, subdivision 2; 59A.06, subdivision 3; 60A.14, subdivisions 1 and 2; 60A.23, subdivision 8; 60K.19, subdivision 5; 65B.48, subdivision 3; 70A.14, subdivision 4; 72B.04, subdivision 10; 79.251, subdivision 5; 80A.28, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, and 9; 80C.04, subdivision 1; 80C.07; 80C.08, subdivision 1; 80C.16, subdivisions 2 and 3; 80C.18, subdivision 2; 82.20, subdivision 8 and 9; 82A.04, subdivision 1; 82A.08, subdivision 2; 82A.16, subdivisions 2 and 6; 82B.09, subdivision 1; 83.23, subdivisions 2, 3, and 4; 83.25, subdivisions 1 and 2; 83.26, subdivision 2; 83.30, subdivision 2; 83.31, subdivision 2; 83.38, subdivision 2; 85.052; 85.053; 85.055; 88.79, subdivision 2; 89.035; 89.21; 115.073; 115.77, subdivisions 1 and 2; 116.41, subdivision 2; 116C.69; 116C.712; 116J.9673; 125.08; 136C.04, subdivision 9; 155A.045; 155A.16; 168.27, subdivision 11; 168.33, subdivisions 3 and 7; 168.54; 168.67; 168.705; 168A.152; 168A.29; 169.345; 171.06, subdivision 2a; 171.29, subdivision 2; 176.102; 176.1351; 176.181, subdivision 2a; 177.30; 181A.12; 183.545; 183.57; 184.28; 184.29; 184A.09; 201.091, subdivision 5; 204B.11; 207A.02; 214.06; 216C.261; 221.0355; 239.101; 240.06; 240.07; 240.08; 240.09; 240.10; 246.51; 270.69, subdivision 2; 270A.07; 272.484; 296.06; 296.12; 296.17; 297.04; 297.33; 299C.46; 299C.62; 299K.09; 299K.095; 299L.07; 299M.04; 300.49; 318.02; 323.44, subdivision 3; 325D.415; 326.22; 326.3331; 326.47; 326.50; 326.92, subdivisions 1 and 3; 327.33; 331A.02; 332.15, subdivisions 2 and 3; 332.17; 332.22, subdivision 1; 332.33, subdivisions 3 and 4; 332.54, subdivision 7; 333.055; 333.20; 333.23; 336.9-413; 336A.04; 336A.05; 336A.09; 345.35; 345.43, subdivision 1; 345.44; 345.55, subdivision 3; 347.33; 349.151; 349.161; 349.162; 349.163; 349.164; 349.165; 349.166; 349.167; 357.08; 359.01, subdivision 3; 360.018; 360.63; 386.68; and 414.01, subdivision 11; Minnesota Statutes 1994, chapters 154; 216B; 237; 302A; 303; 308A; 317A; 322A; and 322B; Laws 1990, chapter 593; Laws 1993, chapter 254, section 7; and Laws 1994, chapter 573, section 4; Minnesota Rules, parts 1800.0500; 1950.1070; 2100.9300; 7515.0210; and 9545.2000 to 9545.2040.

Sec. 10. Minnesota Statutes 1995 Supplement, section 16B.43, subdivision 1, is amended to read:

Subdivision 1. **APPLICATION.** The authority of the commissioner under sections 16B.40 to 16B.42, 16B.44, and 16B.45 applies to ESV-IS and to SDE-IS and computer-related services provided to the department of children, families, and learning by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in Minnesota Statutes 1994, section 121.93.

Sec. 11. Minnesota Statutes 1995 Supplement, section 43A.191, subdivision 3, is amended to read:

Subd. 3. **AUDITS; SANCTIONS AND INCENTIVES.** (a) The commissioner shall annually audit the record of each agency to determine the rate of compliance with affirmative action requirements.

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(b) By March 1 of each odd-numbered year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations ways and means committee of the house of representatives, the governmental operations committees of both houses of the legislature, and the legislative commission on employee relations. The report must include noncompetitive appointments made under section 43A.08, subdivision 2a, or 43A.15, subdivisions 3 to 13, and cover each agency's rate of compliance with affirmative action requirements.

(c) An agency that does not meet its hiring goals must justify its nonaffirmative action hires in competitive and noncompetitive appointments according to criteria issued by the department of employee relations. "Missed opportunity" includes failure to justify a nonaffirmative action hire. An agency must have 25 percent or less missed opportunities in competitive appointments and 25 percent or less missed opportunities in appointments made under sections 43A.08, subdivisions 1, clauses (9), (11), and (16); and 2a; and 43A.15, subdivisions 3, 10, 12, and 13. In addition, an agency shall:

(1) demonstrate a good faith effort to recruit protected group members by following an active recruitment plan;

(2) implement a coordinated retention plan; and

(3) have an established complaint resolution procedure.

(d) The commissioner shall develop reporting standards and procedures for measuring compliance.

(e) An agency is encouraged to develop other innovative ways to promote awareness, acceptance, and appreciation for diversity and affirmative action. These innovations will be considered when evaluating an agency's compliance with this section.

(f) An agency not in compliance with affirmative action requirements of this section must identify methods and programs to improve performance, to reallocate resources internally in order to increase support for affirmative action programs, and to submit program and resource reallocation proposals to the commissioner for approval. An agency must submit these proposals within 120 days of being notified by the commissioner that it is out of compliance with affirmative action requirements. The commissioner shall monitor quarterly the affirmative action programs of an agency found to be out of compliance.

(g) The commissioner shall establish a program to recognize an agency that has made significant and measurable progress in implementing an affirmative action plan.

Sec. 12. Minnesota Statutes 1995 Supplement, section 43A.24, subdivision 2, is amended to read:

Subd. 2. **OTHER ELIGIBLE PERSONS.** The following persons are eligible for state paid life insurance and hospital, medical, and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements. Coverages made available, including optional coverages, are as contained in the plan established pursuant to section 43A.18, subdivision 2:

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(a) a member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical, and dental benefits to which the position is entitled;

(b) a permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

(c) a judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge of county municipal court, or a judge of probate court; a district court referee, judicial officer, court reporter, or law clerk; a district administrator; an employee of the office of the district administrator that is not in the second or fourth judicial district; a court administrator or employee of the court administrator in the eighth judicial district, and a guardian ad litem program administrator in the eighth judicial district;

(d) a salaried employee of the public employees retirement association;

(e) a full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) a salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) an employee of the regents of the University of Minnesota;

(h) notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982, and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund, who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Cover-

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ages shall be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program;

(i) an employee of an agency of the state of Minnesota identified through the process provided in this paragraph who is eligible to retire prior to age 65. The commissioner and the exclusive representative of state employees shall enter into agreements under section 179A.22 to identify employees whose positions are in programs that are being permanently eliminated or reduced due to federal or state policies or practices. Failure to reach agreement identifying these employees is not subject to impasse procedures provided in chapter 179A. The commissioner must prepare a plan identifying eligible employees not covered by a collective bargaining agreement in accordance with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph, a person retires when the person terminates active employment in state service and applies for a retirement annuity. Eligibility ends as provided in the agreement or plan, but must cease at the end of the month in which the retired employee chooses not to receive an annuity, or the employee is eligible for employer-paid health insurance from a new employer. The retired employees shall be eligible for coverages to which they were entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established under section 43A.18 for employees in positions equivalent to that from which they retired, provided that the retired employees shall not be eligible for state-paid life insurance;

(j) employees of the state public defender's office, and district public defenders and their employees other than in the second and fourth judicial districts, with eligibility determined by the state board of public defense in consultation with the commissioner of employee relations; and

(k) employees of the health data institute under section 62J.45, subdivision 8 62J.451, subdivision 12, as paid for by the health data institute.

Sec. 13. Minnesota Statutes 1994, section 44A.0311, is amended to read:

44A.0311 WORLD TRADE CENTER CORPORATION ACCOUNT.

The world trade center corporation account is in the special revenue fund. All money received by the corporation, including money generated from the use of the conference and service center, must be deposited in the account. Money in the account including interest earned is appropriated to the board and must be used exclusively for corporation purposes. Any money remaining in the account after sale of the assets or ownership of the corporation under Minnesota Statutes 1992, section 44A.12, shall revert to the general fund.

Sec. 14. Minnesota Statutes 1995 Supplement, section 47.60, subdivision 4, is amended to read:

Subd. 4. **BOOKS OF ACCOUNT; ANNUAL REPORT; SCHEDULE OF CHARGES; DISCLOSURES.** (a) A lender filing under subdivision 3 shall keep and use in the business books, accounts, and records as will enable the commissioner to determine whether the filer is complying with this section.

(b) A lender filing under subdivision 3 shall annually on or before March 15 file a report to the commissioner giving the information the commissioner reasonably requires concerning the business and operations during the preceding calendar year.

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(c) A lender filing under subdivision 3 shall display prominently in each place of business a full and accurate schedule, to be approved by the commissioner, of the charges to be made and the method of computing those charges. A lender shall furnish a copy of the contract of loan to a person obligated on it or who may become obligated on it at any time upon the request of that person. This is in addition to any disclosures required by the federal Truth in Lending Act, United States Code, title 15.

(d) A lender filing under subdivision 3 shall, upon repayment of the loan in full, mark indelibly every obligation signed by the borrower with the word "Paid" or "Canceled" within 20 days after repayment.

(e) A lender filing under subdivision 3 shall display prominently, in each licensed place of business, a full and accurate statement of the charges to be made for loans made under this section. The statement of charges must be displayed in a notice, on plastic or other durable material measuring at least 12 inches by 18 inches, headed "CONSUMER NOTICE REQUIRED BY THE STATE OF MINNESOTA." The notice shall include, immediately above the statement of charges, the following sentence, or a substantially similar sentence approved by the commissioner: "These loan charges are higher than otherwise permitted under Minnesota law. Minnesota law permits these higher charges only because short-term small loans might otherwise not be available to consumers. If you have another source of a loan, you may be able to benefit from a lower interest rate and other loan charges." The notice must not contain any other statement or information, unless the commissioner has determined that the additional statement or information is necessary to prevent confusion or inaccuracy. The notice must be designed with a type size that is large enough to be readily noticeable and legible. The form of the notice must be approved by the commissioner prior to its use.

Sec. 15. Minnesota Statutes 1994, section 48.301, is amended to read:

48.301 MULTIPARTY ACCOUNTS.

When any deposit is made in the names of two or more persons jointly, or by any person payable on death (P.O.D.) to another, or by any person in trust for another, the rights of the parties and the financial institution are determined by chapter ~~528~~ 524.

Sec. 16. Minnesota Statutes 1994, section 60B.39, subdivision 5, is amended to read:

Subd. 5. **CLAIM BY RATING BUREAU.** The rating bureau in carrying out its responsibilities ~~under sections 79.28 to 79.32,~~ may file a claim with the liquidator for all sums paid or to be paid by it.

Sec. 17. Minnesota Statutes 1995 Supplement, section 62A.307, subdivision 2, is amended to read:

Subd. 2. **REQUIREMENT.** Coverage described in subdivision 1 that covers prescription drugs must provide the same coverage for a prescription written by a health care provider authorized to prescribe the particular drug covered by the health coverage described in subdivision 1, regardless of the type of health care provider that wrote the prescription. This section is intended to prohibit denial of coverage based on the prescription having been written by an advanced practice nurse under section 148.235, a physician assistant under section ~~147.34~~ 147A.18, or any other nonphysician health care provider authorized to prescribe the particular drug.

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Sec. 18. Minnesota Statutes 1994, section 62D.02, subdivision 4, is amended to read:

Subd. 4. (a) "Health maintenance organization" means a nonprofit corporation organized under chapter 317A, or a local governmental unit as defined in subdivision 11, controlled and operated as provided in sections 62D.01 to 62D.30, which provides, either directly or through arrangements with providers or other persons, comprehensive health maintenance services, or arranges for the provision of these services, to enrollees on the basis of a fixed prepaid sum without regard to the frequency or extent of services furnished to any particular enrollee.

(b) Notwithstanding paragraph (a), an organization licensed as a health maintenance organization that accepts payments for health care services on a capitated basis, or under another similar risk sharing agreement, from a program of self-insurance as described in section 60A.02, subdivision 3, paragraph (b), shall not be regulated as a health maintenance organization with respect to the receipt of the payments. The payments are not premium revenues for the purpose of calculating the health maintenance organization's liability for otherwise applicable state taxes, assessments, or surcharges, with the exception of:

(1) the MinnesotaCare provider tax;

(2) the one percent premium tax imposed in section 60A.15, subdivision 1, paragraph ~~(d)~~ (e); and

(3) effective July 1, 1995, assessments by the Minnesota comprehensive health association.

This paragraph applies only where:

(1) the health maintenance organization does not bear risk in excess of 110 percent of the self-insurance program's expected costs;

(2) the employer does not carry stop loss, excess loss, or similar coverage with an attachment point lower than 120 percent of the self-insurance program's expected costs;

(3) the health maintenance organization and the employer comply with the data submission and administrative simplification provisions of chapter 62J;

(4) the health maintenance organization and the employer comply with the provider tax pass-through provisions of section 295.582;

(5) the health maintenance organization's required minimum reserves reflect the risk borne by the health maintenance organization under this paragraph, with an appropriate adjustment for the 110 percent limit on risk borne by the community network;

(6) on or after July 1, 1994, but prior to January 1, 1995, the employer has at least 1,500 current employees, as defined in section 62L.02, or, on or after January 1, 1995, the employer has at least 750 current employees, as defined in section 62L.02;

(7) the employer does not exclude any eligible employees or their dependents, both as defined in section 62L.02, from coverage offered by the employer, under this paragraph or any other health coverage, insured or self-insured, offered by the employer, on the basis of the health status or health history of the person.

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This paragraph expires December 31, 1997.

Sec. 19. Minnesota Statutes 1994, section 62D.12, subdivision 12, is amended to read:

Subd. 12. No health maintenance contract issued or renewed on or after July 1, 1980 shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving medical assistance pursuant to chapter 256B or services pursuant to section 252.27; 260.251, subdivision 1a; ~~261.27~~; or 393.07, subdivision 1 or 2.

Sec. 20. Minnesota Statutes 1994, section 62D.12, subdivision 13, is amended to read:

Subd. 13. No health maintenance organization offering an individual or group health maintenance contract shall refuse to provide or renew the coverage because the applicant or enrollee has an option to elect workers' compensation coverage pursuant to section ~~176.012~~ 176.041.

Sec. 21. Minnesota Statutes 1994, section 62E.04, subdivision 8, is amended to read:

Subd. 8. **REDUCTION OF BENEFITS BECAUSE OF OTHER SERVICES.** No policy of accident and health insurance shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving benefits pursuant to chapters 256B and 256D, or sections ~~62E.51 to 62E.55~~ or 252.27; 260.251, subdivision 1a; ~~261.27~~; 393.07, subdivision 1 or 2.

Sec. 22. Minnesota Statutes 1994, section 62I.22, subdivision 6, is amended to read:

Subd. 6. **CASE PRESENTATION.** The department of commerce, upon request by small businesses as defined by section ~~14.115, subdivision 1~~, shall assist small businesses in any specific class requesting continuation of coverage beyond the 180-day period, in coordinating the class and presenting the case in the contested hearing.

For purposes of this subdivision, "small business" means a business entity, including farming and other agricultural operations and its affiliates, that (1) is independently owned and operated; (2) is not dominant in its field; and (3) employs fewer than 50 full-time employees or has gross annual sales of less than \$4,000,000.

Sec. 23. Minnesota Statutes 1995 Supplement, section 62L.045, subdivision 1, is amended to read:

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

(a) "Association" means:

- (1) an association as defined in section 60A.02;
- (2) a group or organization of political subdivisions;
- (3) ~~an educational cooperative~~ a service unit cooperative created under section ~~123.58~~ 123.582; or
- (4) a joint self-insurance pool authorized under section 471.617, subdivision 2.

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(b) "Qualified association" means an association, as defined in this subdivision, that:

(1) is registered with the commissioner of commerce;

(2) provides health plan coverage through a health carrier that participates in the small employer market in this state, other than through associations;

(3) has and adheres to membership and participation criteria and health plan eligibility criteria that are not designed to disproportionately include or attract small employers that are likely to have low costs of health coverage or to disproportionately exclude or repel small employers that are likely to have high costs of health coverage; and

(4) permits any small employer that meets its membership, participation, and eligibility criteria to become a member and to obtain health plan coverage through the association.

Sec. 24. Minnesota Statutes 1995 Supplement, section 62M.09, subdivision 5, is amended to read:

Subd. 5. **WRITTEN CLINICAL CRITERIA.** A utilization review organization's decisions must be supported by written clinical criteria and review procedures in compliance with section 62M.07, paragraph (e). Clinical criteria and review procedures must be established with appropriate involvement from actively practicing physicians. A utilization review organization must use written clinical criteria, as required, for determining the appropriateness of the certification request. The utilization review organization must have a procedure for ensuring, at a minimum, the annual evaluation and updating of the written criteria based on sound clinical principles.

Sec. 25. Minnesota Statutes 1995 Supplement, section 72C.03, is amended to read:

72C.03 SCOPE.

Except as otherwise specifically provided, sections 72C.01 to 72C.13 shall apply to all policies or contracts of direct insurance, issued by persons authorized at any time to transact insurance in this state and including nonprofit health service plan corporations under chapter 62C, health maintenance organizations under chapter 62D, and fraternal benefit societies under chapter 64B. Sections 72C.01 to 72C.13 shall not apply to insurance as described in section 60A.20, subdivision 17, clauses (2) and (3), and the master contract for any policy of group insurance when the group consists of ten or more persons. Sections 72C.01 to 72C.13 shall not apply to policies or contracts issued prior to July 1, 1980 under which there is no unilateral right of the insurer to cancel, nonrenew, amend or change in any way, unless the policy or contract is amended or changed by mutual agreement of the parties. Sections 72C.01 to 72C.13 shall not apply to an insurance policy or contract which is a security subject to federal jurisdiction, nor shall they apply to a new policy or contract written in language other than English.

Sec. 26. Minnesota Statutes 1995 Supplement, section 79A.31, subdivision 1, is amended to read:

Subdivision 1. **WITHDRAWAL.** Any group self-insurer that is a member as of August 1, 1995, of the self-insurers' security fund established under section 79A.09, may until January 1, 1996, elect to withdraw from that fund and become a member of the com-

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mercial self-insurance group security fund established under section 79A.26. The transferring group shall be subject to the provisions and requirements of sections 79A.19 to 79A.34 79A.32 as of the date of transfer. Additional security may be required pursuant to section 79A.24. Group self-insurers electing to transfer to the commercial self-insurance group fund shall not be subject to the provisions of section 79A.06, subdivision 5, including, but not limited to, assessments by the self-insurers' security fund.

Sec. 27. Minnesota Statutes 1995 Supplement, section 103B.231, subdivision 3, is amended to read:

Subd. 3. **RESPONSIBLE UNITS.** (a) Where a watershed management organization exists, the plan for the watershed must be prepared and adopted by the organization.

(b) If a watershed management organization located wholly outside of Hennepin and Ramsey counties, is terminated, or the board of water and soil resources determines a plan is not being implemented in accordance with its rules, the county or counties containing the watershed unit shall prepare, adopt, and implement the watershed plan and for this purpose the county or counties have the planning, review, permitting, and financing authority of a watershed management organization specified in sections 103B.211 to 103B.255.

(c) If a watershed management organization within the metropolitan area and wholly or partly within Hennepin or Ramsey counties is terminated or the board of water and soil resources determines a plan is not being implemented, the county or counties shall petition for the establishment of a watershed district under chapter 103D, provided that a district established pursuant to a petition:

(1) may not cross a primary river or a river forming the boundary between a metropolitan county and a county outside the metropolitan area; and

(2) may not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river.

(d) A watershed management organization may request a county to prepare all or part of a plan.

(e) A county may delegate the preparation of all or part of a plan to the county soil and water conservation district.

(f) Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town.

(g) If the board of water and soil resources determines that a watershed management organization or county has not developed a draft plan, is not implementing the plan, has not delegated implementation of the plan, and has not petitioned for the creation of a watershed district:

(1) state agencies may withhold from local government units state funding for water programs for projects within the watershed;

(2) state agencies may withhold from local government units delegation of state water resource regulatory authority within the watershed;

(3) state agencies may suspend issuance of water-related permits within the watershed; and

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(4) the board may request state agencies to withhold portions of state aid funding used for the installation of curb and gutter and other drainage facilities of public transportation projects within the watershed.

The provisions of this paragraph apply until the board of water and soil resources determines that a plan is being implemented in accordance with its rules.

(h) Appeals from the board of water and soil resources determination are made in the same manner as appeals under section 103B.345, subdivision 5.

Sec. 28. Minnesota Statutes 1995 Supplement, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. **PERMIT FEES.** (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of reviewing and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The agency shall adopt rules under section 16A.1285 establishing a system for charging permit fees collected under this subdivision. The fee schedule must reflect reasonable and routine permitting, implementation, and enforcement costs. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the special revenue account.

(b) Notwithstanding paragraph (a), and section 16A.1285, subdivision 2, the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under subchapter V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or section 116.081. The annual fee shall be used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of subchapter V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., and sections of this chapter and the rules adopted under this chapter related to air contamination and noise. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; and providing information to the public about these activities.

(c) The agency shall adopt fee rules in accordance with the procedures in section 16A.1285, subdivision 5, that will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated; and

(2) the agency fee rules may also result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant

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not listed in clause (1) that is regulated under this chapter or air quality rules adopted under this chapter.

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules any amount in excess of 4,000 tons per year of each air pollutant from a source.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in an air quality account in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Persons who wish to construct or expand an air emission facility may offer to reimburse the agency for the costs of staff overtime or consultant services needed to expedite permit review. The reimbursement shall be in addition to fees imposed by paragraphs (a) to (d). When the agency determines that it needs additional resources to review the permit application in an expedited manner, and that expediting the review would not disrupt air permitting program priorities, the agency may accept the reimbursement. Reimbursements accepted by the agency are appropriated to the agency for the purpose of reviewing the permit application. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit and shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations.

Sec. 29. Minnesota Statutes 1994, section 116J.68, subdivision 2, is amended to read:

Subd. 2. The bureau shall:

(a) provide information and assistance with respect to all aspects of business planning and business management related to the start-up, operation, or expansion of a small business in Minnesota;

(b) refer persons interested in the start-up, operation, or expansion of a small business in Minnesota to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, private industry associations, and other organizations or to the business assistance referral system established by the Minnesota Project Outreach Corporation;

(c) plan, develop, and implement a master file of information on small business assistance programs of federal, state, and local governments, and other public and private organizations so as to provide comprehensive, timely information to the bureau's clients;

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(d) employ staff with adequate and appropriate skills and education and training for the delivery of information and assistance;

(e) seek out and utilize, to the extent practicable, contributed expertise and services of federal, state, and local governments, educational institutions, and other public and private organizations;

(f) maintain a close and continued relationship with the director of the procurement program within the department of administration so as to facilitate the department's duties and responsibilities under sections 16B.19 to 16B.22 relating to the small targeted group business and economically disadvantaged business program of the state;

(g) develop an information system which will enable the commissioner and other state agencies to efficiently store, retrieve, analyze, and exchange data regarding small business development and growth in the state. All executive branch agencies of state government and the secretary of state shall to the extent practicable, assist the bureau in the development and implementation of the information system;

(h) establish and maintain a toll free telephone number so that all small business persons anywhere in the state can call the bureau office for assistance. An outreach program shall be established to make the existence of the bureau well known to its potential clientele throughout the state. If the small business person requires a referral to another provider the bureau may use the business assistance referral system established by the Minnesota Project Outreach Corporation;

(i) conduct research and provide data as required by the state legislature;

(j) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

(k) collect and disseminate information on state procurement opportunities, including information on the procurement process;

(l) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

(m) ~~publicize to small businesses section 14.115 which requires consideration of small business issues in state agency rulemaking;~~

~~(n) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or host agency for the federal small business development center program under United States Code, title 15, section 648; and~~

~~(o) (n) assist providers in the evaluation of their programs and the assessment of their service area needs. The bureau may establish model evaluation techniques and performance standards for providers to use.~~

Sec. 30. Minnesota Statutes 1995 Supplement, section 121.703, subdivision 2, is amended to read:

Subd. 2. **MEMBERSHIP.** (a) The commission consists of 18 voting members. Voting members shall include the commissioner of children, families, and learning, a repre-

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sentative of the children's cabinet elected by the members of the children's cabinet, and the executive director of the higher education services office.

(b) The governor shall appoint 15 additional voting members. Eight of the voting members appointed by the governor shall include a representative of public or nonprofit organizations experienced in youth employment and training, organizations promoting adult service and volunteerism, community-based service agencies or organizations, local public or private sector labor unions, local governments, business, a national service program, and Indian tribes. The remaining seven voting members appointed by the governor shall include an individual with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth; a youth or young adult who is a participant in a higher education-based service-learning program; a disabled individual representing persons with disabilities; a youth who is out-of-school or disadvantaged; an educator of primary or secondary students; an educator from a higher education institution; and an individual between the ages of 16 and 25 who is a participant or supervisor in a youth service program.

(c) The governor shall appoint up to five ex officio nonvoting members from among the following agencies or organizations: the departments of economic security, natural resources, human services, health, corrections, agriculture, public safety, finance, and labor and industry, the Minnesota office of citizenship and volunteer services, the housing finance agency, and Minnesota Technology, Inc. A representative of the corporation for national and community service shall also serve as an ex officio nonvoting member.

(d) Voting and ex officio nonvoting members may appoint designees to act on their behalf. The number of voting members who are state employees shall not exceed 25 percent.

(e) The governor shall ensure that, to the extent possible, the membership of the commission is balanced according to geography, race, ethnicity, age, and gender. The speaker of the house and the majority leader of the senate shall each appoint two legislators to be nonvoting members of the commission.

Sec. 31. Minnesota Statutes 1994, section 136D.23, subdivision 1, is amended to read:

Subdivision 1. **PUBLIC AGENCY.** The joint school board shall be a public agency of the participating school districts and may receive and disburse federal and state funds made available to it or to the participating school districts, ~~including moneys described in section 136C.07.~~

Sec. 32. Minnesota Statutes 1994, section 136D.23, subdivision 2, is amended to read:

Subd. 2. **LIABILITY.** Except as to certificates of indebtedness or bonds issued under Minnesota Statutes 1990, section 136D.28, hereof, no participating school district shall ~~have individual liability~~ for the debts and obligations of the board nor shall any individual serving as a member of the board have such liability.

Sec. 33. Minnesota Statutes 1994, section 136D.83, subdivision 1, is amended to read:

Subdivision 1. **PUBLIC AGENCY.** The joint school board shall be a public agency of the participating school districts and may receive and disburse federal and state funds

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made available to it or to the participating school districts, ~~including moneys described in section 136C.07.~~

Sec. 34. Minnesota Statutes 1994, section 136D.83, subdivision 2, is amended to read:

Subd. 2. **LIABILITY.** Except as to certificates of indebtedness or bonds issued under Minnesota Statutes 1990, section 136D.89, hereof, no participating school district shall have individual liability for the debts and obligations of the board nor shall any individual serving as a member of the board have such liability.

Sec. 35. Minnesota Statutes 1995 Supplement, section 144.057, subdivision 1, is amended to read:

Subdivision 1. **BACKGROUND STUDIES REQUIRED.** The commissioner of health shall contract with the commissioner of human services to conduct background studies of individuals providing services which have direct contact, as defined under section 245A.04, subdivision 3, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; residential care homes licensed under chapter 144B, and board and lodging establishments that are registered to provide supportive or health supervision services under section ~~157.034~~ 157.17. If a facility or program is licensed by the department of human services and subject to the background study provisions of chapter 245A and is also licensed by the department of health, the department of human services is solely responsible for the background studies of individuals in the jointly licensed programs.

Sec. 36. Minnesota Statutes 1995 Supplement, section 144D.06, is amended to read:
144D.06 OTHER LAWS.

An elderly housing with services establishment shall obtain and maintain all other licenses, permits, registrations, or other governmental approvals required of it in addition to registration under this chapter, except that an establishment registered under this chapter is exempt, at its option, from the requirement of obtaining and maintaining an adult foster care license under Minnesota Rules, parts 9543.0010 to 9543.0150, or a lodging license under chapter 157. An elderly housing with services establishment is subject to the provisions of sections 504.01 to 504.28 and 566.01 to 566.175. An elderly housing with services establishment which is also described in section ~~157.034~~ 157.17 is exempt from the requirements of that section while it is registered under this chapter.

Sec. 37. Minnesota Statutes 1994, section 145.61, subdivision 5, is amended to read:

Subd. 5. "Review organization" means a nonprofit organization acting according to clause (k) or a committee whose membership is limited to professionals, administrative staff, and consumer directors, except where otherwise provided for by state or federal law, and which is established by one or more of the following: a hospital, a clinic, a nursing home, one or more state or local associations of professionals, an organization of professionals from a particular area or medical institution, a health maintenance organization as defined in chapter 62D, a nonprofit health service plan corporation as defined in chapter 62C, a preferred provider organization, a professional standards review organization established pursuant to United States Code, title 42, section 1320c-1 et seq., a medical review agent established to meet the requirements of section 256B.04, subdivi-

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sion 15, or 256D.03, subdivision 7, paragraph (b), the department of human services, or a corporation organized under chapter 317A that owns, operates, or is established by one or more of the above referenced entities, to gather and review information relating to the care and treatment of patients for the purposes of:

(a) evaluating and improving the quality of health care rendered in the area or medical institution or by the entity or organization that established the review organization;

(b) reducing morbidity or mortality;

(c) obtaining and disseminating statistics and information relative to the treatment and prevention of diseases, illness and injuries;

(d) developing and publishing guidelines showing the norms of health care in the area or medical institution or in the entity or organization that established the review organization;

(e) developing and publishing guidelines designed to keep within reasonable bounds the cost of health care;

(f) reviewing the quality or cost of health care services provided to enrollees of health maintenance organizations, health service plans, preferred provider organizations, and insurance companies;

(g) acting as a professional standards review organization pursuant to United States Code, title 42, section 1320c-1 et seq.;

(h) determining whether a professional shall be granted staff privileges in a medical institution, membership in a state or local association of professionals, or participating status in a nonprofit health service plan corporation, health maintenance organization, preferred provider organization, or insurance company, or whether a professional's staff privileges, membership, or participation status should be limited, suspended or revoked;

(i) reviewing, ruling on, or advising on controversies, disputes or questions between:

(1) health insurance carriers, nonprofit health service plan corporations, health maintenance organizations, self-insurers and their insureds, subscribers, enrollees, or other covered persons;

(2) professional licensing boards and health providers licensed by them;

(3) professionals and their patients concerning diagnosis, treatment or care, or the charges or fees therefor;

(4) professionals and health insurance carriers, nonprofit health service plan corporations, health maintenance organizations, or self-insurers concerning a charge or fee for health care services provided to an insured, subscriber, enrollee, or other covered person;

(5) professionals or their patients and the federal, state, or local government, or agencies thereof;

(j) providing underwriting assistance in connection with professional liability insurance coverage applied for or obtained by dentists, or providing assistance to underwriters in evaluating claims against dentists;

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(k) acting as a medical review agent under section 256B.04, subdivision 15, or 256D.03, subdivision 7, paragraph (b);

(l) providing recommendations on the medical necessity of a health service, or the relevant prevailing community standard for a health service;

~~(m) reviewing a provider's professional practice as requested by the data analysis unit under section 62J.32;~~

~~(n) (m) providing quality assurance as required by United States Code, title 42, sections 1396r(b)(1)(b) and 1395i-3(b)(1)(b) of the Social Security Act;~~

(e) ~~(n)~~ providing information to group purchasers of health care services when that information was originally generated within the review organization for a purpose specified by this subdivision; or

~~(p)~~ (o) providing information to other, affiliated or nonaffiliated review organizations, when that information was originally generated within the review organization for a purpose specified by this subdivision, and as long as that information will further the purposes of a review organization as specified by this subdivision.

Sec. 38. **REPEALER.**

Minnesota Statutes 1994, section 148B.60, subdivision 6, is repealed.

Sec. 39. Minnesota Statutes 1994, section 148B.61, subdivision 2, is amended to read:

Subd. 2. **RULEMAKING.** The commissioner of health shall adopt rules necessary to implement, administer, or enforce provisions of sections 148B.60 to 148B.71 pursuant to chapter 14. The commissioner may not adopt rules that restrict or prohibit persons from providing mental health services on the basis of education, training, experience, or supervision. ~~The commissioner may consult with the mental health practitioner advisory council, established in section 148B.62, during the rulemaking process.~~ Rules adopted pursuant to this authority are exempt from section 14.115.

Sec. 40. Minnesota Statutes 1994, section 148B.64, subdivision 2, is amended to read:

Subd. 2. **INVESTIGATION.** The commissioner and employees of the department of health, ~~members of the advisory council on mental health practice,~~ and other persons engaged in the investigation of violations and in the preparation, presentation, and management of and testimony pertaining to charges of violations of this chapter are absolutely immune from civil liability and criminal prosecution for any actions, transactions, or publications in the execution of, or relating to, their duties under this chapter.

Sec. 41. Minnesota Statutes 1994, section 148B.69, subdivision 1, is amended to read:

Subdivision 1. **FORMS OF DISCIPLINARY ACTION.** When the commissioner finds that an unlicensed mental health practitioner has violated a provision or provisions of this chapter, the commissioner may take one or more of the following actions, only against the individual practitioner:

(1) revoke the right to practice;

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(2) suspend the right to practice;

(3) impose limitations or conditions on the practitioner's provision of mental health services, the imposition of rehabilitation requirements, or the requirement of practice under supervision;

(4) impose a civil penalty not exceeding \$10,000 for each separate violation, the amount of the civil penalty to be fixed so as to deprive the practitioner of any economic advantage gained by reason of the violation charged or to reimburse the office of mental health practice for all costs of the investigation and proceeding;

(5) order the practitioner to provide unremunerated professional service under supervision at a designated public hospital, clinic, or other health care institution;

(6) censure or reprimand the practitioner;

(7) impose a fee on the practitioner to reimburse the office for all or part of the cost of the proceedings resulting in disciplinary action including, but not limited to, the amount paid by the office for services from the office of administrative hearings, attorney fees, court reports, witnesses, reproduction of records, ~~advisory council members' per diem compensation,~~ staff time, and expense incurred by ~~advisory council members and~~ the staff of the office of mental health practice; or

(8) any other action justified by the case.

Sec. 42. Minnesota Statutes 1995 Supplement, section 148C.03, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** The commissioner shall, after consultation with the advisory council or a subcommittee or the special licensing criteria committee established under section 148C.11, subdivision 3, paragraph (b):

(a) adopt and enforce rules for licensure of alcohol and drug counselors, including establishing standards and methods of determining whether applicants and licensees are qualified under section 148C.04. The rules must provide for examinations and establish standards for the regulation of professional conduct. The rules must be designed to protect the public;

(b) hold or contract for the administration of examinations at least twice a year to assess applicants' knowledge and skills. The examinations must be written and oral and may be administered by the commissioner or by a private organization under contract with the commissioner to administer the licensing examinations. Examinations must minimize cultural bias and must be balanced in various theories relative to practice of alcohol and drug counseling;

(c) issue licenses to individuals qualified under sections 148C.01 to 148C.11;

(d) issue copies of the rules for licensure to all applicants;

(e) adopt rules to establish and implement procedures, including a standard disciplinary process and rules of professional conduct;

(f) carry out disciplinary actions against licensees;

(g) establish, with the advice and recommendations of the advisory council, written internal operating procedures for receiving and investigating complaints and for taking

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disciplinary actions as appropriate. Establishment of the operating procedures are not subject to rulemaking procedures under chapter 14;

(h) educate the public about the existence and content of the rules for ~~chemical dependency alcohol and drug counselor~~ licensing to enable consumers to file complaints against licensees who may have violated the rules;

(i) evaluate the rules in order to refine and improve the methods used to enforce the commissioner's standards;

(j) set, collect, and adjust license fees for alcohol and drug counselors so that the total fees collected will as closely as possible equal anticipated expenditures during the biennium, as provided in section 16A.1285; fees for initial and renewal application and examinations; late fees for counselors who submit license renewal applications after the renewal deadline; and a surcharge fee. The surcharge fee must include an amount necessary to recover, over a five-year period, the commissioner's direct expenditures for the adoption of the rules providing for the licensure of alcohol and drug counselors. All fees received shall be deposited in the state treasury and credited to the special revenue fund; and

(k) prepare reports on activities related to the licensure of alcohol and drug counselors according to this subdivision by October 1 of each even-numbered year. Copies of the reports shall be delivered to the legislature in accordance with section 3.195 and to the governor. The reports shall contain the following information on the commissioner's activities relating to the licensure of chemical dependency counselors, for the two-year period ending the previous June 30:

- (1) a general statement of the activities;
- (2) the number of staff hours spent on the activities;
- (3) the receipts and disbursements of funds;
- (4) the names of advisory council members and their addresses, occupations, and dates of appointment and reappointment;
- (5) the names and job classifications of employees;
- (6) a brief summary of rules proposed or adopted during the reporting period with appropriate citations to the State Register and published rules;
- (7) the number of persons having each type of license issued by the commissioner as of June 30 in the year of the report;
- (8) the locations and dates of the administration of examinations by the commissioner;
- (9) the number of persons examined by the commissioner with the persons subdivided into groups showing age categories, sex, and states of residency;
- (10) the number of persons licensed by the commissioner after taking the examinations referred to in clause (8) with the persons subdivided by age categories, sex, and states of residency;
- (11) the number of persons not licensed by the commissioner after taking the examinations referred to in clause (8) with the persons subdivided by age categories, sex, and states of residency;

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(12) the number of persons not taking the examinations referred to in clause (8) who were licensed by the commissioner or who were denied licensing, the reasons for the licensing or denial, and the persons subdivided by age categories, sex, and states of residency;

(13) the number of persons previously licensed by the commissioner whose licenses were revoked, suspended, or otherwise altered in status with brief statements of the reasons for the revocation, suspension, or alteration;

(14) the number of written and oral complaints and other communications received by the commissioner which allege or imply a violation of a statute or rule which the commissioner is empowered to enforce;

(15) a summary, by specific category, of the substance of the complaints and communications referred to in clause (14) and, for each specific category, the responses or dispositions; and

(16) any other objective information which the commissioner believes will be useful in reviewing the commissioner's activities.

Sec. 43. Minnesota Statutes 1995 Supplement, section 151.37, subdivision 2, is amended to read:

Subd. 2. (a) A licensed practitioner in the course of professional practice only, may prescribe, administer, and dispense a legend drug, and may cause the same to be administered by a nurse, a physician assistant, or medical student or resident under the practitioner's direction and supervision, and may cause a person who is an appropriately certified, registered, or licensed health care professional to prescribe, dispense, and administer the same within the expressed legal scope of the person's practice as defined in Minnesota Statutes. A licensed practitioner may prescribe a legend drug, without reference to a specific patient, by directing a registered nurse, physician assistant, or medical student or resident to adhere to a particular practice guideline or protocol when treating patients whose condition falls within such guideline or protocol, and when such guideline or protocol specifies the circumstances under which the legend drug is to be prescribed and administered. An individual who verbally, electronically, or otherwise transmits a written, oral, or electronic order, as an agent of a prescriber, shall not be deemed to have prescribed the legend drug. This paragraph applies to a physician assistant only if the physician assistant meets the ~~registration and certification~~ requirements of section ~~147.34, subdivision 1, paragraph (a)~~ 147A.18.

(b) A licensed practitioner that dispenses for profit a legend drug that is to be administered orally, is ordinarily dispensed by a pharmacist, and is not a vaccine, must file with the practitioner's licensing board a statement indicating that the practitioner dispenses legend drugs for profit, the general circumstances under which the practitioner dispenses for profit, and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs for profit after July 31, 1990, unless the statement has been filed with the appropriate licensing board. For purposes of this paragraph, "profit" means (1) any amount received by the practitioner in excess of the acquisition cost of a legend drug for legend drugs that are purchased in prepackaged form, or (2) any amount received by the practitioner in excess of the acquisition cost of a legend drug plus the cost of making the drug available if the legend drug requires compounding, packaging, or other treatment. The statement filed under this paragraph is public data under section 13.03. This para-

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graph does not apply to a licensed doctor of veterinary medicine or a registered pharmacist. Any person other than a licensed practitioner with the authority to prescribe, dispense, and administer a legend drug under paragraph (a) shall not dispense for profit. To dispense for profit does not include dispensing by a community health clinic when the profit from dispensing is used to meet operating expenses.

Sec. 44. Minnesota Statutes 1994, section 176.021, subdivision 7, is amended to read:

Subd. 7. **PUBLIC OFFICER.** If an employee who is a public officer of the state or governmental subdivision continues to receive the compensation of office during a period when receiving benefits under the workers' compensation law for temporary total or temporary partial disability or permanent total disability and the compensation of office exceeds \$100 a year, the amount of that compensation attributable to the period for which benefits under the workers' compensation law are paid shall be deducted from such benefits. If an employee covered by the Minnesota state retirement system receives total and permanent disability benefits pursuant to section 352.113 or disability benefits pursuant to sections 352.95 and 352B.10, the amount of disability benefits shall be deducted from workers' compensation benefits otherwise payable. If an employee covered by the teachers retirement fund receives total and permanent disability benefits pursuant to section 354.48, the amount of disability benefits must be deducted from workers' compensation benefits otherwise payable. Notwithstanding the provisions of Minnesota Statutes 1994, section 176.132, a deduction under this subdivision does not entitle an employee to supplemental benefits under section 176.132.

Sec. 45. Minnesota Statutes 1994, section 176.129, subdivision 4a, is amended to read:

Subd. 4a. **CONTRIBUTION RATE ADJUSTMENT.** In determining the rate of adjustment as provided by subdivision 3, the commissioner shall determine the revenues received less claims received for the preceding 12 months ending June 30, 1984, and each June 30 thereafter.

If the result is:	the range of adjustment is:
over \$15,000,000	-10% to 0%
less than \$15,000,000 but more than \$10,000,000	-7% to +3%
less than \$10,000,000 but more than \$5,000,000	-5% to +5%
less than \$5,000,000 but more than \$0	-3% to +7%
\$0 but less than a \$5,000,000 deficit	0% to +10%
more than a \$5,000,000 deficit	+5% to +12%

The adjustment under this subdivision shall be used for assessments for calendar year 1984 and each year thereafter.

An amount assessed pursuant to this section is payable to the commissioner within 45 days of mailing notice of the amount due unless the commissioner orders otherwise.

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The commissioner may allow an offset of the reimbursements due an employer pursuant to sections Minnesota Statutes 1990, section 176.131, and Minnesota Statutes 1994, section 176.132, against the assessment due under this section and may promulgate rules to establish the terms and conditions under which an employer will be allowed the offset.

Sec. 46. Minnesota Statutes 1994, section 176.129, subdivision 13, is amended to read:

Subd. 13. **EMPLOYER REPORTS.** All employers and insurers shall make reports to the commissioner as required for the proper administration of this section and sections Minnesota Statutes 1990, section 176.131, and Minnesota Statutes 1994, section 176.132. Employers and insurers may not be reimbursed from the special compensation fund for any periods for which the employer has not properly filed reports as required by this section and made all payments due to the special compensation fund under subdivision 3.

Sec. 47. Minnesota Statutes 1994, section 176.225, subdivision 2, is amended to read:

Subd. 2. **EXAMINATION OF BOOKS AND RECORDS.** To determine whether an employer or insurer is liable for the payment provided by subdivision 1, the division, a compensation judge, or the workers' compensation court of appeals upon appeal may examine the books and records of the employer or insurer relating to the payment of compensation, and may require the employer or insurer to furnish any other information relating to the payment of compensation.

The right of the division to review the records of an employer or insurer includes the right of the special compensation fund to examine records for the proper administration of sections section 176.129, Minnesota Statutes 1990, section 176.131, Minnesota Statutes 1994, section 176.132, and sections 176.181, and 176.183. The special compensation fund may not review the records of the employer or insurer relating to a claim under Minnesota Statutes 1990, section 176.131, until the special compensation fund has accepted liability under that section or a final determination of liability under that section has been made. The special compensation fund may withhold reimbursement to the employer or insurer under Minnesota Statutes 1990, section 176.131, or Minnesota Statutes 1994, section 176.132, if the employer or insurer denies access to records requested for the proper administration of section 176.129, Minnesota Statutes 1990, section 176.131, Minnesota Statutes 1994, section 176.132, section 176.181, or 176.183.

Sec. 48. Minnesota Statutes 1994, section 176.83, subdivision 7, is amended to read:

Subd. 7. **MISCELLANEOUS RULES.** Rules necessary for implementing and administering the provisions of sections Minnesota Statutes 1990, section 176.131, Minnesota Statutes 1994, section 176.132, sections 176.238, and 176.239; sections 176.251, 176.66 to 176.669, and rules regarding proper allocation of compensation under section 176.111. Under the rules adopted under section 176.111 a party may petition for a hearing before a compensation judge to determine the proper allocation. In this case the compensation judge may order a different allocation than prescribed by rule.

Sec. 49. Minnesota Statutes 1994, section 177.24, subdivision 1, is amended to read:

Subdivision 1. **AMOUNT.** (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.

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(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, every large employer must pay each employee wages at a rate of at least \$4.25 an hour beginning January 1, 1991. Every small employer must pay each employee at a rate of at least \$4 an hour beginning January 1, 1991.

(c) A large employer must pay each employee at a rate of at least the minimum wage set by this section or federal law without the reduction for training wage or full-time student status allowed under federal law.

Sec. 50. Minnesota Statutes 1994, section 177.24, subdivision 4, is amended to read:

Subd. 4. **UNREIMBURSED EXPENSES DEDUCTED.** Deductions, direct or indirect, from wages or gratuities not authorized by this subdivision may only be taken as authorized by sections 177.28, ~~subdivisions~~ subdivision 3 and 4, 181.06, and 181.79. Deductions, direct or indirect, for up to the full cost of the uniform or equipment as listed below, may not exceed \$50. No deductions, direct or indirect, may be made for the items listed below which when subtracted from wages would reduce the wages below the minimum wage:

(a) purchased or rented uniforms or specially designed clothing required by the employer, by the nature of the employment, or by statute as a condition of employment, which is not generally appropriate for use except in that employment;

(b) purchased or rented equipment used in employment, except tools of a trade, a motor vehicle, or any other equipment which may be used outside the employment;

(c) consumable supplies required in the course of that employment;

(d) travel expenses in the course of employment except those incurred in traveling to and from the employee's residence and place of employment.

Sec. 51. Minnesota Statutes 1994, section 177.27, subdivision 6, is amended to read:

Subd. 6. **EMPLOYER LIABILITY.** Employers are liable to employees for back wages and gratuities as computed by the department or, if contested by the employer, as awarded in a public hearing. The commissioner may establish escrow accounts for purposes of distributing back wages and gratuities. In addition, hearing costs of up to ten percent of any back wages and gratuities awarded may be assessed against the employer by the administrative law judge and paid to the commissioner if the administrative law judge finds that the employer had no meritorious defense against the claim. ~~The penalty provided under this subdivision for failure to pay back wages and gratuities does not apply to compliance orders issued to an employer under this section before July 1, 1985.~~ This subdivision does not prevent an employee from prosecuting a claim for wages or gratuities.

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Sec. 52. REPEALER.

Minnesota Statutes, section 177.28, subdivision 4, is repealed.

Sec. 53. Minnesota Statutes 1994, section 197.447, is amended to read:

197.447 VETERAN, DEFINED.

The word "veteran" as used in Minnesota Statutes, except in sections ~~136C.13~~ 136F.28, 196.21, 197.971, and 243.251, means a citizen of the United States or a resident alien who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, or who has met the minimum active duty requirement as defined by Code of Federal Regulations, title 38, section 3.12a, or who has active military service certified under section 401, Public Law Number 95-202. The active military service must be certified by the United States Secretary of Defense as active military service and a discharge under honorable conditions must be issued by the Secretary.

Sec. 54. Minnesota Statutes 1994, section 198.002, subdivision 2, is amended to read:

Subd. 2. **MEMBERSHIP.** The board consists of nine voting members appointed by the governor with the advice and consent of the senate. The members of the board shall fairly represent the geographic areas of the state. The members are:

- (1) a chair, designated by the governor;
- (2) three public members experienced in policy formulation with professional experience in health care delivery; and
- (3) five members experienced in policy formulation with professional experience in health care delivery who are members of congressionally chartered veterans organizations or their auxiliaries that have a statewide organizational structure and state level officers in Minnesota.

The commissioner of veterans affairs shall serve as an ex officio, nonvoting member of the board. ~~The chair of the senate veterans affairs committee and the chair of the house committee on general legislation, veterans affairs, and gaming serve as ex officio, nonvoting members of the board if they are veterans. From each house of the legislature, the chair of the committee that deals with veterans affairs shall serve as an ex officio, nonvoting member if that person is a veteran.~~ In the event that one or both of the chairs are not veterans, then any member of the respective committees who is a veteran may be designated by the chair to serve on the board.

Sec. 55. Minnesota Statutes 1994, section 205A.13, is amended to read:

205A.13 REQUIREMENTS FOR PETITIONS.

Any petition to a school board authorized in this chapter or sections 124.226, 124.2716, 124.91, 124.912, 124.914, 124.916, 124.918, and 124A.03, and ~~136C.411~~, or any other law which requires the board to submit an issue to referendum or election, shall meet the following requirements to be valid.

(1) Each page of the petition shall contain a heading at its top which specifies the particular action the board is being petitioned to take. The signatures on any page which

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does not contain such a heading shall all be invalidated. All pages of the petition shall be assembled and filed with the board as a single instrument.

(2) Each page of the petition shall contain an authentication signed by the circulator of the petition specifying as follows:

“I personally have circulated this page of the petition. All signatures were made in my presence. I believe that the signers signed their own names and that each person who has signed is eligible to vote in a school district election according to Minnesota election law.

Signed: Signature of Petition Circulator

Date:

The signatures on any page which does not contain such an authentication shall all be invalidated.

(3) Signers of the petition shall personally sign their own names in ink or indelible pencil and shall indicate after the name the place of residence by street and number, or other description sufficient to identify the place. Except as provided in clause (4), any signature which does not meet these requirements shall be invalidated.

(4) Individuals who are unable to write their names shall be required to make their marks on the petition. The circulator of the petition shall certify the mark by signing the individual’s name and address and shall thereafter print the phrase “mark certified by petition circulator.”

(5) A petition, to be valid, must contain the minimum number of valid signatures of eligible voters specified in the law authorizing the petition and election.

Sec. 56. Minnesota Statutes 1995 Supplement, section 237.16, subdivision 11, is amended to read:

Subd. 11. **INTERIM AUTHORITY IN AREAS SERVED BY TELEPHONE COMPANIES WITH LESS THAN 50,000 SUBSCRIBERS.** (a) Before adopting the rules required under subdivision 8 for telephone companies with less than 50,000 subscribers, when an applicant requests certification to provide local telephone service in an area served by a telephone company with less than 50,000 subscribers originally certified to provide local telephone service before January 1, 1988, the commission shall grant the application if it finds the applicant meets the requirements of subdivision 1. The commission shall make its determination on the application, including whether to provide a temporary arrangement for the effective interconnection of the local exchange networks, after a hearing under chapter 14 or expedited proceeding under section 237.61, within nine months of the application, and considering any facts unique to that telephone company. In addition, if an application is granted, that telephone company shall:

(1) permit interconnection or discontinue interconnection for intrastate services to the same extent and in the same manner and time frame as the Federal Communications Commission may thereafter require for that small telephone company for interstate purposes; and

(2) unbundle its intrastate services and facilities used for intrastate services to the same extent and in the same manner as the Federal Communications Commission may thereafter require for that telephone company for interstate purposes.

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(b) If a telephone company with less than 50,000 subscribers is authorized by the Federal Communications Commission to provide video common carrier services before the rules required under subdivision 8 are adopted, an application under this subdivision for certification to provide local telephone service in an area served by that telephone company shall be determined within 120 days of its filing.

Sec. 57. Minnesota Statutes 1994, section 256.9753, subdivision 3, is amended to read:

Subd. 3. **EXPENDITURES.** The board shall consult with the office of citizenship and volunteer services prior to expending money available for the retired senior volunteer programs. Expenditures shall be made (1) to strengthen and expand existing retired senior volunteer programs, and (2) to encourage the development of new programs in areas in the state where these programs do not exist. Grants shall be made consistent with applicable federal guidelines.

Sec. 58. Minnesota Statutes 1994, section 268.166, is amended to read:

268.166 CANCELLATION OF DELINQUENT CONTRIBUTIONS.

~~Notwithstanding section 10.12,~~ The commissioner may cancel as uncollectible any contributions, reimbursements, penalties, or the interest or costs thereon, which remain unpaid six years after the amounts have been determined by the commissioner to be due and payable. This section does not prohibit the commissioner from collecting any amounts secured by a notice of lien or a judgment which are older than six years.

Sec. 59. Minnesota Statutes 1994, section 270B.07, subdivision 4, is amended to read:

Subd. 4. **DISCLOSURE TO GAMBLING CONTROL BOARD.** The commissioner may disclose return information for the purpose of and to the extent necessary to administer ~~sections 349.161, subdivision 3, and 349.164, section 349.155, subdivision 3.~~

Sec. 60. Minnesota Statutes 1995 Supplement, section 275.065, subdivision 6, is amended to read:

Subd. 6. **PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.** Between November 29 and December 20, the governing bodies of the city, county, metropolitan special taxing districts as defined in subdivision 3, paragraph (i), and regional library districts shall each hold a public hearing to discuss and seek public comment on its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold a public hearing to review its current budget and proposed property tax levy for taxes payable in the following year. The metropolitan special taxing districts shall be required to hold only a single joint public hearing, the location of which will be determined by the affected metropolitan agencies.

At a subsequent hearing, each county, school district, city, and metropolitan special taxing district may amend its proposed property tax levy and must adopt a final property tax levy. Each county, city, and metropolitan special taxing district may also amend its proposed budget and must adopt a final budget at the subsequent hearing. A school district is not required to adopt its final budget at the subsequent hearing. The subsequent hearing of a taxing authority must be held on a date subsequent to the date of the taxing authority's initial public hearing, or subsequent to the date of its continuation hearing if a

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continuation hearing is held. The subsequent hearing may be held at a regularly scheduled board or council meeting or at a special meeting scheduled for the purposes of the subsequent hearing. The subsequent hearing of a taxing authority does not have to be coordinated by the county auditor to prevent a conflict with an initial hearing, a continuation hearing, or a subsequent hearing of any other taxing authority. All subsequent hearings must be held prior to five working days after December 20 of the levy year.

The time and place of the subsequent hearing must be announced at the initial public hearing or at the continuation hearing.

The property tax levy certified under section 275.07 by a city, county, metropolitan special taxing district, regional library district, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 124.82, subdivision 3, 124A.03, subdivision 2, or 124B.03, subdivision 2, ~~or 136C.411~~, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds issued or approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a;

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of children, families, and learning after the proposed levy was certified; and

(7) the amount required under section 124.755.

At the hearing under this subdivision, the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed.

During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions. At the subsequent hearing held as provided in this subdivision, the governing body, other than the governing body of a school district, shall adopt its final property tax levy prior to adopting its final budget.

If the hearing is not completed on its scheduled date, the taxing authority must announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continued hearing must be held at least five business days but no more than 14 business days after the original hearing.

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The hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No hearing may be held on a Sunday. The governing body of a county shall hold a hearing on the second Tuesday in December each year, and may hold additional hearings on other dates before December 20 if necessary for the convenience of county residents. If the county needs a continuation of its hearing, the continued hearing shall be held on the third Tuesday in December. If the third Tuesday in December falls on December 21, the county's continuation hearing shall be held on Monday, December 20. The county auditor shall provide for the coordination of hearing dates for all cities and school districts within the county.

The metropolitan special taxing districts shall hold a joint public hearing on the first Monday of December. A continuation hearing, if necessary, shall be held on the second Monday of December.

By August 10, each school board and the board of the regional library district shall certify to the county auditors of the counties in which the school district or regional library district is located the dates on which it elects to hold its hearings and any continuations. If a school board or regional library district does not certify the dates by August 10, the auditor will assign the hearing date. The dates elected or assigned must not conflict with the hearing dates of the county or the metropolitan special taxing districts. By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which school districts and regional library districts have elected to hold their hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its hearings and any continuations. The city must not select dates that conflict with the county hearing dates, metropolitan special taxing district dates, or with those elected by or assigned to the school districts or regional library district in which the city is located.

The county hearing dates and the city, metropolitan special taxing district, regional library district, and school district hearing dates must be designated on the notices required under subdivision 3. The continuation dates need not be stated on the notices.

This subdivision does not apply to towns and special taxing districts other than regional library districts and metropolitan special taxing districts.

Notwithstanding the requirements of this section, the employer is required to meet and negotiate over employee compensation as provided for in chapter 179A.

Sec. 61. Minnesota Statutes 1995 Supplement, section 276.04, subdivision 2, is amended to read:

Subd. 2. **CONTENTS OF TAX STATEMENTS.** (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The statement must contain a tabulated statement of the dollar amount due to each taxing authority from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the county, township or municipality, the total of the metropolitan special taxing districts as defined in section 275.065, subdivision 3, paragraph (i), school district excess referenda levy, remaining school district levy, and the total of other voter approved referenda levies based on market value under section 275.61 must be separately stated. The amounts due all other special taxing districts, if any, may be aggregated. For the purposes of this subdivision, "school district excess referenda levy" means school district taxes for operating

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purposes approved at referenda, including those taxes based on net tax capacity as well as those based on market value. "School district excess referenda levy" does not include school district taxes for capital expenditures approved at referendums or school district taxes to pay for the debt service on bonds approved at referenda. The amount of the tax on contamination value imposed under sections 270.91 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The amount of market value excluded under section 273.11, subdivision 16, if any, must also be listed on the tax statement. The statement shall include the following sentence, printed in upper case letters in boldface print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT."

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

- (1) the property's estimated market value under section 273.11, subdivision 1;
- (2) the property's taxable market value after reductions under section 273.11, subdivisions 1a and 16;
- (3) the property's gross tax, calculated by multiplying the property's gross tax capacity times the total local tax rate and adding to the result the sum of the aids enumerated in clause ~~(3)~~ (4);
- (4) a total of the following aids:
 - (i) education aids payable under chapters 124 and 124A;
 - (ii) local government aids for cities, towns, and counties under chapter 477A; and
 - (iii) disparity reduction aid under section 273.1398;
- (5) for homestead residential and agricultural properties, the homestead and agricultural credit aid apportioned to the property. This amount is obtained by multiplying the total local tax rate by the difference between the property's gross and net tax capacities under section 273.13. This amount must be separately stated and identified as "homestead and agricultural credit." For purposes of comparison with the previous year's amount for the statement for taxes payable in 1990, the statement must show the homestead credit for taxes payable in 1989 under section 273.13, and the agricultural credit under section 273.132 for taxes payable in 1989;
- (6) any credits received under sections 273.119; 273.123; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief"; and

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(7) the net tax payable in the manner required in paragraph (a).

The commissioner of revenue shall certify to the county auditor the actual or estimated aids enumerated in clauses (3) and (4) that local governments will receive in the following year. In the case of a county containing a city of the first class, for taxes levied in 1991, and for all counties for taxes levied in 1992 and thereafter, the commissioner must certify this amount by September 1.

Sec. 62. Minnesota Statutes 1994, section 284.28, subdivision 5, is amended to read:

Subd. 5. In cases where the lands are and ever since the time of filing the auditor's certificate of forfeiture under section 281.23, subdivision 8 9, or filing of service of notice of expiration of redemption under section 281.21, have been in the actual, open, continuous, and exclusive possession of the owner, or the owner's successors in interest, claiming adversely to the state or its successors in interest, the period of limitations as to such owner, or the owner's successors in interest, shall be

(i) the time of the possession, or

(ii) the period of limitations provided in subdivisions 2 and 3, whichever period is greater.

Sec. 63. Minnesota Statutes 1994, section 284.28, subdivision 6, is amended to read:

Subd. 6. Any claimant failing to commence an action or assert a defense within the time prescribed by subdivisions 2 and 3 shall be conclusively presumed to have abandoned all right, title, and interest in the lands described in the county auditor's certificate of forfeiture or notice of expiration of redemption, which certificate of forfeiture when filed under section 281.23, subdivision 8 9, or notice of expiration of redemption when filed under section 281.21, shall constitute notice of the forfeiture of the lands affected to all persons having or claiming an interest therein. If no action or defense is asserted and notice of lis pendens recorded within the time prescribed by subdivisions 2 and 3, a certificate of sale or state assignment certificate recorded with the county recorder has the force and effect of a patent after the expiration of the period prescribed by subdivision 1, subject to the rights of persons described in subdivision 5 and any rights set forth in the certificate of sale or state assignment certificate.

Except as provided in subdivision 11, the time prescribed by subdivisions 2 and 3 shall not commence to run until June 15, 1977 as to any county auditor's certificate of forfeiture or notice of expiration of the time for redemption filed prior to June 15, 1977.

Sec. 64. **REPEALER.**

Minnesota Statutes 1994, section 289A.60, subdivision 9, is repealed.

Sec. 65. Minnesota Statutes 1995 Supplement, section 295.50, subdivision 4, is amended to read:

Subd. 4. **HEALTH CARE PROVIDER.** (a) "Health care provider" means:

(1) a person furnishing any or all of the following goods or services directly to a patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services, drugs, medical supplies, medical appliances, laboratory, diagnostic or therapeutic services, or any goods and services not listed above that qualify for reimbursement under the

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medical assistance program provided under chapter 256B. For purposes of this clause, "directly to a patient or consumer" includes goods and services provided in connection with independent medical examinations under section 65B.56 or other examinations for purposes of litigation or insurance claims;

- (2) a staff model health plan company; or
- (3) an ambulance service required to be licensed.

(b) Health care provider does not include hospitals, nursing homes licensed under chapter 144A or licensed in any other jurisdiction, pharmacies, surgical centers, bus and taxicab transportation, or any other providers of transportation services other than ambulance services required to be licensed, supervised living facilities for persons with mental retardation or related conditions, licensed under Minnesota Rules, parts 4665.0100 to 4665.9900, residential care homes licensed under chapter 144B, board and lodging establishments providing only custodial services that are licensed under chapter 157 and registered under section ~~157.031~~ 157.17 to provide supportive services or health supervision services, adult foster homes as defined in Minnesota Rules, part 9555.5050, and boarding care homes, as defined in Minnesota Rules, part 4655.0100.

Sec. 66. Minnesota Statutes 1995 Supplement, section 297A.25, subdivision 11, is amended to read:

Subd. 11. **SALES TO GOVERNMENT.** The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities, the University of Minnesota, state universities, community colleges, technical colleges, state academies, the Minnesota center for arts education, and school districts are exempt.

As used in this subdivision, "school districts" means public school entities and districts of every kind and nature organized under the laws of the state of Minnesota, including, without limitation, school districts, intermediate school districts, education districts, educational cooperative service units, secondary vocational cooperative centers, special education cooperatives, joint purchasing cooperatives, telecommunication cooperatives, regional management information centers, technical colleges, joint vocational technical districts, and any instrumentality of a school district, as defined in section 471.59.

Sales exempted by this subdivision include sales under section 297A.01, subdivision 3, paragraph (f), but do not include sales under section 297A.01, subdivision 3, paragraph (j), clause (vii).

Sales to hospitals and nursing homes owned and operated by political subdivisions of the state are exempt under this subdivision.

The sales to and exclusively for the use of libraries of books, periodicals, audio-visual materials and equipment, photocopiers for use by the public, and all cataloguing and circulation equipment, and cataloguing and circulation software for library use are exempt under this subdivision. For purposes of this paragraph "libraries" means libraries as defined in section 134.001, county law libraries under chapter 134A, the state library under section 480.09, and the legislative reference library.

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Sales of supplies and equipment used in the operation of an ambulance service owned and operated by a political subdivision of the state are exempt under this subdivision provided that the supplies and equipment are used in the course of providing medical care. Sales to a political subdivision of repair and replacement parts for emergency rescue vehicles and fire trucks and apparatus are exempt under this subdivision.

Sales to a political subdivision of machinery and equipment, except for motor vehicles, used directly for mixed municipal solid waste management services at a solid waste disposal facility as defined in section 115A.03, subdivision 10, are exempt under this subdivision.

Sales to political subdivisions of chore and homemaking services to be provided to elderly or disabled individuals are exempt.

Sales of telephone services to the department of administration that are used to provide telecommunications services through the intertechnologies revolving fund are exempt under this subdivision.

This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration, or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities.

This exemption does not apply to the leasing of a motor vehicle as defined in section 297B.01, subdivision 5, except for leases entered into by the United States or its agencies or instrumentalities.

The tax imposed on sales to political subdivisions of the state under this section applies to all political subdivisions other than those explicitly exempted under this subdivision, notwithstanding section 115A.69, subdivision 6, 116A.25, 360.035, 458A.09, 458A.30, 458D.23, 469.101, subdivision 2, 469.127, ~~473.394~~, 473.448, 473.545, or 473.608 or any other law to the contrary enacted before 1992.

Sales exempted by this subdivision include sales made to other states or political subdivisions of other states, if the sale would be exempt from taxation if it occurred in that state, but do not include sales under section 297A.01, subdivision 3, paragraphs (c) and (e).

Sec. 67. Minnesota Statutes 1994, section 298.39, is amended to read:

298.39 DISTRIBUTION OF PROCEEDS.

The proceeds of the tax collected under section 298.35 shall be distributed by the state treasurer, upon certificate of the commissioner of revenue to the general fund of the state and to the various taxing districts in which the lands from which the semitaconite was mined or quarried were located in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If the mining and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivi-

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sions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the semitaconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. The commissioner's order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the state, or of the taxing districts in the same proportion as the general ad valorem tax thereof. If in any year the state shall not spread any general ad valorem tax levy against real property, the state's proportion of the tax shall be paid into the general fund. On or before October 10 of each calendar year each producer of semitaconite subject to taxation under section 298.35, hereinafter called "taxpayer," shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district or city which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in such next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner on deeming it improper, notice of such correction being given by the commissioner to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such city in the year in which such estimate is made, and payable in the next ensuing calendar year. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.36, as the amount of tax payable under section 298.35, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.35, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to chapter 124 or 124A or ~~section 136C.411~~ has been made, if the taxes distributable to any such city or school district are greater than the amount estimated to be paid to any such city or school district in such year, the excess of such distribution shall be held in a special fund by the city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under chapter 124 or 124A or ~~section 136C.411~~ of such city or school district payable in such year. If the amounts distributable to any such city or school district, after final determination by the commissioner of reve-

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nue under this section are less than the amounts indicated by such estimates, such city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of chapters 124 and 124A and ~~section 136C.411~~ an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby appropriated to such taxing districts as are stated herein, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer.

Sec. 68. Minnesota Statutes 1994, section 299L.07, subdivision 8, is amended to read:

Subd. 8. **LICENSE ACTIONS.** (a) The commissioner may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the applicant or licensee, or a director, officer, partner, governor, person in a supervisory or management position of the applicant or licensee, an employee eligible to make sales on behalf of the applicant or licensee, or direct or indirect holder of more than a five percent financial interest in the applicant or licensee:

- (1) has ever been convicted of a felony, or of a crime involving gambling;
 - (2) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
 - (3) is or has ever connected with or engaged in an illegal business;
 - (4) owes \$500 or more in delinquent taxes as defined in section 270.72;
 - (5) had a sales and use tax permit revoked by the commissioner of revenue within the past two years;
 - (6) after demand, has not filed tax returns required by the commissioner of revenue;
- or
- (7) had a license or permit revoked or denied by another jurisdiction for a violation of law or rule relating to gambling.

The commissioner may deny or refuse to renew a license under this chapter, and may revoke a license under this chapter, if any of the conditions in this subdivision is applicable to an affiliate of or a direct or indirect holder of more than a five percent financial interest in the applicant or licensee.

(b) The commissioner may by order deny, suspend, revoke, refuse to renew a license or premises permit, or censure a licensee or applicant, if the commissioner finds that the order is in the public interest and that the applicant or licensee, or a director, officer, partner, person in a supervisory or management position of the applicant ~~of~~ or licensee, or an employee eligible to make sales on behalf of the applicant or licensee:

- (1) has violated or failed to comply with any provision of this chapter, chapter 297E, or 349, or any rule adopted or order issued thereunder;
- (2) has filed an application for a license that is incomplete in any material respect, or contains a statement that, in light of the circumstances under which it was made, is false, misleading, fraudulent, or a misrepresentation;

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(3) has made a false statement in a document or report required to be submitted to the director, the commissioner, or the commissioner of revenue, or has made a false statement in a statement made to the director or commissioner;

(4) has been convicted of a crime in another jurisdiction that would be a felony if committed in Minnesota;

(5) is permanently or temporarily enjoined by any gambling regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

(6) has had a gambling-related license revoked or suspended, or has paid or been required to pay a monetary penalty of \$2,500 or more, by a gambling regulator in another state or jurisdiction, or has violated or failed to comply with an order of such a regulator that imposed those actions;

(7) has been the subject of any of the following actions by the director or commissioner: (i) had a license under this chapter denied, suspended or revoked, (ii) been censured, reprimanded, has paid or been required to pay a monetary penalty or fine, or (iii) has been the subject of any other discipline by the director;

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling; or

(9) based on the licensee's past activities or criminal record, poses a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the danger of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.

Sec. 69. Minnesota Statutes 1994, section 308A.135, subdivision 3, is amended to read:

Subd. 3. **CERTIFICATE.** (a) A certificate must be prepared stating:

(1) the vote and meeting of the board adopting a resolution of the proposed amendment;

(2) the notice given to members of the meeting that at which the amendment was adopted;

(3) the quorum registered at the meeting; and

(4) the vote cast adopting the amendment.

(b) The certificate must be signed by the chair, vice-chair, president, vice-president, secretary, or assistant secretary and filed with the records of the cooperative.

Sec. 70. Minnesota Statutes 1994, section 325D.01, subdivision 1, is amended to read:

Subdivision 1. **WORDS, TERMS, AND PHRASES.** Unless the language or context clearly indicates that a different meaning is intended, the words, terms, and phrases defined in this section, for the purposes of sections 325D.02 to ~~325D.08~~ 325D.07, shall be given the meanings subjoined to them.

Sec. 71. Minnesota Statutes 1994, section 325D.69, subdivision 2, is amended to read:

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Subd. 2. **MISDEMEANORS.** Any person, firm, or corporation, whether as principal, agent, officer, or director, for itself, or for another person, firm, or corporation, willfully violating the provisions of sections 325D.03, 325D.04, and 325D.05 and ~~325D.08~~ shall be guilty of a misdemeanor.

Any person who, either as director, officer, or agent of any firm or corporation or as agent of any person violating the provisions of sections 325D.03, 325D.04, and 325D.05 and ~~325D.08~~, knowingly assists or aids directly or indirectly in such violation shall be equally responsible therefor.

Sec. 72. Minnesota Statutes 1994, section 325D.70, is amended to read:

325D.70 INJUNCTIVE RELIEF.

In addition to the penalties provided in section 325D.69, subdivision 2, the courts of this state are hereby vested with jurisdiction to prevent and restrain violations of sections 325D.02 to 325D.07. Any person, partnership, corporation, or association damaged, or who is threatened with loss or injury, by reason of a violation of these sections shall be entitled to sue for and have injunctive relief in any court of competent jurisdiction against any damage or threatened loss or injury by reason of a violation thereof and for the amount of the actual damages, if any. In order to obtain such injunctive relief it shall not be necessary to allege or prove that an adequate remedy at law does not exist.

No person shall be excused from attending and testifying or from producing books, papers, contracts, agreements, and documents in any case or proceedings instituted or brought under the provisions of sections 325D.02 to ~~325D.08~~ 325D.07, 325D.69, and this section, or in obedience to a subpoena, in any such case or proceedings, on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of the person may tend to criminate or subject the person to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which the person may testify, or produce evidence, documentary or otherwise, in any such case or proceedings, or in obedience to a subpoena, in any such case or proceedings.

Sec. 73. **REPEALER.**

Minnesota Statutes 1994, section 349.218, is repealed.

Sec. 74. Minnesota Statutes 1994, section 349A.02, subdivision 6, is amended to read:

Subd. 6. **EMPLOYEES; BACKGROUND CHECKS.** The director shall conduct background checks, or request the director of gambling enforcement to conduct background checks, on all prospective employees who are finalists, and shall require that all employees of the lottery be fingerprinted. No person may be employed by the lottery who has been convicted of a felony or a crime involving fraud or misrepresentation within five years of starting employment with the lottery, or has ever been convicted of a gambling-related offense. The director has access to all criminal history data compiled by the lottery division of gambling enforcement on employees and prospective employees of the lottery. The director may employ necessary persons pending the completion of a background check.

Sec. 75. Minnesota Statutes 1994, section 352.75, subdivision 6, is amended to read:

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Subd. 6. **INCREASE IN EXISTING ANNUITIES AND BENEFITS.** All persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the former metropolitan transit commission—transit operating division employees retirement fund on December 31, 1977, and on July 1, 1978, are entitled to have the allowances, annuities, or benefits increased by an amount equal to \$20 per month. ~~Notwithstanding section 356.18,~~ Increases in payments under this subdivision must be made automatically unless the intended recipient files written notice with the executive director of the Minnesota state retirement system requesting that the increase not be made. If any actuarial reduction or adjustment was applied to the retirement allowance or annuity, disability benefit, survivorship annuity, or survivor of deceased active employee benefit, the increase specified in this subdivision must be similarly reduced or adjusted. Upon the death of any person receiving an annuity or benefit if the person elected a joint and survivor optional annuity the survivor is entitled to the continued receipt of the increase provided for under this subdivision, but the increase must be reduced or adjusted in accordance with the optional annuity election.

Sec. 76. Minnesota Statutes 1994, section 352B.26, subdivision 3, is amended to read:

Subd. 3. **VALUATION OF ASSETS; ADJUSTMENT OF BENEFITS.** (a) For former members beginning receipt of annuities and qualified recipients of joint and survivor annuities and surviving spouse benefits, the required reserves must be determined in accordance with the appropriate mortality table adopted by the board of directors of the Minnesota state retirement system based on the experience of the fund as recommended by the commission—retained actuary and using the interest assumption specified in section 356.215, subdivision 4d. Assets representing the required reserves for these annuities must be transferred to the Minnesota postretirement investment fund as of the last business day of the month in which the retirement annuity begins as specified in section 11A.18.

(b) Annuity payments must be adjusted in accordance with section 11A.18.

(c) ~~Notwithstanding section 356.18,~~ An increase in annuity payments under this section must be made automatically unless written notice is filed by the annuitant with the executive director of the Minnesota state retirement system requesting that the increase not be made.

Sec. 77. Minnesota Statutes 1994, section 353.271, subdivision 2, is amended to read:

Subd. 2. **VALUATION OF ASSETS; ADJUSTMENT OF BENEFITS.** (1) The required reserves for retirement annuities payable as provided in this chapter other than those payable from the various local relief association consolidation accounts, as determined in accordance with the appropriate mortality table adopted by the board of trustees based on the experience of the fund as recommended by the actuary retained by the legislative commission on pensions and retirement, and using the postretirement interest assumption specified in section 356.215, subdivision 4d, shall be transferred to the Minnesota postretirement investment fund as of the last business day of the month in which the retirement annuity begins.

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(2) Annuity payments other than those payable from the various local relief association consolidation accounts shall be adjusted in accordance with the provisions of section 11A.18.

(3) ~~Notwithstanding section 356.18,~~ Increases in payments pursuant to this section or from the various local relief association consolidation accounts, if applicable, will be made automatically unless the intended recipient files written notice with the executive director of the public employees retirement association requesting that the increase shall not be made.

Sec. 78. Minnesota Statutes 1994, section 353.84, is amended to read:

353.84 INCREASE IN BENEFITS.

All survivors and disabilitants who were receiving benefits on June 30, 1973, shall receive from the appropriate special fund, a 25 percent increase in such benefits accruing from January 1, 1974; provided, that survivors of members who died prior to July 1, 1973 and will not become eligible to receive benefits until after June 30, 1973, shall receive the 25 percent increase in such benefits when the benefits begin to accrue. Such increases shall not be affected by any maximum limitations otherwise provided in this chapter.

~~Notwithstanding section 356.18,~~ Increases in payments pursuant to this section will be made automatically unless the intended recipient files written notice with the public employees retirement association requesting that the increase shall not be made.

Sec. 79. Minnesota Statutes 1995 Supplement, section 354.05, subdivision 5, is amended to read:

Subd. 5. **MEMBER OF THE ASSOCIATION.** "Member of the association" means every teacher who contributes to the teachers retirement fund as provided in this chapter who has not retired, ~~except a teacher covered by section 354B.02, subdivision 2 or 3, who elects to participate in the individual retirement account plan under chapter 354B,~~ or a teacher who exercises an option to elect coverage under another public pension plan enumerated in section 356.30, subdivision 3. Any former member of the association who is retired and subsequently resumes teaching service is a member of the association only for purposes of social security coverage.

Sec. 80. Minnesota Statutes 1994, section 354.094, as amended by Laws 1995, chapter 141, article 3, section 20, is amended to read:

354.094 EXTENDED LEAVES OF ABSENCE.

Subdivision 1. **SERVICE CREDIT CONTRIBUTIONS.** Before the end of the fiscal year during which any extended leave of absence is granted pursuant to section 125.60 or ~~136.88~~ 136F.43, the employing unit granting the leave must certify the leave to the association on a form specified by the executive director. A member granted an extended leave of absence pursuant to section 125.60 or ~~136.88~~ 136F.43 may pay employee contributions and receive allowable service credit toward annuities and other benefits under this chapter, for each year of the leave provided the member and the employing board make the required employer contribution in any proportion they may agree upon, during the period of the leave which shall not exceed five years. A member may not receive more than five years of allowable service credit under this section. The employee and employer contributions must be based upon the rates of contribution prescribed by

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section 354.42 for the salary received during the year immediately preceding the extended leave. Payments for the years for which a member is receiving service credit while on extended leave must be made on or before the later of June 30 of each fiscal year for which service credit is received or within 30 days after first notification of the amount due, if requested by the member, is given by the association. No payment is permitted after the following September 30. Payments received after June 30 must include interest at an annual rate of 8.5 percent from June 30 through the end of the month in which payment is received. Notwithstanding the provisions of any agreements to the contrary, employee and employer contributions may not be made to receive allowable service credit if the member does not have full reinstatement rights as provided in section 125.60 or ~~136.88~~ 136F.43, both during and at the end of the extended leave.

Subd. 2. **MEMBERSHIP; RETENTION.** Notwithstanding section 354.49, subdivision 4, clause (3), a member on extended leave whose employee and employer contributions are paid into the fund pursuant to subdivision 1 shall retain membership in the association for as long as the contributions are paid, under the same terms and conditions as if the member had continued to teach in the district, the community college system, or the state university system.

Subd. 3. **EFFECT OF NONPAYMENT.** A member on extended leave of absence pursuant to section 125.60 or ~~136.88~~ 136F.43 who does not pay employee contributions or whose employer contribution is not paid into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of this chapter and may not pay employee or employer contributions into the fund in any subsequent year of the leave. Nonpayment of contributions into the fund shall not affect the rights or obligations of the member or the member's employer under section 125.60 or ~~136.88~~ 136F.43.

Subd. 4. A member who pays employee contributions into the fund for the agreed maximum duration of an extended leave and who does not resume teaching in the first school year after that maximum duration has elapsed shall be deemed to cease to render teaching services beginning in that year for purposes of this chapter.

Subd. 5. The provisions of this section shall not apply to a member who is discharged or placed on unrequested leave of absence or retrenchment or layoff or whose contract is terminated while the member is on an extended leave of absence pursuant to section 125.60 or ~~136.88~~ 136F.43.

Subd. 6. A member who pays employee contributions and receives allowable service credit in the association pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776. This subdivision shall not be construed to prohibit a member who pays employee contributions and receives allowable service credit in the association pursuant to this section in any year from being employed as a substitute teacher by any school district during that year. Notwithstanding the provisions of sections 354.091 and 354.42, a teacher may not pay retirement contributions or receive allowable service credit in the association for teaching service rendered for any part of any year for which the teacher pays retirement contributions or receives allowable service credit pursuant to this section or section 354A.091 while on an extended leave of absence pursuant to section 125.60.

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Sec. 81. Minnesota Statutes 1994, section 354.53, subdivision 1, is amended to read:

Subdivision 1. **EMPLOYEE AND EMPLOYER CONTRIBUTIONS.** Any employee given a leave of absence to enter military service and who returns to teaching service upon discharge from military service as provided in section 192.262, shall obtain credit for the period of military service but shall not receive credit for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty. The member shall obtain credit by paying into the fund an employee contribution based upon the salary of the member at the date of return from military service. The amount of this contribution shall be as follows:

Period	Basic Member	Coordinated Member
July 1, 1973 thru June 30, 1979	8 percent	4 percent
July 1, 1979 and thereafter	8.5 percent	4.5 percent

The contributions specified in this subdivision shall be multiplied by the number of years of military service together with interest thereon at an annual rate of 8.5 percent compounded annually from the time the military service was rendered to the first date of payment. The employer contribution and additional contribution provided in section 354.42 shall be paid by the unit in the manner provided in section ~~354.43~~ 354.52, subdivision 4.

Sec. 82. Minnesota Statutes 1994, section 354.55, subdivision 14, is amended to read:

Subd. 14. All annuities payable from the Minnesota postretirement investment fund which are in effect on June 30, 1973 shall be increased in the same ratio that the actuarially computed reserve for such annuities determined by using an interest assumption of 3-1/2 percent bears to the actuarially computed reserve for such annuities determined by using an interest assumption of five percent. The reserves upon which such increases shall be based shall be the actuarially determined reserves for all Minnesota postretirement investment fund annuities which were in effect on June 30, 1972, in accordance with the mortality assumptions then in effect and at interest assumptions of 3-1/2 percent and five percent. Such ratio of increase computed to the last full 1/100 of one percent shall be applied to all annuities payable from the Minnesota postretirement investment fund which are in effect on June 30, 1973. ~~Notwithstanding the provisions of section 356.18,~~ Increases in annuity payments pursuant to this subdivision will be made automatically unless written notice is filed by the annuitant with the teachers retirement association board requesting that the increase shall not be made.

Sec. 83. Minnesota Statutes 1994, section 354.55, subdivision 15, is amended to read:

Subd. 15. Notwithstanding the maximum benefit provisions of section 354.46, subdivision 1, all benefits and annuities payable pursuant to sections 354.48; 354.46, subdivision 1 and Laws 1915, chapter 199, as amended, which are in effect on June 30, 1973

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shall be increased 25 percent. Such increase shall begin to accrue January 1, 1974. ~~Notwithstanding the provisions of section 356.18,~~ Increases in benefit and annuity payments pursuant to this subdivision will be made automatically unless written notice is filed by the annuitant with the teachers retirement association board requesting that the increase shall not be made.

Sec. 84. Minnesota Statutes 1995 Supplement, section 354.63, subdivision 2, is amended to read:

Subd. 2. **VALUATION OF ASSETS; ADJUSTMENT OF BENEFITS.** (1) The required reserves for retirement annuities as determined in accordance with this chapter shall be transferred to the Minnesota postretirement investment fund as of the last business day of the month in which the retirement annuity begins. The required reserves shall be determined in accordance with the appropriate annuity table of mortality adopted by the board of trustees as provided in section 354.07, subdivision 1, based on the experience of the fund as recommended by the commission-retained actuary and using the interest assumption specified in section 356.215, subdivision 4d.

(2) Annuity payments shall be adjusted in accordance with the provisions of section 11A.18. In making these adjustments, members who retire effective July 1 shall be considered to have retired effective the preceding June 30. This section applies to persons who retired effective July 1, 1982, or later.

(3) ~~Notwithstanding section 356.18,~~ An increase in annuity payments pursuant to this section will be made automatically unless written notice is filed by the annuitant with the executive director of the teachers retirement association requesting that the increase shall not be made.

Sec. 85. Minnesota Statutes 1994, section 354.66, subdivision 1, is amended to read:

Subdivision 1. **TEACHERS, DEFINED.** As used in this section, the term "teachers" shall have the meaning given it in section 125.03, subdivision 1, except that the term shall not include superintendents. The term shall also have the meaning given it in section ~~136.88~~ 136F.43, subdivision 1.

Sec. 86. Minnesota Statutes 1994, section 354.66, subdivision 6, is amended to read:

Subd. 6. **INSURANCE.** A board of an employing district entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section, provided, however, that the requirements of this sentence may be modified by a collective bargaining agreement between a board and an exclusive representative pursuant to chapter 179. ~~Notwithstanding the provisions of section 43A.25,~~ Teachers as defined in section ~~136.88~~ 136F.43 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teachers were employed full time.

Sec. 87. Minnesota Statutes 1994, section 354A.092, is amended to read:

354A.092 SABBATICAL LEAVE.

Any teacher in the coordinated program of either the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association or any teacher

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in the new law coordinated program of the Duluth teachers retirement fund association who is granted a sabbatical leave shall be entitled to receive allowable service credit in the applicable association for periods of sabbatical leave. To obtain the service credit, the teacher on sabbatical leave shall make an employee contribution to the applicable association. No teacher shall be entitled to receive more than three years of allowable service credit pursuant to this section for a period or periods of sabbatical leave during any ten consecutive fiscal or calendar years, whichever is the applicable plan year for the teachers retirement fund association. If the teacher granted a sabbatical leave makes the employee contribution for a period of sabbatical leave pursuant to this section, the employing unit shall make an employer contribution on behalf of the teacher to the applicable association for that period of sabbatical leave in the manner described in section 354.43, subdivisions 4 and 5 354A.12, subdivision 2a. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the association covered by the same program applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the sabbatical leave period. Payment of the employee contribution authorized pursuant to this section shall be made by the teacher on or before June 30 of year next following the year in which the sabbatical leave terminated and shall be made without interest. For sabbatical leaves taken after June 30, 1986, the required employer contributions shall be paid by the employing unit within 30 days after notification by the association of the amount due. If the employee contributions for the sabbatical leave period are less than an amount equal to the applicable contribution rate applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the sabbatical leave period, service credit shall be prorated. The prorated service credit shall be determined by the ratio between the amount of the actual payment which was made and the full contribution amount payable pursuant to this section.

Sec. 88. Minnesota Statutes 1994, section 354A.093, is amended to read:

354A.093 MILITARY SERVICE CREDIT.

Any teacher in the coordinated program of either the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association or any teacher in the new law coordinated program of the Duluth teachers retirement fund association who is granted a leave of absence to enter military service and who returns to active teaching service upon discharge from military service as provided in section 192.262, shall be entitled to receive allowable service credit in the applicable association for all or a portion of the period of military service but not for any voluntary extension of military service beyond the initial period of enlistment, induction or call to active duty which occurred at the instance of the teacher. If the teacher granted the military service leave of absence makes the employee contribution for a period of military service leave of absence pursuant to this section, the employing unit shall make an employer contribution on behalf of the teacher to the applicable association for the period of the military service leave of absence in the manner described in section 354.43, subdivisions 4 and 5 354A.12, subdivision 2a. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the association covered by the same program applied to a salary figure equal to the teacher's annual salary rate at the date of return from military service, multiplied by the number of years constituting the period of the military service leave of absence which the teacher seeks to purchase. Payment shall include interest on the amount payable pursuant to this section at

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the rate of six percent compounded annually from the year the military service was rendered to the date of payment. If the payments made by a teacher pursuant to this section are less than an amount equal to the applicable contribution rate applied to a salary figure equal to the teacher's annual salary rate at the date of return from military service, multiplied by the number of years constituting the period of the military service leave of absence, service credit shall be prorated. The prorated service credit shall be determined by the ratio between the amount of the actual payment which was made and the full contribution amount payable pursuant to this section. In order to be entitled to receive service credit under this section, payment shall be made within five years from the date of discharge from military service.

Sec. 89. Minnesota Statutes 1995 Supplement, section 354A.094, subdivision 4, is amended to read:

Subd. 4. **RETIREMENT CONTRIBUTIONS.** Notwithstanding any provision to the contrary in this chapter or the articles of incorporation or bylaws of an association relating to the salary figure to be used for the determination of contributions or the accrual of service credit, a teacher assigned to a part-time position under this section shall continue to make employee contributions and to accrue allowable service credit in the applicable association during the period of part-time employment on the same basis and in the same amounts as would have been paid and accrued if the teacher had been employed on a full-time basis provided that, prior to June 30 each year the member and the employing board make that portion of the required employer contribution to the applicable association in any proportion which they may agree upon, that is based on the difference between the amount of compensation that would have been paid if the teacher had been employed on a full-time basis and the amount of compensation actually received by the teacher for services rendered in the part-time assignment. The employer contributions to the applicable association on behalf of the teacher shall be based on the amount of compensation actually received by the teacher for the services rendered in the part-time assignment in the manner described in section ~~354.43~~ 354A.12, subdivision ~~3~~ 2a. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354A.12. Full membership, accrual of allowable service credit and employee contributions for part-time teaching service by a teacher pursuant to this section and section 354.66 shall not continue for a period longer than ten years.

Sec. 90. Minnesota Statutes 1995 Supplement, section 354D.01, subdivision 2, is amended to read:

Subd. 2. **INDIVIDUAL RETIREMENT ACCOUNT PLAN OR PLAN.** "Individual retirement account plan" or "plan" means the individual retirement account plan established by sections ~~354B.01~~ 354B.20 to ~~354B.05~~ 354B.30.

Sec. 91. Minnesota Statutes 1995 Supplement, section 354D.06, is amended to read:
354D.06 ADMINISTRATION.

The Minnesota state university system or its successor shall administer the individual retirement account plan for eligible employees in accordance with sections ~~354B.01~~ 354B.20 to ~~354B.05~~ 354B.30.

Sec. 92. Minnesota Statutes 1994, section 355.391, subdivision 1, is amended to read:

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Subdivision 1. **TERMS.** Unless the context indicates otherwise, for the purposes of this section and ~~sections~~ section 355.392 and 490.129, the terms defined in this section shall have the meanings given to them.

Sec. 93. Minnesota Statutes 1994, section 355.392, subdivision 2, is amended to read:

Subd. 2. **EMPLOYER CONTRIBUTIONS.** For services by judges referred to in subdivision 1, clause (b), the state court administrator shall pay into the contribution fund established pursuant to section 355.04, an employer contribution on wages equal the employer tax rate imposed by the Federal Insurance Contributions Act.

Sec. 94. Minnesota Statutes 1994, section 355.392, subdivision 3, is amended to read:

Subd. 3. **EMPLOYEE CONTRIBUTIONS.** For services by judges referred to in subdivision 1, clause (b), the judge shall pay into the contribution fund established pursuant to section 355.04, an employee contribution on wages equal to the employee tax rate imposed by the Federal Insurance Contributions Act. The contribution must be made by payroll deduction.

Sec. 95. Minnesota Statutes 1994, section 356.86, subdivision 2, is amended to read:

Subd. 2. **AMOUNT OF POSTRETIREMENT ADJUSTMENT; PAYMENT.**

(a) For any person receiving an annuity or benefit on November 30, 1989, and entitled to receive a postretirement adjustment under subdivision 1, the postretirement adjustment is a lump sum payment calculated under paragraph (b) or (c).

(b) For coordinated plan annuity or benefit recipients, the postretirement adjustment in 1989 is \$25 for each full year of allowable service credited to the person by the respective retirement fund. In 1990 and each following year, the postretirement adjustment is the amount payable in the preceding year increased by the same percentage applied to regular annuities paid from the postretirement fund or, for the retirement funds specified in subdivision 3, clauses (6), (7), and (8), by the same percentage applied under the articles of incorporation and bylaws of these funds.

(c) For basic plan annuity or benefit recipients, the postretirement adjustment in 1989 is the greater of:

(1) \$25 for each full year of allowable service credited to the person by the respective retirement fund; or

(2) the difference between:

(i) the product of \$400 times the number of full years of allowable service credited to the person by the respective retirement fund; and

(ii) the sum of the benefits payable to the person from any Minnesota public employee pension plan, and cash benefits payable to the person from the Social Security Administration.

In 1990 and each following year, each eligible basic plan annuity or benefit recipient shall receive the amount received in the preceding year increased by the same percentage applied to regular annuities paid from the postretirement fund or, for the retirement funds

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specified in subdivision 3, clauses (6), (7), and (8), by the same percentage applied under the articles of incorporation and bylaws of these funds.

(d) The postretirement adjustment provided for in this section is payable for those persons receiving an annuity or benefit on November 30, 1989, on December 1, 1989. In subsequent years, the adjustment must be paid on December 1 to those persons receiving an annuity or benefit on the preceding November 30. A person who is eligible may elect to participate in an optional annuity or benefit receipt schedule under subdivision 4. This section does not authorize the payment of a postretirement adjustment to an estate if the annuity or benefit recipient dies before the November 30 eligibility date. ~~Notwithstanding section 356.18,~~ The postretirement adjustment provided for in this section must be paid automatically unless the intended recipient files a written notice with the retirement fund requesting that the postretirement adjustment not be paid or returns the amount of adjustment to the retirement fund. Written notice of the waiver of the postretirement adjustment is irrevocable for the year during which it was made.

Sec. 96. Minnesota Statutes 1994, section 356.865, subdivision 2, is amended to read:

Subd. 2. **AMOUNT OF PAYMENT.** (a) For any person receiving an annuity or benefit on November 30, 1991, and entitled to receive a supplemental benefit lump sum payment under subdivision 1, the payment is \$28 for each full year of allowable service credited to the person by the retirement fund.

In 1992 and each following year, each eligible benefit recipient shall receive the amount received in the preceding year increased by the same percentage applied on the most recent January 1 to regular annuities paid from the Minneapolis employees retirement fund.

(b) The payment provided for in this section is payable on December 1, 1991, to those persons receiving an annuity or benefit on November 30, 1991. In subsequent years, the payment must be made on December 1 to those persons receiving an annuity or benefit on the preceding November 30. This section does not authorize payment to an estate if the annuity or benefit recipient dies before the November 30 eligibility date. ~~Notwithstanding section 356.18,~~ The payment provided for in this section must be paid automatically unless the intended recipient files a written notice with the retirement fund requesting that it not be paid.

Sec. 97. Minnesota Statutes 1994, section 402.01, subdivision 1, is amended to read:

Subdivision 1. One or more contiguous counties situated within the boundaries of the same region designated pursuant to sections 462.381 to 462.396 or section ~~473.122~~ 473.121, subdivision 2, may, by resolution of their county boards of commissioners, designate a human services board having the composition, powers, and duties provided in sections 402.01 to 402.10.

Sec. 98. Minnesota Statutes 1994, section 422A.06, subdivision 5, is amended to read:

Subd. 5. **TRANSFER OF RESERVES TO RETIREMENT BENEFIT FUND; ADJUSTMENTS OF ANNUITIES AND BENEFITS.** (a) Assets equal to the required reserves for retirement annuities as determined in accordance with the appropriate mortality table adopted by the board of trustees based on the experience of the fund as

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recommended by the commission—retained actuary and using the postretirement interest assumption specified in section 356.215, subdivision 4d, shall be transferred to the disability benefit fund as provided in subdivision 7, or the retirement benefit fund, except for any amounts payable from the survivor benefit fund, as of date of retirement.

(b) Annuity payments shall be adjusted in accordance with this chapter, except that no minimum retirement payments described in this chapter shall include any amounts payable from the survivors' benefit fund or disability benefit fund and supplemented benefits specifically financed by statute.

(c) Notwithstanding the provisions of section 356.18, Increases in annuity payments pursuant to this section shall be made automatically unless written notice on a form prescribed by the board is filed with the retirement board requesting that the increase not be made.

(d) Any additional annuity which began to accrue on July 1, 1973, or which began to accrue on January 1, 1974, pursuant to Laws 1973, chapter 770, section 1, shall be considered as part of the base amount to be used in determining any postretirement adjustments payable pursuant to the provisions of subdivision 8.

Sec. 99. Minnesota Statutes 1994, section 462A.07, subdivision 14, is amended to read:

Subd. 14. **AMERICAN INDIANS.** (a) It may engage in housing programs for low- and moderate-income American Indians developed and administered separately or in combination by the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities as determined by such tribe, band, or communities. In furtherance of the policy of economic integration stated in section 462A.02, subdivision 6, it may engage in housing programs for American Indians who intend to reside on reservations and who are not persons of low and moderate income, provided that the aggregate dollar amount of the loans for each lender's fiscal year shall not exceed an amount equal to 25 percent of the total dollar amount of all loans made by that lender during the lender's fiscal year at the time of loan application. In developing such housing programs, the tribe, band, or communities shall take into account the housing needs of all American Indians residing both on and off reservations within the state. A plan for each such program, which specifically describes the program content, utilization of funds, administration, operation, implementation and other matter, as determined by the agency, must be submitted to the agency for its review and approval prior to the making of eligible loans pursuant to section 462A.21. All such programs must conform to rules promulgated by the agency concerning program administration, including but not limited to rules concerning costs of administration; the quality of housing; interest rates, fees, and charges in connection with making eligible loans; and other matters determined by the agency to be necessary in order to effectuate the purposes of this subdivision and section 462A.21, subdivisions 4b and 4c. All such programs must provide for a reasonable balance in the distribution of funds appropriated for the purpose of this section between American Indians residing on and off reservations within the state. Nothing in this section shall preclude such tribe, band, or communities from requesting and receiving cooperation, advice, and assistance from the agency as regards program development, operation, delivery, financing, or administration. As a condition to the making of such eligible loans, the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities shall:

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(1) enter into a loan agreement and other contractual arrangements with the agency for the purpose of transferring the allocated portion of loan funds as set forth in section 462A.26 and to insure compliance with the provisions of this section and this chapter; and

(2) agree that all of their official books and records related to such housing programs shall be subjected to audit by the legislative auditor in the manner prescribed for agencies of state government.

The agency shall submit a biennial report concerning the various housing programs for American Indians, and related receipts and expenditures as provided in section 462A.22, subdivision 9, and such tribe, band, or communities to the extent that they administer such programs, shall be responsible for any costs and expenses related to such administration provided, however, they shall be eligible for payment for costs, expenses, and services pursuant to subdivision 12 and section 462A.21. The agency may provide or cause to be provided essential general technical services as set forth in subdivision 2, and general consultative project assistance services, including, but not limited to, management training, and home ownership counseling as set forth in subdivision 3. Members of boards, committees, or other governing bodies of the tribe, band, and communities administering the programs authorized by this subdivision must be compensated for those services as provided in section 15.0575. Rules promulgated under this subdivision may be promulgated as emergency rules under chapter 14.

(b) The agency may engage in demonstration projects to encourage the participation of financial institutions or other leveraging sources in providing housing opportunities for American Indians. The agency shall consult with the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities in developing the demonstration projects. The income limits specified in paragraph (a) do not apply to the demonstration projects.

(c) The agency may make home improvement loans under this subdivision without regard to household income.

Sec. 100. Minnesota Statutes 1994, section 462A.08, subdivision 3, is amended to read:

Subd. 3. All notes or bonds issued under this section are securities as defined in section 336.8-102 and may be issued as certificated securities or as uncertificated securities. Certificated securities may be issued in bearer or registered form. The agency may perform all actions that are permitted or required of issuers of securities under sections 336.8-101 to ~~336.8-408~~ 336.8-511. If notes or bonds are issued as uncertificated securities, and this chapter or other law requires or permits the notes or bonds to contain a statement or recital, whether on their face or otherwise, it is sufficient compliance with the law that the statement or recital is contained in the transaction statement or in a resolution or other instrument that is made a part of the note or bond by reference in the transaction statement as provided in section 336.8-202. All notes and bonds so issued may be either general obligations of the agency, secured by its full faith and credit, and payable out of any money, assets, or revenues of the agency, subject to the provisions of resolutions or indentures pledging and appropriating particular money, assets, or revenues to particular notes or bonds, or limited obligations of the agency not secured by its full faith and credit,

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and payable solely from those moneys, assets, or revenues of the agency as may be authorized by resolution or indenture.

Sec. 101. Minnesota Statutes 1994, section 469.141, subdivision 2, is amended to read:

Subd. 2. **POWER TO REGULATE.** Cities may regulate all drilling, except water well and exploratory drilling that is subject to the provisions of ~~sections 156A.01 to 156A.10~~ chapter 103I, above, in, through, and adjacent to subsurface areas designated for mined underground space development and existing mined underground space. The regulations may prohibit, restrict, control, and require permits for such drilling.

Sec. 102. **REPEALER.**

Minnesota Statutes 1994, section 471.6161, subdivision 7, is repealed.

Sec. 103. Minnesota Statutes 1994, section 473.446, subdivision 2, is amended to read:

Subd. 2. **TRANSIT TAXING DISTRICT.** The metropolitan transit taxing district is hereby designated as that portion of the metropolitan transit area lying within the following named cities, towns, or unorganized territory within the counties indicated:

(a) Anoka county. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;

(b) Carver county. Chanhassen, the city of Chaska;

(c) Dakota county. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

(d) Ramsey county. All of the territory within Ramsey county;

(e) Hennepin county. Bloomington, Brooklyn Center, Brooklyn Park, Champlin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin county;

(f) Scott county. Prior Lake, Savage, Shakopee;

(g) Washington county. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport, Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

The metropolitan council in its sole discretion may provide transit service by contract beyond the boundaries of the metropolitan transit taxing district or to cities and towns within the taxing district which are receiving financial assistance under ~~section 174.265~~ 473.388, upon petition therefor by an interested city, township or political subdivision within the metropolitan transit area. The metropolitan council may establish such terms and conditions as it deems necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as will compensate the council for the full capital and operating cost of the service and the related administrative activities of the council. The amount of the levy made by any munic-

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ipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made, provided that cities and towns receiving financial assistance under section ~~174.265~~ 473.388 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section ~~174.265~~ 473.388. The council shall not be obligated to extend service beyond the boundaries of the taxing district, or to cities and towns within the taxing district which are receiving financial assistance under section ~~174.265~~ 473.388, under any law or contract unless or until payment therefor is received.

Sec. 104. Minnesota Statutes 1994, section 473.516, subdivision 3, is amended to read:

Subd. 3. **LOCAL RESTRICTIONS.** Counties and local units of government may impose conditions respecting the construction, operation, inspection, monitoring, and maintenance of a waste facility of the council and conditions respecting the sale, gift, delivery, storage, use, and disposal of sewage sludge of the council on private property as a soil conditioner or amendment, but only in the manner and only to the extent authorized and approved by the council and the pollution control agency as being consistent with the establishment and use of the council's waste facilities and the disposal of the council's sewage sludge on private property in accordance with the council's plan, adopted under Minnesota Statutes 1992, section 473.153, and agency permits and rules. Counties may exercise the enforcement powers granted under section 473.811, subdivision 5c, in the manner and to the extent authorized and approved in accordance with this subdivision.

Sec. 105. Minnesota Statutes 1994, section 473.545, is amended to read:

473.545 PROPERTY EXEMPT FROM TAXATION.

Any properties, real or personal, owned, leased, controlled, used, or occupied by the council for any purpose referred to in Minnesota Statutes 1984, section 473.502, are declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any political subdivision of the state, provided that such properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from such improvement. No possible use of any such properties in any manner different from their use as part of the metropolitan disposal system at the time shall be considered in determining the special benefit received by such properties. All such assessments shall be subject to final confirmation by the metropolitan council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment.

Sec. 106. **REPEALER.**

Minnesota Statutes 1994, section 473.604, subdivision 7, is repealed.

Sec. 107. Minnesota Statutes 1994, section 473.639, is amended to read:

473.639 RELATION TO AIRPORT HAZARD ZONING.

Sections 473.636 and 473.637 and any criteria, guidelines, or land use and development control measure approved by the council under those sections in no way supersede or limit the powers conferred on a municipality to do airport hazard zoning, or the commissioner of transportation by sections 360.061 to 360.073. Any criteria, guidelines, or

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land use and development control measure approved by the council under section 473.636 or 473.637 must be consistent with any exercise of powers by the commissioner under sections 360.061 to ~~360.093~~ 360.073.

Sec. 108. REPEALER.

Minnesota Statutes 1994, section 473.704, subdivision 6, is repealed.

Sec. 109. Minnesota Statutes 1995 Supplement, section 474.191, is amended to read:

474.191 CARRYFORWARD ALLOCATION OF 1984 ISSUANCE AUTHORITY.

The department of energy and economic development shall allocate any amount of the state private activity bond issuance authority for calendar year 1984 pursuant to a federal limitation act which is not used on or before December 31, 1984, by any issuer or allocated to a project eligible for carryforward treatment pursuant to Laws 1984, chapter 582, to issuers for projects which qualify for carryforward treatment of private activity bond issuance authority under a federal limitation act and regulations thereunder. An issuer which desires an allocation pursuant to this section must submit an application to the department on or before the last date on which an election may be filed to carry forward unused private activity bond issuance authority pursuant to a federal limitation act and regulations thereunder. The application must contain the following information:

- (1) the name and address of the issuer;
- (2) a description of the project for which an allocation of private activity bond issuance authority is requested (the higher education services office may satisfy the requirements of this clause by stating that the bond proceeds are intended to be used for student loans);
- (3) the amount of bond issuance authority requested; and
- (4) a certification of the issuer that the project to which the application relates qualifies for carryforward treatment of allocated 1984 private activity bond issuance authority according to the terms of a federal limitation act and regulations thereunder.

Applications submitted pursuant to this section need not be accompanied by an application deposit or preliminary resolution. The department shall award allocations of 1984 private activity bond issuance authority to applications in the order in which applications are received by the department. ~~The department shall return the application deposits made by applicants for a carryover allocation pursuant to section 474.19, subdivision 7.~~ The amount necessary to pay the refund of application deposits is appropriated to the department of energy and economic development from the general fund. The department shall not award any allocation of 1984 private activity bond issuance authority pursuant to this section to any application which does not comply with clause (4).

For purposes of this section, "issuer" means a local issuer or the higher education services office.

Sec. 110. Minnesota Statutes 1994, section 480A.06, subdivision 3, is amended to read:

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Subd. 3. **CERTIORARI REVIEW.** The court of appeals shall have jurisdiction to issue writs of certiorari to all agencies, public corporations and public officials, except the tax court and the workers' compensation court of appeals. The court of appeals shall have jurisdiction to review decisions of the commissioner of economic security, pursuant to section ~~268.10~~ 268.105.

Sec. 111. Minnesota Statutes 1994, section 524.3-101, is amended to read:

524.3-101 DEVOLUTION OF ESTATE AT DEATH; RESTRICTIONS.

The power of a person to leave property by will, and the rights of creditors, devisees, and heirs to the person's property are subject to the restrictions and limitations contained in chapters 524 and 525 to facilitate the prompt settlement of estates. Upon death, a person's real and personal property devolves to the persons to whom it is devised by last will or to those indicated as substitutes for them in cases involving lapse, disclaimer, renunciation, or other circumstances affecting the devolution of testate estates, or in the absence of testamentary disposition, to the decedent's heirs, or to those indicated as substitutes for them in cases involving disclaimer, renunciation or other circumstances affecting devolution of intestate estates, subject to the provisions of sections 525.14 and ~~525.145~~ 524.2-402, the allowances provided for by ~~section 525.15~~ sections 524.2-403 and 524.2-404, to the rights of creditors, elective share of the surviving spouse, and to administration.

Sec. 112. Minnesota Statutes 1994, section 524.3-108, is amended to read:

524.3-108 PROBATE, TESTACY AND APPOINTMENT PROCEEDINGS; ULTIMATE TIME LIMIT.

No informal probate or appointment proceeding or formal testacy or appointment proceeding, other than a proceeding to probate a will previously probated at the testator's domicile and appointment proceedings relating to an estate in which there has been a prior appointment, may be commenced more than three years after the decedent's death, except (1) if a previous proceeding was dismissed because of doubt about the fact of the decedent's death, appropriate probate, appointment or testacy proceedings may be maintained at any time thereafter upon a finding that the decedent's death occurred prior to the initiation of the previous proceeding and the applicant or petitioner has not delayed unduly in initiating the subsequent proceeding; (2) appropriate probate, appointment or testacy proceedings may be maintained in relation to the estate of an absentee, or disappeared or missing person, at any time within three years after the death of the absentee or disappeared or missing person is established; and (3) a proceeding to contest an informally probated will and to secure appointment of the person with legal priority for appointment in the event the contest is successful, may be commenced within the later of 12 months from the informal probate or three years from the decedent's death. These limitations do not apply to proceedings to construe probated wills, determine heirs of an intestate, or proceedings to determine descent. In cases under (1) or (2) above, the date on which a testacy or appointment proceeding is properly commenced shall be deemed to be the date of the decedent's death for purposes of other limitations provisions of this chapter which relate to the date of death. Nothing herein contained prohibits the formal appointment of a special administrator at any time for the purposes of reducing assets to possession, administering the same under direction of the court, or making distribution of any residue to the heirs or distributees determined to be entitled thereto pursuant to a descent proceed-

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ing under section 525.31 or an exempt summary proceeding under section ~~525.51~~ 524.3-1203, even though the three year period above referred to has expired.

Sec. 113. Minnesota Statutes 1994, section 524.3-901, is amended to read:

524.3-901 SUCCESSORS' RIGHTS IF NO ADMINISTRATION.

In the absence of administration, the heirs and devisees are entitled to the estate in accordance with the terms of a probated will or the laws of intestate succession. Devisees may establish title by the probated will to devised property. Persons entitled to property pursuant to sections 524.2-402, 524.2-403, 525.14, ~~525.145~~, ~~525.15~~ or intestacy may establish title thereto by proof of the decedent's ownership and death, and their relationship to the decedent. Successors take subject to all charges incident to administration, including the claims of creditors and allowances of surviving spouse and dependent children, and subject to the rights of others resulting from abatement, retainer, advancement, and ademption.

Sec. 114. Minnesota Statutes 1994, section 524.3-1204, is amended to read:

524.3-1204 SMALL ESTATES; CLOSING BY SWORN STATEMENT OF PERSONAL REPRESENTATIVE.

(a) Unless prohibited by order of the court and except for estates being administered by supervised personal representatives, a personal representative may close an estate administered under the summary procedures of section 524.3-1203 by filing with the court, at any time after disbursement and distribution of the estate, a statement stating that:

(1) to the best knowledge of the personal representative, the entire estate, less liens and encumbrances, did not exceed an exempt homestead as provided for in section ~~525.145~~ 524.2-402, the allowances provided for in ~~section 525.15~~ sections 524.2-403 and 524.2-404, costs and expenses of administration, reasonable funeral expenses, and reasonable, necessary medical and hospital expenses of the last illness of the decedent;

(2) the personal representative has fully administered the estate by disbursing and distributing it to the persons entitled thereto; and

(3) the personal representative has sent a copy of the closing statement to all distributees of the estate and to all creditors or other known claimants whose claims are neither paid nor barred and has furnished a full account in writing of the personal representative's administration to the distributees whose interests are affected.

(b) If no actions or proceedings involving the personal representative are pending in the court one year after the closing statement is filed, the appointment of the personal representative terminates.

(c) A closing statement filed under this section has the same effect as one filed under section 524.3-1003.

Sec. 115. Minnesota Statutes 1995 Supplement, section 525.6197, is amended to read:

525.6197 DISCHARGE OF GUARDIAN OR CONSERVATOR; PROPERTY OF A MINOR.

When a minor receives or is entitled to personal property, the court may order a guardian or conservator to make payment of up to \$2,000 of the property to the parent or

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parents, custodian, or the person, corporation, or institution with whom the minor child is, for the benefit, support, maintenance, and education of the minor or may direct the investment of the whole or any part of that amount in a savings account, savings certificate, or certificate of deposit in a bank, savings bank, or savings association, or savings and loan association having deposit insurance, in the name of the minor. When so invested the savings account passbook, savings certificate, certificate of deposit, or other acknowledgment of receipt of the deposit by the depository is to be kept as provided by the court. The depository shall be instructed not to allow the investment to be withdrawn, except by order of the court. The court may authorize the use of any part or all of that amount to purchase United States government savings bonds in the minor's name. The bonds shall be kept as provided by the court and retained until the minor reaches majority unless otherwise authorized by an order of the court.

Sec. 116. Minnesota Statutes 1994, section 525.712, is amended to read:

525.712 REQUISITES.

The appeal may be taken by any person aggrieved within 30 days after service of notice of the filing of the order, judgment, or decree appealed from, or if no notice be served, within six months after the filing of the order, judgment, or decree. Except as provided in this section, the appeal shall be perfected and determined upon the record as provided in ~~sections 484.63 and~~ the rules of appellate procedure.

Sec. 117. Minnesota Statutes 1994, section 550.15, is amended to read:

550.15 CERTIFICATE TO BE FURNISHED OFFICER.

When the officer, with a writ of attachment or an execution against the defendant, applies to any person mentioned in section ~~550.14~~ 550.135 for the purpose of attaching or levying upon property mentioned therein, such person shall furnish the officer with a certificate showing the description and amount of the property of the judgment debtor held by such person or corporation, the number of rights or shares of such debtor in the stock of the corporation, with any dividend thereon, or the debt owing to the judgment debtor, with any encumbrance upon the property; and, on refusal so to do, such person may be required by the court to attend before it and be examined on oath concerning the same.

Sec. 118. **REPEALER.**

Laws 1995, chapter 259, article 3, section 7, subdivision 2, is repealed.

Sec. 119. Minnesota Statutes 1995 Supplement, section 609.101, subdivision 2, is amended to read:

Subd. 2. **MINIMUM FINES.** Notwithstanding any other law, when a court sentences a person convicted of violating section 609.221, 609.222, 609.223, 609.2231, 609.224, 609.2242, 609.267, 609.2671, 609.2672, 609.342, 609.343, 609.344, or 609.345, it must impose a fine of not less than 30 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law.

The court shall collect the portion of the fine mandated by this subdivision and forward 70 percent of it to a local victim assistance program that provides services locally in the county in which the crime was committed. The court shall forward the remaining 30 percent to the commissioner of finance to be credited to the general fund. If more than one

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victim assistance program serves the county in which the crime was committed, the court may designate on a case-by-case basis which program will receive the fine proceeds, giving consideration to the nature of the crime committed, the types of victims served by the program, and the funding needs of the program. If no victim assistance program serves that county, the court shall forward 100 percent of the fine proceeds to the commissioner of finance to be credited to the general fund. Fine proceeds received by a local victim assistance program must be used to provide direct services to crime victims.

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by subdivision 1 and is in addition to any sentence of imprisonment or restitution imposed or ordered by the court.

As used in this subdivision, "victim assistance program" means victim witness programs within county attorney offices or any of the following programs: crime victim crisis centers, victim-witness programs, battered women shelters and nonshelter programs, and sexual assault programs.

Sec. 120. Minnesota Statutes 1995 Supplement, section 609.485, subdivision 2, is amended to read:

Subd. 2. **ACTS PROHIBITED.** Whoever does any of the following may be sentenced as provided in subdivision 4:

(1) escapes while held in lawful custody on a charge or conviction of a crime, or while held in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age;

(2) transfers to another, who is in lawful custody on a charge or conviction of a crime, or introduces into an institution in which the latter is confined, anything usable in making such escape, with intent that it shall be so used;

(3) having another in lawful custody on a charge or conviction of a crime, intentionally permits the other to escape;

(4) escapes while in a facility designated under section 253B.18, subdivision 1, pursuant to a court commitment order after a finding of not guilty by reason of mental illness or mental deficiency of a crime against the person, as defined in section 253B.02, subdivision 4a. Notwithstanding section 609.17, no person may be charged with or convicted of an attempt to commit a violation of this clause; or

(5) escapes while in a facility designated under section 253B.18, subdivision 1, pursuant to a court commitment order under section 253B.185 or Minnesota Statutes 1992, section 526.10.

For purposes of clause (1), "escapes while held in lawful custody" includes absconding from electronic monitoring or absconding after removing an electronic monitoring device from the person's body.

Sec. 121. Minnesota Statutes 1995 Supplement, section 609.485, subdivision 4, is amended to read:

Subd. 4. **SENTENCE.** (a) Except as otherwise provided in subdivision 3a, whoever violates this section may be sentenced as follows:

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(1) if the person who escapes is in lawful custody on a charge or conviction of a felony, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both;

(2) if the person who escapes is in lawful custody after a finding of not guilty by reason of mental illness or mental deficiency of a crime against the person, as defined in section 253B.02, subdivision 4a, or pursuant to a court commitment order under section 253B.185 or Minnesota Statutes 1992, section 526.10, to imprisonment for not more than one year and one day or to payment of a fine of not more than \$3,000, or both; or

(3) if such charge or conviction is for a gross misdemeanor or misdemeanor, or if the person who escapes is in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(b) If the escape was a violation of subdivision 2, clause (1), (2), or (3), and was effected by violence or threat of violence against a person, the sentence may be increased to not more than twice those permitted in paragraph (a), clauses (1) and (3).

(c) Unless a concurrent term is specified by the court, a sentence under this section shall be consecutive to any sentence previously imposed or which may be imposed for any crime or offense for which the person was in custody when the person escaped.

(d) Notwithstanding paragraph (c), if a person who was committed to the commissioner of corrections under section 260.185 escapes from the custody of the commissioner while 18 years of age, the person's sentence under this section shall commence on the person's 19th birthday or on the person's date of discharge by the commissioner of corrections, whichever occurs first. However, if the person described in this clause is convicted under this section after becoming 19 years old and after having been discharged by the commissioner, the person's sentence shall commence upon imposition by the sentencing court.

(e) Notwithstanding paragraph (c), if a person who is in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age escapes from a local juvenile correctional facility, the person's sentence under this section begins on the person's 19th birthday or on the person's date of discharge from the jurisdiction of the juvenile court, whichever occurs first. However, if the person described in this paragraph is convicted after becoming 19 years old and after discharge from the jurisdiction of the juvenile court, the person's sentence begins upon imposition by the sentencing court.

Sec. 122. Minnesota Statutes 1994, section 624.7132, subdivision 8, is amended to read:

Subd. 8. **REPORT NOT REQUIRED.** If the proposed transferee presents a valid transferee permit issued under section 624.7131 or a valid permit to carry issued under section 624.714, or if ~~the transferee is a licensed peace officer, as defined in section 626.84, subdivision 4~~ the transferor need not file a transfer report.

Sec. 123. Minnesota Statutes 1994, section 626A.13, subdivision 4, is amended to read:

Subd. 4. **DEFENSE.** A good faith reliance on:

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(1) a court warrant or order, a grand jury subpoena, a legislative authorization, or a statutory authorization;

(2) a request of an investigative or law enforcement officer under United States Code, title 18, section 2518(7); or

(3) a good faith determination that section 626A.02, subdivision 3, permitted the conduct complained of;

is a complete defense against any civil or criminal action brought under ~~sections 626A.01 to 626A.23~~ this chapter or any other law.

Sec. 124. Minnesota Statutes 1994, section 629.68, is amended to read:

629.68 PROHIBITING SURETIES TO MAKE FALSE STATEMENTS IN AFFIDAVITS; PENALTY.

A person who willfully and knowingly makes a false statement in an affidavit made under ~~sections section 629.67 to 629.69~~, is guilty of perjury under section 609.48.

Sec. 125. **REPEALER.**

Laws 1991, chapter 354, article 6, section 7, subdivisions 2 and 3, are repealed.

Sec. 126. Laws 1995, chapter 159, section 1, is amended to read:

Section 1. PRIVATE SALE OF TAX-FORFEITED LAND; DAKOTA COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and 282.018, subdivision 1, paragraph (a), and the public sale provisions of Minnesota Statutes, chapter 282, Dakota county may convey to the city of Eagan, without consideration, the lands bordering public waters that are described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The conveyance must provide that, except as provided in section 2, the land reverts to the state if it is not used for public park or open space purposes.

(c) The lands that may be conveyed are located in Dakota county, are designated by the Dakota county parcel number contained within the parentheses, and are described as:

(1) (Parcel No. 10-01100-011-75) as:

That part of the East Half of the East Half of the Southeast Quarter of Section 11, Township 27 North, Range 23 West, described as follows:

Commencing at the southeast corner of said Section 11; thence North 0 degrees 04 minutes 54 seconds East assumed bearing, along the east line of the Southeast Quarter of said Section 11, 878.96 feet to the northeast corner of OUTLOT I, GOPHER INDUSTRIAL PARK 2ND ADDITION, record plat and the point of beginning of the tract to be described; thence North 89 degrees 37 minutes 34 seconds West along the north line of said OUTLOT I 660.45 feet to the easterly line of EAGANDALE CENTER INDUSTRIAL PARK NO. 4, record plat; thence North 0 degrees 07 minutes 28 seconds East along the easterly line of said EAGANDALE CENTER INDUSTRIAL PARK NO. 4

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1406.80 feet to the southerly line of BORCHERT-INGERSOLL, INC. 1ST ADDITION, record plat; thence North 76 degrees 29 minutes 44 seconds East along the southerly line of said BORCHERT-INGERSOLL, INC. 1ST ADDITION 678.38 feet to the east line of the Southeast Quarter of said Section 11; thence South 0 degrees 04 minutes 54 seconds West along the east line of said Southeast Quarter 1569.53 feet to the point of beginning.

Containing 22.54 acres, more or less, subject to a city drainage and utility easement.

(2) (Parcel No. 10-01200-011-50) as:

That part of the West Half of the Southwest Quarter of Section 12, Township 27 North, Range 23 West, described as follows:

Commencing at the southwest corner of said Section 12; thence North 0 degrees 04 minutes 54 seconds East assumed bearing, along the west line of the Southwest Quarter of said Section 12, 878.47 feet to the northwest corner of OUTLOT H, GOPHER EAGAN INDUSTRIAL PARK 2ND ADDITION, record plat and the point of beginning of the tract to be described; thence North 89 degrees 55 minutes 06 seconds East along the north line of OUTLOT H and OUTLOT G, of said GOPHER EAGAN INDUSTRIAL PARK 2ND ADDITION 1321.39 feet to the east line of the West Half of the Southwest Quarter of said Section 12; thence North 0 degrees 02 minutes 16 seconds West along the east line of the West half of said Southwest Quarter 1128.04 feet to the westerly right of way line of the Soo Line Railroad (formerly the Chicago Milwaukee, St. Paul and Pacific Railroad); thence North 37 degrees 55 minutes 59 seconds West along said westerly railroad right of way 804.77 feet to the north line of the West Half of the Southwest Quarter of said Section 12; thence South 89 degrees 56 minutes 35 seconds West along the north line of said West Half of the Southwest Quarter 13.20 feet to the southerly line of BORCHERT-INGERSOLL, INC. 1ST ADDITION, record plat; thence South 76 degrees 29 minutes 44 seconds West along the southerly line of said BORCHERT-INGERSOLL, INC. 1ST ADDITION 833.52 feet to the west line of the Southwest Quarter of said Section 12; thence South 0 degrees 04 minutes 54 seconds West along the west line of said Southwest Quarter 1570.02 feet to the point of beginning.

Containing 48.02 acres, more or less, subject to a city drainage and utility easement.

Sec. 127. REPEALER.

Laws 1995, chapter 186, section 38, is repealed.

Sec. 128. REPEALER.

Laws 1995, chapter 186, section 78, is repealed.

Sec. 129. Laws 1995, chapter 202, article 4, section 24, is amended to read:

Sec. 24. SUNSET.

Sections 5, 20, and 21 expire May 31, 1997. The amendments made to Minnesota Statutes, section 47.52, by section 5 expire May 31, 1997.

Sec. 130. Laws 1995, chapter 212, article 4, section 65, is amended to read:

Sec. 65. REPEALER.

Minnesota Statutes 1994, sections 15.38, subdivision 4; 136.01; 136.02; 136.03; 136.031; 136.036; 136.045; 136.065; 136.07; 136.09; 136.10; 136.11; 136.111; 136.12;

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136.13; 136.14; 136.141; 136.142; 136.143; 136.144; 136.145; 136.146; 136.147; 136.17; 136.171; 136.172; 136.18; 136.19; 136.20; 136.21; 136.22; 136.232; 136.24; 136.25; 136.261; 136.27; ~~136.31; 136.311; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38;~~ 136.40; ~~136.41;~~ 136.42; 136.43; 136.44; 136.45; 136.46; 136.47; 136.48; 136.49; 136.50; 136.501; 136.502; 136.503; 136.504; 136.505; 136.506; 136.507; 136.55; 136.56; 136.57; 136.58; 136.60; 136.6011; 136.602; 136.603; 136.61; 136.62; 136.621; 136.622; 136.63; 136.65; 136.651; 136.653; 136.67; 136.70; 136.71; 136.72; 136.88; 136.90; 136C.01; 136C.02; 136C.03; 136C.04; 136C.041; 136C.042; 136C.043; 136C.044; 136C.05; 136C.06; 136C.07; 136C.075; 136C.08; 136C.13; 136C.15; 136C.17; 136C.31; 136C.34; 136C.41; 136C.411; 136C.43; 136C.44; 136C.50; 136C.51; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; 136C.68; 136C.69; 136C.70; 136C.71; 136C.75; 136E.04, subdivisions 2, 3, 4, 5, 6, and 7; 136E.395; and 136E.692, subdivision 4, are repealed.

Sec. 131. REVIVAL OF STATUTES.

Notwithstanding Minnesota Statutes, section 645.36, Minnesota Statutes, sections 136.31, 136.32, 136.33, 136.34, 136.35, 136.36, 136.37, 136.38, and 136.41, are revived retroactive to the date the repeal was effective.

Sec. 132. EFFECTIVE DATE.

Sections 130 to 131 are effective the day following final enactment.

Sec. 133. REPEALER.

Laws 1995, chapter 224, sections 117, 118, 119, 120, and 121, are repealed.

Sec. 134. REPEALER.

Laws 1995, chapter 234, article 3, section 3, is repealed.

Sec. 135. REPEALER.

Laws 1995, chapter 247, article 1, section 44, is repealed.

Sec. 136. REPEALER.

Laws 1995, chapter 248, article 10, section 15, is repealed.

Sec. 137. Laws 1995, First Special Session chapter 3, article 8, section 25, subdivision 6, is amended to read:

Subd. 6. **SCHOOL BREAKFAST.** To operate the school breakfast program:

\$419,000	1996
\$456,000	1997

If the appropriation amount attributable to either year is insufficient, the rate of payment for each fully paid student breakfast shall be reduced and the aid for that year shall be prorated among participating schools so as not to exceed the total authorized appropriation for that year. Any ~~unexpected~~ unexpended balance remaining shall be used to subsidize the payments made for school lunch aid per Minnesota Statutes, section 124.646.

Up to one percent of the program funding can be used by the department of education for technical and administrative assistance.

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

Sec. 138. REVISOR'S INSTRUCTION.

In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms "educational cooperative service unit" and similar terms to "service cooperative" and similar terms and "ECSU" to "SC."

Sec. 139. REVISOR'S INSTRUCTION.

In each section of Minnesota Statutes referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>8.31, subd. 1</u>	<u>325D.08</u>	<u>325D.07</u>
<u>16B.43, subd. 2</u>	<u>121.936</u>	<u>121.935</u>
<u>62D.01, subd. 1</u>	<u>62D.29</u>	<u>62D.24</u>
<u>136D.75</u>	<u>136D.77</u>	<u>136D.76</u>
<u>136D.76, subd. 2</u>	<u>136D.77</u>	<u>136D.76</u>
<u>354B.20, subd. 10</u>	<u>352.73</u>	<u>352.72</u>

ARTICLE 2**ADMINISTRATIVE PROCEDURE ACT**

Section 1. Minnesota Statutes 1994, section 14.47, subdivision 1, is amended to read:

Subdivision 1. **PLAN OF PUBLICATION AND SUPPLEMENTATION.** The revisor of statutes shall:

(1) formulate a plan for the compilation of all permanent agency rules and, to the extent practicable, ~~emergency agency~~ other rules, adopted pursuant to the administrative procedure act or filed pursuant to the provisions of section 14.38, subdivisions 5 to 9 which were in effect at the time the rules were filed or subdivision 11, including their order, classification, arrangement, form, and indexing, and any appropriate tables, annotations, cross references, citations to applicable statutes, explanatory notes, and other appropriate material to facilitate use of the rules by the public, and for the compilation's composition, printing, binding and distribution;

(2) publish the compilation of permanent agency rules and, if practicable, ~~emergency other~~ rules, adopted pursuant to the administrative procedure act or filed pursuant to the provisions of section 14.38, subdivisions 5 to 9 which were in effect at the time the rules were filed or subdivision 11, which shall be called "Minnesota Rules";

(3) periodically either publish a supplement or a new compilation, which includes all rules adopted since the last supplement or compilation was published and removes rules incorporated in prior compilations or supplements which are no longer effective;

(4) include in Minnesota Rules a consolidated list of publications and other documents incorporated by reference into the rules after June 30, 1981, and found convenient-

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ly available by the revisor under section 14.07, subdivision 4, indicating where the publications or documents are conveniently available to the public; and

(5) copyright any compilations and or supplements in the name of the state of Minnesota.

Sec. 2. Minnesota Statutes 1994, section 18B.39, is amended to read:

18B.39 EXISTING RULES.

Rules of the commissioner of agriculture in effect on July 1, 1987, relating to the distribution, use, storage, handling, and disposal of pesticides, rinsates, and pesticide containers remain in effect until they are superseded by new rules. ~~The commissioner may adopt emergency rules to implement Laws 1987, chapter 358, until December 31, 1987.~~

Sec. 3. Minnesota Statutes 1994, section 18E.05, subdivision 1, is amended to read:

Subdivision 1. **MEMBERSHIP.** (a) The agricultural chemical response compensation board is created to consist of the commissioner of agriculture, the commissioner of commerce, and three private industry members consisting of: one representative of agricultural chemical manufacturers and wholesalers; one representative of farmers; and one representative of dealers who sell the agricultural chemicals at retail. The governor shall appoint the private industry members. Appointment, vacancies, removal, terms, and payment of compensation and expenses of members, but not expiration of the board itself, are governed by section 15.0575.

(b) The commissioner of agriculture shall provide staff to support the activities of the board.

(c) The board shall adopt rules regarding its practices and procedures, the application form and procedures for determining eligibility for and the amount of reimbursement, and procedures for investigation of claims. ~~The board may adopt emergency rules under this subdivision for one year from the effective date of Laws 1989, chapter 326, article 8.~~

Sec. 4. Minnesota Statutes 1994, section 32.417, is amended to read:

32.417 INVESTMENT REIMBURSEMENTS TO MANUFACTURED MILK PRODUCERS.

An operator of a dairy farm that produces milk for sale in cans may apply for a reimbursement in the amount of \$100 for the first \$500 or fraction thereof, and ten percent of the next \$2,000, of the net expenditures by the operator for any capital improvements or equipment installed primarily for the purpose of conforming to the standards adopted in section 32.415. No reimbursement may be made to an applicant unless:

(a) the applicant provides receipts for the expenditures;

(b) a dairy inspector authorized by the commissioner certifies that the applicant's dairy operation complies with the standards adopted in section 32.415 as a result of the installation of the improvements or equipment; and

(c) the expenditures for the improvements and equipment were made on or after June 2, 1983, but before July 1, 1985.

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The commissioner shall provide an application form for the reimbursement program. ~~By January 1, 1984, the commissioner shall adopt emergency rules under sections 14.29 to 14.36 which provide reimbursement application and payment procedures, and eligibility criteria based on an applicant's need for a reimbursement. Notwithstanding the provisions of section 14.35, the rules shall be effective until July 1, 1985. No reimbursement application may be approved after June 30, 1985.~~

Sec. 5. Minnesota Statutes 1994, section 41A.04, subdivision 4, is amended to read:

Subd. 4. **RULEMAKING AUTHORITY.** In order to effectuate the purposes of sections 41A.01 to 41A.066, the board shall adopt rules which are subject to the provisions of chapter 14. ~~The board may adopt emergency rules and permanent rules.~~

Sec. 6. Minnesota Statutes 1995 Supplement, section 41A.066, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY TO MAKE LOANS.** The Minnesota agricultural and economic development board may make, purchase, or participate in making or purchasing hazardous waste processing facility loans in any amount, and may enter into commitments therefor. A private person proposing to develop and operate a hazardous waste processing facility is eligible to apply for a loan under this subdivision. Applications must be made to the Minnesota agricultural and economic development board. The Minnesota agricultural and economic development board shall approve the application and make the loan if money is available for it and if the Minnesota agricultural and economic development board finds that:

- (1) development and operation of the facility as proposed by the applicant is economically feasible;
- (2) there is a reasonable expectation that the principal and interest on the loan will be fully repaid; and
- (3) the facility is unlikely to be developed and operated without a loan from the Minnesota agricultural and economic development board.

The Minnesota agricultural and economic development board and the office of waste management shall establish coordinated procedures for loan application, certification, and approval.

The Minnesota agricultural and economic development board may use the Minnesota agricultural and economic development account to provide financial assistance to any person whose hazardous waste processing facility loan application has been certified by the office of environmental assistance and approved by the Minnesota agricultural and economic development board, and for this purpose may exercise the powers granted in Minnesota Statutes 1986, section 116M.06, subdivision 2, with respect to any loans made or bonds issued under this subdivision regardless of whether the applicant is an eligible small business.

The Minnesota agricultural and economic development board may issue bonds and notes in the aggregate principal amount of \$10,000,000 for the purpose of making, purchasing, or participating in making or purchasing hazardous waste processing facility loans.

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

The Minnesota agricultural and economic development board may adopt emergency rules under sections 14.29 to 14.36 to implement the loan program under this subdivision. Emergency rules adopted by the Minnesota agricultural and economic development board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Sec. 7. Minnesota Statutes 1994, section 62E.09, is amended to read:

62E.09 DUTIES OF COMMISSIONER.

The commissioner may:

(a) Formulate general policies to advance the purposes of sections 62E.01 to 62E.16;

(b) Supervise the creation of the Minnesota comprehensive health association within the limits described in section 62E.10;

(c) Approve the selection of the writing carrier by the association, approve the association's contract with the writing carrier, and approve the state plan coverage;

(d) Appoint advisory committees;

(e) Conduct periodic audits to assure the general accuracy of the financial data submitted by the writing carrier and the association;

(f) Contract with the federal government or any other unit of government to ensure coordination of the state plan with other governmental assistance programs;

(g) Undertake directly or through contracts with other persons studies or demonstration programs to develop awareness of the benefits of sections 62E.01 to 62E.16, so that the residents of this state may best avail themselves of the health care benefits provided by these sections;

(h) Contract with insurers and others for administrative services; and

(i) Adopt, amend, suspend and repeal rules as reasonably necessary to carry out and make effective the provisions and purposes of sections 62E.01 to 62E.16. ~~The commissioner may until December 31, 1978 adopt emergency rules.~~

Sec. 8. Minnesota Statutes 1994, section 72C.07, subdivision 1, is amended to read:

Subdivision 1. All insurance policies covered by section 72C.11 shall be printed in legible type and in a type face style approved by the commissioner. ~~The commissioner shall by emergency rule establish a list of type face styles approved as acceptable not later than January 1, 1978.~~

Sec. 9. Minnesota Statutes 1994, section 83.23, subdivision 2, is amended to read:

Subd. 2. **NOTIFICATION.** Unless the method of offer or sale is adopted for the purpose of evasion of sections 83.20 to 83.42, 83.43 and 83.44, subdivided lands may be registered by notification provided that all of the following requirements have been met:

(a) the subdivision consists of not more than 100 separate lots, units, parcels, or interests;

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

(b) at least 20 days prior to any offer pursuant to this subdivision, the subdivider must supply the commissioner, on forms which the commissioner may by rule prescribe, at least the following information:

(1) the name and address of the subdivider and the form and date of its organization if other than an individual;

(2) the location and legal description of the subdivision and the total number of lots, parcels, units, or interests;

(3) either a title opinion prepared and signed by an attorney licensed to practice law in the state wherein the subdivided land is situated; or a certificate of title insurance or its equivalent acceptable to the commissioner;

(4) a copy of each instrument which will be delivered to a purchaser to evidence the purchaser's interest in the subdivided lands and a copy of each contract or other agreement which a purchaser will be required to agree to or sign, together with the range of selling prices, rates, or rentals at which it is proposed to offer the lots, units, parcels, or interests in the subdivision, a list of fees the purchaser may be required to pay for amenities or membership in groups including, but not limited to, homeowners' associations, country clubs, golf courses, and other community organizations; and

(5) a copy of a signed and approved plat map or its equivalent;

(c) a filing fee of \$150 has been paid;

(d) the subdivider is in compliance with the service of process provisions of section 83.39.

The commissioner may by rule or order withdraw or further condition registration by notification or increase or decrease the number of lots, units, parcels, or interests in subdivided lands permitted for registration by notification. If no stop order is in effect, no proceeding is pending, and no order has been issued under subdivision 4, a registration statement under this section automatically becomes effective at 5:00 in the afternoon on the 20th full business day after the filing of the registration statement or the last amendment, or at such earlier time as the commissioner by order determines.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 10. Minnesota Statutes 1994, section 83.23, subdivision 3, is amended to read:

Subd. 3. **QUALIFICATION.** Subdivided lands may be registered by qualification provided all of the following requirements have been met:

(a) an application for registration has been filed with the commissioner in a format which the commissioner may by rule prescribe;

(b) the commissioner has been furnished a proposed public offering statement complying with section 83.24;

(c) a filing fee of \$400 plus an additional registration fee of \$1 for each lot, unit, parcel, or interest included in the offering accompanies the application. The maximum combined filing and registration fees shall in no event be more than \$3,500;

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

(d) the subdivider is in compliance with service of process provisions of section 83.39;

(e) the commissioner has been furnished a financial statement of the subdivider's most recent fiscal year, prepared by an independent public accountant and certified by the subdivider; and, if the fiscal year of the subdivider is more than 180 days prior to the date of filing the application, a financial statement, which may be unaudited, as of a date within 180 days of the date of application.

Subdivisions in which all the improvements are complete and paid for by the developer, and for which clear title can be given the purchaser at the closing, are exempt from providing financial statements prepared by an independent accountant.

An application for registration under this section becomes effective when the commissioner so orders.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 11. Minnesota Statutes 1994, section 83.24, subdivision 3, is amended to read:

Subd. 3. **FORM.** A public offering statement shall be in a format prescribed by rule and shall include the following:

(a) the name, principal address, and telephone number of the subdivider and of its officers and agents in this state;

(b) a general description of the subdivided lands stating the total number of lots, parcels, units, or interests to be offered;

(c) a statement which discloses whether the subdivider owns any rights or options to acquire an interest in adjacent properties, and if so, a description of the options and the locations and zoning status of the adjacent properties;

(d) a statement of the assistance, if any, that the subdivider or subdivider's agent will provide to the purchaser in the resale of the property and whether or not the subdivider or the subdivider's agent will be in competition in the event of resale;

(e) the material terms of any restrictions affecting the subdivided lands and each unit or lot, including, but not limited to, any encumbrances, easements, liens, and zoning status; a statement of the subdivider's efforts to remove the restrictions; and a statement of all existing taxes and existing or proposed special taxes or assessments which affect the subdivided lands;

(f) a statement of the use for which the property is to be offered;

(g) information concerning existing or proposed improvements and amenities and the completion dates thereof; and

(h) additional information as may be required at the discretion of the commissioner to assure full and fair disclosure to prospective purchasers.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 12. Minnesota Statutes 1994, section 83.24, subdivision 5, is amended to read:

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

Subd. 5. **OTHER LAW.** Any public offering statement which complies with the requirements of any federal law or the laws of any other state requiring substantially the same disclosure of information as is required by this section, may by rule or order of the commissioner be deemed to be in full or partial compliance with this section.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 13. Minnesota Statutes 1994, section 83.26, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY; LANDS.** Unless the method of offer or sale is adopted for the purpose of evasion of sections 83.20 to 83.42, 83.43 and 83.44, the following subdivided lands are exempted from sections 83.20 to 83.42:

(a) any lands offered or sold by the United States, any state, any political subdivision of a state, or any other corporate instrumentality of one of the above;

(b) leases of apartments, stores, offices, or similar space;

(c) leases of rooms or space in hotels, motels, or similar space for a period of less than three years, including renewal options;

(d) cemetery lots or interests therein;

(e) mortgages or deeds of trust of real estate securing evidences of indebtedness;

(f) subdivided lands which are registered as securities pursuant to the provisions of chapter 80A; and

(g) other subdivided lands not within the intent of this chapter which the commissioner may by rule or order exempt.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 14. Minnesota Statutes 1995 Supplement, section 83.26, subdivision 2, is amended to read:

Subd. 2. **GENERALLY; TRANSACTIONS.** Unless the method of offer or sale is adopted for the purpose of evasion of sections 83.20 to 83.42, 83.43 and 83.44, the following transactions are exempt from sections 83.23, 83.24, 83.25, 83.28, 83.29, and 83.30:

(a) the offer or sale of an interest in subdivided land by an owner, other than the subdivider, acting as principal in a single or isolated transaction;

(b) the offer or sale of all of the subdivided lands within a subdivision in a single transaction to any person;

(c) the offer or sale of subdivided land pursuant to an order of competent jurisdiction, other than a court of bankruptcy;

(d) the offer or sale of subdivided land consisting of not more than ten separate lots, units, parcels, or interests in the aggregate;

(e) the offer or sale of subdivided lands which have been registered under section 83.23, subdivision 2, if there are no more than ten separate lots, units, parcels, or interests

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remaining to be sold and no material change has occurred in the information on file with the commissioner;

(f) the offer and sale of subdivided land located within the corporate limits of a municipality as defined in section 462.352, subdivision 2, which municipality has adopted subdivision regulations as defined in section 462.352, except those lands described in section 83.20, subdivision 13;

(g) the offer and sale of apartments or condominium units as defined in chapters 515 and 515A, and units in common interest communities as defined in chapter 515B;

(h) the offer and sale of subdivided lands used primarily for agricultural purposes provided each parcel is at least ten acres in size;

(i) the offer or sale of improved lots if:

(1) the subdivider has filed with the commissioner, no later than ten business days prior to the date of the first sale, a written notice of its intention to offer or sell improved lots, which notice shall be accompanied by a fee of \$50, together with a copy of the public offering statement accepted by the situs state and the standard purchase agreement which documents are required to be supplied by the subdivider to the purchaser; and

(2) the subdivider deposits all downpayments in an escrow account until all obligations of the subdivider to the purchaser, which are pursuant to the terms of the purchase agreement to be performed prior to the closing, have been performed. The subdivider shall provide the purchaser with a purchase receipt for the downpayment paid, a copy of the escrow agreement and the name, address, and telephone number of the escrow agent. The escrow agent shall be a bank located in Minnesota. All downpayments shall be deposited in the escrow account within two business days after receipt; and

(j) the offer of sale of subdivided lands by a subdivider that has been granted an exemption from registration by the federal Department of Housing and Urban Development under the multiple site subdivision exemption, if the subdivider provides a written notice of the offer of sale to the commissioner before any offers or sale commence.

The written notice must include the name of the subdivision, the county and state in which the subdivision is located, and the number of lots in the subdivision, and a notarized affidavit that all proposed improvements have been completed and the costs of all the improvements have been fully paid, or that the cost of any uncompleted road construction or survey expenses are covered by a bond or escrow account payable to the entities responsible for providing or completing the roads or surveys. The escrow account must be with an independent escrow agent.

The subdivider must also provide to the commissioner a copy of the federal Housing and Urban Development exemption order and the most recent annual confirmation letter which indicates that the order is still in effect.

If the closing services are provided by the subdivider or an affiliate of the subdivider, purchasers must manually initial in the Housing and Urban Development Lot Information Statement both the disclosure on all the liens, reservations, taxes, assessments, easements, and restrictions applicable to the lot purchased and the disclosure on the risks of not obtaining clear title.

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The commissioner may, by rule or order, suspend, revoke, or further condition the exemptions contained in clauses (f), (g), (h), (i), and (j), or may require such further information as may be necessary for the protection of purchasers.

The commissioner may by rule or order suspend, revoke, or further condition the exemptions contained in clauses (f), (g), (h), and (i) or may require such further information as may be necessary for the protection of purchasers.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 15. Minnesota Statutes 1994, section 83.28, subdivision 2, is amended to read:

Subd. 2. **VOIDABLE.** Any contract or agreement for the sale of a lot, parcel, unit, or interest in a subdivision not exempt under section 83.26, is voidable at the discretion of the purchaser, for a period of three years from the date of the contract or agreement, notwithstanding the delivery of a deed to the purchaser, if the subdivision was not registered under sections 83.20 to 83.42, 83.43 and 83.44 at the time of the sale, or if a current public offering statement was not given to the purchaser in accordance with section 83.24, unless subsequently thereto the subdivision is registered under this chapter and in connection therewith, the purchaser has received a written offer to repurchase the lot, parcel, unit, or interest for cash payable on closing of the repurchase, together with interest thereon from the date of purchase at the legal rate or at the rate charged on any lien paid by the purchaser, whichever is higher, less the amount of any income received from the lot, parcel, unit, or interest, and the purchaser has failed to accept the offer in writing within 30 days of its receipt. No offer of repurchase shall be effective unless a duplicate copy thereof has been filed with the commissioner at least 20 days prior to its delivery to the offeree and the commissioner has not objected to the offer within that time. The offer of repurchase shall be in the form and contain the information the commissioner by rule or order prescribes. If the purchaser no longer owns the lot, parcel, unit, or interest, the purchaser shall be entitled to maintain an action at law, and the damages shall be the consideration paid for the lot, parcel, unit, or interest together with interest thereon as specified above from the date of acquisition to the date of disposition, plus costs and reasonable attorney's fees, less the value received for the lot, parcel, unit, or interest at the date of disposition.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 16. Minnesota Statutes 1994, section 83.30, subdivision 1, is amended to read:

Subdivision 1. **FORM; DUE DATE.** During the period a registration is effective, the subdivider shall file an annual report in a format the commissioner may by rule prescribe. The report must include a financial statement of the subdivider's most recent fiscal year, prepared by an accountant and certified by the subdivider. An audited financial statement shall not be required. Every annual report shall be due by the 120th day following the end of the subdivider's fiscal year, unless extended in writing by the commissioner for good cause.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 17. Minnesota Statutes 1994, section 83.31, subdivision 1, is amended to read:

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Subdivision 1. **REPORT OF SALES.** The commissioner may by rule or order require the subdivider or subdivider's agent to submit reports of sales.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 18. Minnesota Statutes 1994, section 83.31, subdivision 3, is amended to read:

Subd. 3. **RULES; FORM OF AMENDMENT.** The commissioner may by rule define what shall be considered a material change and prescribe the format for an application to amend. The amendment shall become effective when ordered by the commissioner.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 19. Minnesota Statutes 1994, section 83.39, subdivision 1, is amended to read:

Subdivision 1. **PROCEDURE.** Every applicant for registration under sections 83.20 to 83.42, 83.43 and 83.44 shall file with the commissioner, in a format as by rule may be prescribed, an irrevocable consent appointing the commissioner or commissioner's successor to be the applicant's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant or a successor, executor, or administrator which arises under sections 83.20 to 83.42, 83.43 and 83.44 or any rule or order thereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. Service under this section shall be made in compliance with section 45.028, subdivision 2.

~~The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.~~

Sec. 20. Minnesota Statutes 1995 Supplement, section 84.9691, is amended to read:

84.9691 RULEMAKING AND PERMITS.

Subdivision 1. **RULES.** (a) The commissioner of natural resources may adopt ~~emergency and permanent~~ rules restricting the introduction, propagation, use, possession, and spread of ecologically harmful exotic species in the state, as outlined in section 84.967.

(b) The commissioner shall adopt rules to identify bodies of water with limited infestation of Eurasian water milfoil. The areas that are infested, and where control is planned, shall be marked and prohibited for use.

(c) A violation of a rule adopted under this section is a misdemeanor.

Subd. 2. **PERMITS.** The commissioner may issue permits regulating the propagation, possession, taking, or transportation of undesirable exotic species for disposal, research, education, or control purposes. The commissioner may place conditions on the permit and may deny, modify, suspend, or revoke a permit.

Sec. 21. Minnesota Statutes 1994, section 103I.101, subdivision 5, is amended to read:

Subd. 5. **COMMISSIONER TO ADOPT RULES.** The commissioner shall adopt rules including:

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- (1) issuance of licenses for:
- (i) qualified well contractors, persons modifying or repairing well casings, well screens, or well diameters;
 - (ii) persons constructing, repairing, and sealing unconventional wells such as drive points or dug wells;
 - (iii) persons constructing, repairing, and sealing dewatering wells;
 - (iv) persons sealing wells; and
 - (v) persons installing well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders;
- (2) issuance of registration for monitoring well contractors;
- (3) establishment of conditions for examination and review of applications for license and registration;
- (4) establishment of conditions for revocation and suspension of license and registration;
- (5) establishment of minimum standards for design, location, construction, repair, and sealing of wells to implement the purpose and intent of this chapter;
- (6) establishment of a system for reporting on wells and borings drilled and sealed;
- (7) establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination, ~~for which the commissioner may adopt emergency rules;~~
- (8) establishment of wellhead protection measures for wells serving public water supplies;
- (9) establishment of procedures to coordinate collection of well data with other state and local governmental agencies;
- (10) establishment of criteria and procedures for submission of well logs, formation samples or well cuttings, water samples, or other special information required for and water resource mapping; and
- (11) establishment of minimum standards for design, location, construction, maintenance, repair, sealing, safety, and resource conservation related to borings, including exploratory borings as defined in section 103I.005, subdivision 9.

Until the commissioner adopts rules under this chapter to replace rules relating to wells and borings that were adopted under chapter 156A, the rules adopted under chapter 156A shall remain in effect.

Sec. 22. Minnesota Statutes 1994, section 115A.156, subdivision 3, is amended to read:

Subd. 3. **PROCEDURE FOR AWARDING GRANTS.** (a) The director may establish procedures for awarding grants under this section. The procedures for awarding grants shall include consideration of the following factors:

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(1) the need to provide collection, processing, or containment for a variety of types of hazardous wastes;

(2) the extent to which the facility or service would provide a significant amount of processing, collection, or containment capacity for waste generated in the state, measured by the volume of waste to be managed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;

(3) the availability of the facility or service to all generators needing the service in the area to be served;

(4) the contribution of the facility or service to achieving the policies and objectives of the hazardous waste management plan;

(5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection, processing, or containment facilities or services;

(6) the need for assistance from the director to accomplish the work;

(7) the extent to which a proposal would produce and analyze new information; and

(8) other factors established by the director consistent with the purposes of this section.

~~(b) The director may adopt emergency rules under sections 14.29 to 14.36 to implement the grant program. Emergency rules adopted by the director remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.~~

Sec. 23. Minnesota Statutes 1994, section 115B.223, subdivision 2, is amended to read:

Subd. 2. **RULES.** ~~(a)~~ The commissioner of the pollution control agency may adopt rules regarding practices and procedures including, but not limited to:

(1) form and procedure for loan application;

(2) terms for loans and loan repayment; and

(3) criteria for eligibility.

~~(b) The commissioner of the pollution control agency may adopt emergency rules under this subdivision for one year following July 1, 1993.~~

Sec. 24. Minnesota Statutes 1994, section 115C.07, subdivision 3, is amended to read:

Subd. 3. **RULES.** (a) The board shall adopt rules regarding its practices and procedures, the form and procedure for applications for compensation from the fund, procedures for investigation of claims and specifying the costs that are eligible for reimbursement from the fund.

~~(b) The board may adopt emergency rules under this subdivision for one year after June 1, 1993.~~

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~~(e) The board shall adopt emergency rules on competitive bidding that specify a bid format and an invoice format that are consistent with each other and with an application for reimbursement.~~

~~(d) The board shall adopt emergency rules under sections 14.29 and 14.385 to establish costs that are not eligible for reimbursement.~~

~~(e) By January 1, 1994, the board shall publish proposed rules establishing a fee schedule of costs or criteria for evaluating the reasonableness of costs submitted for reimbursement. The board shall adopt the rules by June 1, 1994.~~

~~(f) (c) The board may adopt rules requiring certification of environmental consultants.~~

~~(g) (d) The board may adopt other rules necessary to implement this chapter.~~

Sec. 25. Minnesota Statutes 1995 Supplement, section 116.07, subdivision 4, is amended to read:

Subd. 4. **RULES AND STANDARDS.** Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of air contamination or air pollution, to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. ~~The agency shall promulgate emergency rules for sewage sludge pursuant to sections 14.29 to 14.36. Notwithstanding the provisions of sections 14.29 to 14.36, the emergency rules shall be effective until permanent rules are promulgated or March 1, 1982, whichever is earlier.~~ Any such rule or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. By January 1, 1983, the rules for the management of sewage sludge shall include an analysis

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of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 18C.215.

Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1971, chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the pollution control agency.

Pursuant to chapter 14, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for generators of hazardous waste, the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and the location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. In implementing its hazardous waste rules, the pollution control agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long-term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

The pollution control agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

Sec. 26. Minnesota Statutes 1994, section 116J.403, is amended to read:

116J.403 RULES.

No money made available to the commissioner for the small cities community development block grant program shall be spent for community development and related planning programs until the commissioner adopts rules prescribing standards and procedures to govern the expenditure. The rules must be adopted under the administrative procedure act in chapter 14 and must conform with all terms and conditions imposed on the commissioner when the money is made available. ~~The commissioner may adopt emergency rules under sections 14.29 to 14.36 so that the commissioner can carry out promptly the responsibilities for administering federally funded community development grant programs.~~

Sec. 27. Minnesota Statutes 1994, section 129D.14, subdivision 5, is amended to read:

Subd. 5. **STATE COMMUNITY SERVICE BLOCK GRANTS.** (a) The commissioner shall determine eligibility for block grants and the allocation of block grant

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money on the basis of audited financial records of the station to receive the block grant funds for the station's fiscal year preceding the year in which the grant is made, as well as on the basis of the other requirements set forth in this section. The commissioner shall annually distribute block grants equally to all stations that comply with the eligibility requirements and for which a licensee applies for a block grant. The commissioner may promulgate rules to implement this section. ~~For this purpose the commissioner may promulgate emergency rules pursuant to sections 14.29 to 14.36.~~

(b) A station may use grant money under this section for any radio station expenses.

Sec. 28. Minnesota Statutes 1995 Supplement, section 144A.071, subdivision 2, is amended to read:

Subd. 2. **MORATORIUM.** The commissioner of health, in coordination with the commissioner of human services, shall deny each request for new licensed or certified nursing home or certified boarding care beds except as provided in subdivision 3 or 4a, or section 144A.073. "Certified bed" means a nursing home bed or a boarding care bed certified by the commissioner of health for the purposes of the medical assistance program, under United States Code, title 42, sections 1396 et seq.

The commissioner of human services, in coordination with the commissioner of health, shall deny any request to issue a license under section 252.28 and chapter 245A to a nursing home or boarding care home, if that license would result in an increase in the medical assistance reimbursement amount.

In addition, the commissioner of health must not approve any construction project whose cost exceeds \$500,000, or 25 percent of the facility's appraised value, whichever is less, unless:

(a) any construction costs exceeding the lesser of \$500,000 or 25 percent of the facility's appraised value are not added to the facility's appraised value and are not included in the facility's payment rate for reimbursement under the medical assistance program; or

(b) the project:

(1) has been approved through the process described in section 144A.073;

(2) meets an exception in subdivision 3 or 4a;

(3) is necessary to correct violations of state or federal law issued by the commissioner of health;

(4) is necessary to repair or replace a portion of the facility that was damaged by fire, lightning, groundshifts, or other such hazards, including environmental hazards, provided that the provisions of subdivision 4a, clause (a), are met;

(5) as of May 1, 1992, the facility has submitted to the commissioner of health written documentation evidencing that the facility meets the "commenced construction" definition as specified in subdivision 1a, clause (d), or that substantial steps have been taken prior to April 1, 1992, relating to the construction project. "Substantial steps" require that the facility has made arrangements with outside parties relating to the construction project and include the hiring of an architect or construction firm, submission of preliminary plans to the department of health or documentation from a financial institution that financing arrangements for the construction project have been made; or

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(6) is being proposed by a licensed nursing facility that is not certified to participate in the medical assistance program and will not result in new licensed or certified beds.

Prior to the final plan approval of any construction project, the commissioner of health shall be provided with an itemized cost estimate for the project construction costs. If a construction project is anticipated to be completed in phases, the total estimated cost of all phases of the project shall be submitted to the commissioner and shall be considered as one construction project. Once the construction project is completed and prior to the final clearance by the commissioner, the total project construction costs for the construction project shall be submitted to the commissioner. If the final project construction cost exceeds the dollar threshold in this subdivision, the commissioner of human services shall not recognize any of the project construction costs or the related financing costs in excess of this threshold in establishing the facility's property-related payment rate.

The dollar thresholds for construction projects are as follows: for construction projects other than those authorized in clauses (1) to (6), the dollar threshold is \$500,000 or 25 percent of appraised value, whichever is less. For projects authorized after July 1, 1993, under clause (1), the dollar threshold is the cost estimate submitted with a proposal for an exception under section 144A.073, plus inflation as calculated according to section 256B.431, subdivision 3f, paragraph (a). For projects authorized under clauses (2) to (4), the dollar threshold is the itemized estimate project construction costs submitted to the commissioner of health at the time of final plan approval, plus inflation as calculated according to section 256B.431, subdivision 3f, paragraph (a).

The commissioner of health shall adopt ~~emergency or permanent~~ rules to implement this section or to amend the emergency rules for granting exceptions to the moratorium on nursing homes under section 144A.073. ~~The authority to adopt emergency rules continues to December 30, 1992.~~

Sec. 29. Minnesota Statutes 1995 Supplement, section 144A.073, subdivision 8, is amended to read:

Subd. 8. **RULEMAKING.** The commissioner of health shall adopt ~~permanent~~ rules to implement this section. The permanent rules must be in accordance with and implement only the criteria listed in this section. The authority to adopt permanent rules continues until July 1, 1996.

Sec. 30. Minnesota Statutes 1994, section 145.889, is amended to read:

145.889 RULES.

The commissioner may adopt ~~emergency and permanent~~ rules for the efficient administration of sections 145.881 to 145.886 and 145.888. ~~The emergency rules need not be adopted in compliance with chapter 14 and shall be effective for 360 days or until the permanent rules are adopted, whichever occurs first. The emergency rules shall be effective upon adoption by the commissioner and shall be published in the State Register as soon thereafter as possible.~~

Sec. 31. Minnesota Statutes 1994, section 145.97, is amended to read:

145.97 HILL-BURTON PROGRAM; RULES.

The commissioner of health may promulgate ~~emergency~~ rules under sections 14.29 to 14.36 to implement and enforce the provisions of United States Code, title 42, section

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291e(e), 291e(b)(3), 300s(3), 300s(1)(b)(1)(F), or 300s-6, and the provisions of regulations promulgated by the United States Secretary of Health and Human Services pursuant to United States Code, title 42, section 291e(e) or 300s(3), known as the Hill-Burton program. The commissioner shall maintain records on the number and nature of complaints received and any actions taken to implement or enforce the Hill-Burton laws and rules. Sec. 32, Minnesota Statutes 1994, section 148B.61, subdivision 2, is amended to read:

Subd. 2. RULEMAKING. The commissioner of health shall adopt rules necessary to implement, administer, or enforce provisions of sections 148B.60 to 148B.71 pursuant to chapter 14. The commissioner may not adopt rules that restrict or prohibit persons from providing mental health services on the basis of education, training, experience, or supervision. The commissioner may consult with the mental health practitioner advisory council, established in section 148B.62, during the rulemaking process. Rules adopted pursuant to this authority are exempt from section 14115.

Sec. 33, Minnesota Statutes 1994, section 160.265, subdivision 2, is amended to read:

Subd. 2. LOCAL BIKEWAY GRANTS. The commissioner shall provide technical assistance to local units of government in planning and developing bikeways. The commissioner shall make grants to units of government as defined in section 85.019, subdivision 1, for the betterment of public land and improvements needed for local bikeways. In making grants the commissioner shall consider, among other factors, the number of bicycles in the localities. A grant shall not exceed 75 percent of the cost of the betterment of the bikeway. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the bikeway. The commissioner may adopt emergency rules pursuant to sections 14.05 to 14.36 to commence the grant program immediately.

Sec. 34, Minnesota Statutes 1994, section 169.128, is amended to read:

169.128 RULES OF COMMISSIONER OF PUBLIC SAFETY.

The commissioner of public safety may promulgate permanent rules to carry out the provisions of sections 169.121 and 169.123 and until December 31, 1985, emergency rules to implement any statutory changes enacted by the 1985 legislature pertaining to issues of implied consent and driving while under the influence. The rules may include forms for notice of intention to revoke, which shall describe clearly the right to a hearing, the procedure for requesting a hearing, and the consequences of failure to request a hearing; forms for revocation and notice of reinstatement of driving privileges as provided in section 169.1261; and forms for temporary licenses.

Rules promulgated pursuant to this section are subject to sections 14.01 to 14.20 and 14.29 14.365 to 14.69.

Sec. 35, Minnesota Statutes 1994, section 182.675, is amended to read:

182.675 RELATIONSHIP TO COLLECTIVE BARGAINING.

Although not required, an employee or employer may seek to resolve any dispute arising under this chapter through resolution procedures provided by any applicable la-

bor agreement or, if there is no applicable provision of a labor agreement, through a dispute resolution procedure to be developed by the commissioner. The employee is not deemed to have waived or lost any substantive or procedural rights under this chapter due to resort to the resolution methods and may pursue all legal remedies under this chapter without any prejudice due to the results of these resolution methods. ~~The commissioner may adopt emergency rules to develop a dispute resolution procedure.~~ Nothing in this chapter is deemed to prevent the creation of additional rights or remedies for employees pursuant to a labor agreement or personnel rule.

Sec. 36. Minnesota Statutes 1994, section 198.003, subdivision 1, is amended to read:

Subdivision 1. **POLICY; RULES; REPORT.** It is the duty of the board and the board has the power to:

(1) determine policy and, subject to chapter 14, adopt, amend, and repeal rules for the governance of the homes, and ~~to adopt emergency rules necessary to implement this chapter.~~ With respect to residents' administrative appeal time periods that are not established by statute, the board may create by rule reasonable time periods within which a resident must appeal an administrative determination to the next administrative level. If the determination is not appealed within the time set by rule, the determination becomes final;

(2) report quarterly to the governor on the management, operations, and quality of care provided at the homes; and

(3) take other action as provided by law.

Emergency rules adopted under this section are not effective after December 31, 1989,

Sec. 37. Minnesota Statutes 1994, section 216A.037, subdivision 3, is amended to read:

Subd. 3. **CODE OF CONDUCT.** Except as limited by subdivision 1, the commission shall adopt rules prescribing a code of conduct for commissioners and employees of the commission. The code of conduct must include standards to preserve the quasi-judicial function of the commission.

~~The commission shall adopt emergency rules to implement this subdivision.~~

Sec. 38. Minnesota Statutes 1994, section 216B.164, subdivision 6, is amended to read:

Subd. 6. **RULES AND UNIFORM CONTRACT.** (a) The commission shall promulgate rules to implement the provisions of this section. The commission shall also establish a uniform statewide form of contract for use between utilities and a qualifying facility having less than 40 kilowatt capacity.

(b) The commission shall require the qualifying facility to provide the utility with reasonable access to the premises and equipment of the qualifying facility if the particular configuration of the qualifying facility precludes disconnection or testing of the qualifying facility from the utility side of the interconnection with the utility remaining responsible for its personnel.

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(c) The uniform statewide form of contract shall be applied to all new and existing interconnections established between a utility and a qualifying facility having less than 40 kilowatt capacity, except that existing contracts may remain in force until written notice of election that the uniform statewide contract form applies is given by either party to the other, with the notice being of the shortest time period permitted under the existing contract for termination of the existing contract by either party, but not less than ten nor longer than 30 days.

~~(d) The commission may promulgate emergency rules for the purpose of implementing this section. The emergency rules are subject to sections 14.29 to 14.36.~~

Sec. 39. Minnesota Statutes 1994, section 216C.10, is amended to read:

216C.10 POWERS.

The commissioner may:

(1) adopt rules under chapter 14 as necessary to carry out the purposes of sections 216C.05 to 216C.30 ~~and, when necessary for the purposes of section 216C.15, adopt emergency rules under sections 14.29 to 14.36;~~

(2) make all contracts under sections 216C.05 to 216C.30 and do all things necessary to cooperate with the United States government, and to qualify for, accept, and disburse any grant intended for the administration of sections 216C.05 to 216C.30;

(3) provide on-site technical assistance to units of local government in order to enhance local capabilities for dealing with energy problems;

(4) administer for the state, energy programs under federal law, regulations, or guidelines, except for the low-income home energy assistance program and low-income weatherization programs administered by the department of economic security, and coordinate the programs and activities with other state agencies, units of local government, and educational institutions;

(5) develop a state energy investment plan with yearly energy conservation and alternative energy development goals, investment targets, and marketing strategies;

(6) perform market analysis studies relating to conservation, alternative and renewable energy resources, and energy recovery;

(7) assist with the preparation of proposals for innovative conservation, renewable, alternative, or energy recovery projects;

(8) manage and disburse funds made available for the purpose of research studies or demonstration projects related to energy conservation or other activities deemed appropriate by the commissioner;

(9) intervene in certificate of need proceedings before the public utilities commission;

(10) collect fees from recipients of loans, grants, or other financial aid from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations, which fees must be used to pay the department's costs in administering those financial aids; and

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(11) collect fees from proposers and operators of conservation and other energy-related programs that are reviewed, evaluated, or approved by the department, other than proposers that are political subdivisions or community or nonprofit organizations, to cover the department's cost in making the reviewal, evaluation, or approval and in developing additional programs for others to operate.

Notwithstanding any other law, the commissioner is designated the state agent to apply for, receive, and accept federal or other funds made available to the state for the purposes of sections 216C.05 to 216C.30.

Sec. 40. Minnesota Statutes 1994, section 216C.14, subdivision 3, is amended to read:

Subd. 3. **ADMINISTRATION; RULES.** The commissioner shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 14. ~~For this purpose the commissioner may adopt emergency rules pursuant to the provisions of sections 14.29 to 14.36.~~

Sec. 41. Minnesota Statutes 1994, section 216C.15, subdivision 2, is amended to read:

Subd. 2. **PERIODIC REVISION.** At least once every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota, the commissioner shall review and if necessary revise the emergency conservation and allocation plan. Revisions of the emergency conservation and allocation plan shall be adopted pursuant to the rulemaking procedures in chapter 14 and reviewed by the appropriate standing committees of the legislature. ~~The commissioner may also make revisions to the plan pursuant to sections 14.29 to 14.36, and the emergency rules powers of section 216C.10, clause (a), when a declared or impending energy supply emergency requires.~~

Sec. 42. Minnesota Statutes 1994, section 216C.37, subdivision 7, is amended to read:

Subd. 7. **RULES.** The commissioner shall adopt rules necessary to implement this section. ~~The commissioner shall adopt emergency rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section.~~ The rules shall contain as a minimum:

- (a) procedures for application by municipalities;
- (b) criteria for reviewing loan applications; and
- (c) procedures and guidelines for program monitoring, closeout, and evaluation.

Sec. 43. Minnesota Statutes 1994, section 240.24, subdivision 2, is amended to read:

Subd. 2. **EXCEPTION.** Notwithstanding subdivision 1, the commission by rule shall allow the use of: (1) topical external applications that do not contain anesthetics or steroids; (2) food additives; (3) Furosemide or other pulmonary hemostatic agents if the agents are administered under the visual supervision of the veterinarian or a designee of the veterinarian employed by the commission; and (4) nonsteroidal anti-inflammatory drugs, provided that the test sample does not contain more than three micrograms of the substance or metabolites thereof per milliliter of blood plasma. For purposes of this

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clause, "test sample" means any bodily substance including blood, urine, saliva, or other substance as directed by the commission, taken from a horse under the supervision of the commission veterinarian and in such manner as prescribed by the commission for the purpose of analysis.

The commission shall adopt emergency rules to implement the provisions of this subdivision.

Sec. 44. Minnesota Statutes 1994, section 254B.041, subdivision 2, is amended to read:

Subd. 2. **VENDOR COLLECTIONS; RULE AMENDMENT.** The commissioner may amend Minnesota Rules, parts 9530.7000 to 9530.7025, to require a vendor of chemical dependency transitional and extended care rehabilitation services to collect the cost of care received under a program from an eligible person who has been determined to be partially responsible for treatment costs, and to remit the collections to the commissioner. The commissioner shall pay to a vendor, for the collections, an amount equal to five percent of the collections remitted to the commissioner by the vendor. ~~The amendment may be adopted under the emergency rulemaking provisions of sections 14.29 to 14.36.~~

Sec. 45. Minnesota Statutes 1995 Supplement, section 256.737, subdivision 1a, is amended to read:

Subd. 1a. **COMMISSIONER'S DUTIES.** The commissioner shall:

- (a) assist counties in the design and implementation of these programs;
- (b) ~~promulgate, in accordance with chapter 14, emergency rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until June 30, 1993, unless superseded by permanent rules;~~
- (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law;
- (d) ensure that participants at CWEP worksites are assigned to work, and require revision of the CWEP work plan in cases where work is not available at the site;
- (e) (d) shall design and implement an intensive, functional work literacy program that addresses the barriers to employment for nonexempt caretakers in AFDC-UP households who lack proficiency in English. The commissioner is encouraged to work with adult basic education providers to provide functional work literacy services, where available. The intensive, functional work literacy program must be designed to assist nonexempt caretakers in AFDC-UP households achieve self-sufficiency by enhancing their employability through concurrent participation in meaningful work experience, job search skills, and functional work literacy; and

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(f) (e) prohibit the use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee bargaining unit position established as of January 1, 1993.

The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Written or oral concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative within seven days. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.

Sec. 46. Minnesota Statutes 1994, section 256.871, subdivision 7, is amended to read:

Subd. 7. **AUTHORITY OF THE COMMISSIONER.** The commissioner is hereby authorized, subject to the provisions of chapter 14, to promulgate permanent rules and may promulgate emergency rules not inconsistent with this section as necessary to qualify for maximum federal funds to implement sections 256.72 to 256.871.

Sec. 47. Minnesota Statutes 1994, section 256.991, is amended to read:

256.991 RULES.

The commissioner of human services may promulgate emergency and permanent rules as necessary to implement sections 256.01, subdivision 2; 256.82, subdivision 3; 256.966, subdivision 1; 256D.03, subdivisions 3, 4, 6, and 7; and 261.23. The commissioner shall promulgate emergency and permanent rules to establish standards and criteria for deciding which medical assistance services require prior authorization and for deciding whether a second medical opinion is required for an elective surgery. The commissioner shall promulgate permanent and emergency rules as necessary to establish the methods and standards for determining inappropriate utilization of medical assistance services.

The commissioner of human services shall adopt emergency rules which meet the requirements of sections 14.29 to 14.36 for the medical assistance demonstration project. Notwithstanding the provisions of section 14.35, the emergency rules promulgated to implement section 256B.69 shall be effective for 360 days and may be continued in effect for an additional 900 days if the commissioner gives notice by publishing a notice in the State Register and mailing notice to all persons registered with the commissioner to receive notice of rulemaking proceedings in connection with the project. The emergency rules shall not be effective beyond December 31, 1986, without meeting the requirements of sections 14.131 to 14.20.

Sec. 48. Minnesota Statutes 1994, section 256B.431, subdivision 22, is amended to read:

Subd. 22. **CHANGES TO NURSING FACILITY REIMBURSEMENT.** The nursing facility reimbursement changes in paragraphs (a) to (e) apply to Minnesota Rules, parts 9549.0010 to 9549.0080, and this section, and are effective for rate years beginning on or after July 1, 1993, unless otherwise indicated.

(a) In addition to the approved pension or profit sharing plans allowed by the reimbursement rule, the commissioner shall allow those plans specified in Internal Revenue Code, sections 403(b) and 408(k).

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(b) The commissioner shall allow as workers' compensation insurance costs under section 256B.421, subdivision 14, the costs of workers' compensation coverage obtained under the following conditions:

(1) a plan approved by the commissioner of commerce as a Minnesota group or individual self-insurance plan as provided in section 79A.03;

(2) a plan in which:

(i) the nursing facility, directly or indirectly, purchases workers' compensation coverage in compliance with section 176.181, subdivision 2, from an authorized insurance carrier;

(ii) a related organization to the nursing facility reinsures the workers' compensation coverage purchased, directly or indirectly, by the nursing facility; and

(iii) all of the conditions in clause (4) are met;

(3) a plan in which:

(i) the nursing facility, directly or indirectly, purchases workers' compensation coverage in compliance with section 176.181, subdivision 2, from an authorized insurance carrier;

(ii) the insurance premium is calculated retrospectively, including a maximum premium limit, and paid using the paid loss retro method; and

(iii) all of the conditions in clause (4) are met;

(4) additional conditions are:

(i) the costs of the plan are allowable under the federal Medicare program;

(ii) the reserves for the plan are maintained in an account controlled and administered by a person which is not a related organization to the nursing facility;

(iii) the reserves for the plan cannot be used, directly or indirectly, as collateral for debts incurred or other obligations of the nursing facility or related organizations to the nursing facility;

(iv) if the plan provides workers' compensation coverage for non-Minnesota nursing facilities, the plan's cost methodology must be consistent among all nursing facilities covered by the plan, and if reasonable, is allowed notwithstanding any reimbursement laws regarding cost allocation to the contrary;

(v) central, affiliated, corporate, or nursing facility costs related to their administration of the plan are costs which must remain in the nursing facility's administrative cost category and must not be allocated to other cost categories; and

(vi) required security deposits, whether in the form of cash, investments, securities, assets, letters of credit, or in any other form are not allowable costs for purposes of establishing the facilities payment rate.

(5) any costs allowed pursuant to clauses (1) to (3) are subject to the following requirements:

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(i) if the nursing facility is sold or otherwise ceases operations, the plan's reserves must be subject to an actuarially based settle-up after 36 months from the date of sale or the date on which operations ceased. The facility's medical assistance portion of the total excess plan reserves must be paid to the state within 30 days following the date on which excess plan reserves are determined;

(ii) any distribution of excess plan reserves made to or withdrawals made by the nursing facility or a related organization are applicable credits and must be used to reduce the nursing facility's workers' compensation insurance costs in the reporting period in which a distribution or withdrawal is received;

(iii) if reimbursement for the plan is sought under the federal Medicare program, and is audited pursuant to the Medicare program, the nursing facility must provide a copy of Medicare's final audit report, including attachments and exhibits, to the commissioner within 30 days of receipt by the nursing facility or any related organization. The commissioner shall implement the audit findings associated with the plan upon receipt of Medicare's final audit report. The department's authority to implement the audit findings is independent of its authority to conduct a field audit.

~~(6) the commissioner shall have authority to adopt emergency rules to implement this paragraph.~~

(c) In the determination of incremental increases in the nursing facility's rental rate as required in subdivisions 14 to 21, except for a refinancing permitted under subdivision 19, the commissioner must adjust the nursing facility's property-related payment rate for both incremental increases and decreases in recomputations of its rental rate;

(d) A nursing facility's administrative cost limitation must be modified as follows:

(1) if the nursing facility's licensed beds exceed 195 licensed beds, the general and administrative cost category limitation shall be 13 percent;

(2) if the nursing facility's licensed beds are more than 150 licensed beds, but less than 196 licensed beds, the general and administrative cost category limitation shall be 14 percent; or

(3) if the nursing facility's licensed beds is less than 151 licensed beds, the general and administrative cost category limitation shall remain at 15 percent.

(e) The care related operating rate shall be increased by eight cents to reimburse facilities for unfunded federal mandates, including costs related to hepatitis B vaccinations.

Sec. 49. Minnesota Statutes 1994, section 256B.501, subdivision 5a, is amended to read:

Subd. 5a. **CHANGES TO ICF/MR REIMBURSEMENT.** The reimbursement rule changes in paragraphs (a) to (e) apply to Minnesota Rules, parts 9553.0010 to 9553.0080, and this section, and are effective for rate years beginning on or after October 1, 1993, unless otherwise specified.

(a) The maximum efficiency incentive shall be \$1.50 per resident per day.

(b) If a facility's capital debt reduction allowance is greater than 50 cents per resident per day, that facility's capital debt reduction allowance in excess of 50 cents per resident day shall be reduced by 25 percent.

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(c) Beginning with the biennial reporting year which begins January 1, 1993, a facility is no longer required to have a certified audit of its financial statements. The cost of a certified audit shall not be an allowable cost in that reporting year, nor in subsequent reporting years unless the facility submits its certified audited financial statements in the manner otherwise specified in this subdivision. A nursing facility which does not submit a certified audit must submit its working trial balance.

(d) In addition to the approved pension or profit sharing plans allowed by the reimbursement rule, the commissioner shall allow those plans specified in Internal Revenue Code, sections 403(b) and 408(k).

(e) The commissioner shall allow as workers' compensation insurance costs under this section, the costs of workers' compensation coverage obtained under the following conditions:

(1) a plan approved by the commissioner of commerce as a Minnesota group or individual self-insurance plan as provided in sections 79A.03;

(2) a plan in which:

(i) the facility, directly or indirectly, purchases workers' compensation coverage in compliance with section 176.181, subdivision 2, from an authorized insurance carrier;

(ii) a related organization to the facility reinsures the workers' compensation coverage purchased, directly or indirectly, by the facility; and

(iii) all of the conditions in clause (4) are met;

(3) a plan in which:

(i) the facility, directly or indirectly, purchases workers' compensation coverage in compliance with section 176.181, subdivision 2, from an authorized insurance carrier;

(ii) the insurance premium is calculated retrospectively, including a maximum premium limit, and paid using the paid loss retro method; and

(iii) all of the conditions in clause (4) are met;

(4) additional conditions are:

(i) the reserves for the plan are maintained in an account controlled and administered by a person which is not a related organization to the facility;

(ii) the reserves for the plan cannot be used, directly or indirectly, as collateral for debts incurred or other obligations of the facility or related organizations to the facility;

(iii) if the plan provides workers' compensation coverage for non-Minnesota facilities, the plan's cost methodology must be consistent among all facilities covered by the plan, and if reasonable, is allowed notwithstanding any reimbursement laws regarding cost allocation to the contrary;

(iv) central, affiliated, corporate, or nursing facility costs related to their administration of the plan are costs which must remain in the nursing facility's administrative cost category, and must not be allocated to other cost categories; and

(v) required security deposits, whether in the form of cash, investments, securities, assets, letters of credit, or in any other form are not allowable costs for purposes of establishing the facilities payment rate; and

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(5) any costs allowed pursuant to clauses (1) to (3) are subject to the following requirements:

(i) if the facility is sold or otherwise ceases operations, the plan's reserves must be subject to an actuarially based settle-up after 36 months from the date of sale or the date on which operations ceased. The facility's medical assistance portion of the total excess plan reserves must be paid to the state within 30 days following the date on which excess plan reserves are determined;

(ii) any distribution of excess plan reserves made to or withdrawals made by the facility or a related organization are applicable credits and must be used to reduce the facility's workers' compensation insurance costs in the reporting period in which a distribution or withdrawal is received; and

(iii) if the plan is audited pursuant to the Medicare program, the facility must provide a copy of Medicare's final audit report, including attachments and exhibits, to the commissioner within 30 days of receipt by the facility or any related organization. The commissioner shall implement the audit findings associated with the plan upon receipt of Medicare's final audit report. The department's authority to implement the audit findings is independent of its authority to conduct a field audit; and

(6) the commissioner shall have authority to adopt emergency rules to implement this paragraph.

Sec. 50. Minnesota Statutes 1994, section 256B.501, subdivision 10, is amended to read:

Subd. 10. **RULES.** To implement this section, the commissioner shall promulgate emergency and permanent rules in accordance with chapter 14. To implement subdivision 3, the commissioner shall promulgate emergency rules and permanent rules in accordance with sections 14.01 to 14.38. Notwithstanding the provisions of section 14.35, the emergency rule promulgated to implement subdivision 3 shall be effective for up to 720 days.

Sec. 51. Minnesota Statutes 1994, section 256B.502, is amended to read:

256B.502 EMERGENCY AND PERMANENT RULES; REPORT.

The commissioners of health and human services shall promulgate emergency and permanent rules necessary to implement Laws 1983, chapter 199, except as otherwise indicated in accordance with sections 14.01 to 14.38. Emergency rules promulgated by August 15, 1983 to implement the rate determination provisions of section 256B.431 are retroactive to and effective as of July 1, 1983. Notwithstanding the provisions of section 14.35, emergency rules promulgated to implement Laws 1983, chapter 199, shall be effective for up to 360 days after July 1, 1983, and may be continued in effect for two additional periods of 180 days each if the commissioner gives notice of continuation of each additional period by publishing notice in the State Register and mailing the same notice to all persons registered with the commissioner to receive notice of rulemaking proceedings in connection with Laws 1983, chapter 199. The emergency rules promulgated in accordance with this section shall not be effective 720 days after their effective date without following the procedures in sections 14.13 to 14.20. The commissioner shall report to the legislature by January 1, 1985, on likely groups and shall establish groups of nursing homes based on the mix of resident care needs, and on geographic area, by July 1, 1985.

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Sec. 52. Minnesota Statutes 1994, section 256B.503, is amended to read:

256B.503 RULES.

To implement Laws 1983, chapter 312, article 9, sections 1 to 7, the commissioner shall promulgate ~~emergency and permanent~~ rules in accordance with sections 14.01 to 14.38. Rules adopted to implement Laws 1983, chapter 312, article 9, section 5, must (a) be in accord with the provisions of Minnesota Statutes, chapter 256E, (b) set standards for case management which include, encourage and enable flexible administration, (c) require the county boards to develop individualized procedures governing case management activities, (d) consider criteria promulgated under section 256B.092, subdivision 3, and the federal waiver plan, (e) identify cost implications to the state and to county boards, and (f) require the screening teams to make recommendations to the county case manager for development of the individual service plan.

The commissioner shall adopt ~~permanent~~ rules to implement this section by July 1, 1986. ~~Emergency rules adopted under this section are effective until that date.~~

Sec. 53. Minnesota Statutes 1994, section 256B.74, subdivision 10, is amended to read:

Subd. 10. **IMPLEMENTATION; RULEMAKING.** The commissioner shall implement sections 256.9657 and 256B.74 on July 1, 1991, without complying with the rulemaking requirements of the administrative procedure act. The commissioner ~~shall begin to adopt emergency rules to implement Laws 1991, chapter 292, article 4, within 30 days, and may adopt permanent rules to implement Laws 1991, chapter 292, article 4.~~ Emergency and permanent Rules adopted to implement Laws 1991, chapter 292, article 4, supersede any provisions adopted under the exemption from rulemaking requirements in this section.

Sec. 54. Minnesota Statutes 1995 Supplement, section 256D.01, subdivision 1b, is amended to read:

Subd. 1b. **RULES.** The commissioner shall adopt ~~permanent~~ rules to set standards of assistance and methods of calculating payment to conform with subdivision 1a. The minimum standards of assistance shall authorize the payment of rates negotiated by county agencies for recipients living in a room and board arrangement according to sections 256I.01 to 256I.06. When a recipient is a resident of a regional treatment center, or a residence with a negotiated rate, the recipient is not eligible for a full general assistance standard. The state standard of assistance for those recipients is the personal needs allowance authorized for medical assistance recipients under section 256B.35.

Sec. 55. Minnesota Statutes 1994, section 268.37, subdivision 3, is amended to read:

Subd. 3. **RULES; REPORT.** The commissioner shall ~~promulgate emergency rules as necessary to administer the grants program and shall promulgate permanent rules by July 1, 1980.~~ The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c) other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. The commissioner must require that a rental unit weatherized under this section be rented to a household meeting the income limits of the program for 24 of the 36 months after weatherization is complete. In applying this restriction to multi-unit buildings weatherized under this section, the commissioner shall require that occu-

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pancy continue to reflect the proportion of eligible households in the building at the time of weatherization. ~~The commissioner shall report by February 1, 1988, to the chair of the health and human services divisions of the house appropriations and senate finance committees all steps taken to implement the requirement restricting rental of weatherized units to eligible households.~~

Sec. 56. Minnesota Statutes 1994, section 270.84, subdivision 1, is amended to read:

Subdivision 1. **ANNUAL VALUATION; RULES.** The commissioner shall annually between March 31 and May 31 make a determination of the fair market value of the operating property of every railroad company doing business in this state as of January 2 of the year in which the valuation is made. In making this determination, the commissioner shall employ generally accepted appraisal principles and practices which may include the unit method of determining value. ~~The commissioner may promulgate emergency rules adopting valuation procedures under sections 14.29 to 14.36.~~

Sec. 57. Minnesota Statutes 1994, section 270A.12, is amended to read:

270A.12 RULES.

The commissioner is authorized to develop and to require the use of any necessary forms. The commissioner or a claimant agency is authorized to make any rules necessary to effectuate the purposes of sections 270A.01 to 270A.12. ~~Pursuant to this authority, emergency rules may be adopted pursuant to sections 14.29 to 14.36.~~

Sec. 58. Minnesota Statutes 1994, section 325F.20, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt rules pursuant to chapter 14 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. The standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications adopted and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. ~~For purposes of this subdivision, the commissioner may adopt emergency rules, which may remain in effect for 360 days.~~

Sec. 59. Minnesota Statutes 1995 Supplement, section 336.9-411, is amended to read:

336.9-411 COMPUTERIZED FILING SYSTEM.

(a) The secretary of state shall develop and implement a statewide computerized filing system to accumulate and disseminate information relative to lien statements, financing statements, state and federal tax lien notices, and other uniform commercial code documents. The computerized filing system must allow information to be entered and retrieved from the computerized filing system by county recorders, the department of revenue, the department of economic security, and the Internal Revenue Service.

(b) County recorders shall enter information relative to lien statements, financing statements, state and federal tax lien notices, and other uniform commercial code documents filed in their offices into a central database maintained by the secretary of state.

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The information must be entered under the rules of the secretary of state. This requirement does not apply to tax lien notices filed under sections 268.161, subdivision 1, paragraph (b), clause (2); 270.69, subdivision 2, paragraph (b), clause (2); and 272.488, subdivision 1, but does apply to entry of the date and time of receipt and county recorder's file number of those notices.

(c) The secretary of state may allow private parties to have electronic-view-only access to the computerized filing system and to other computerized records maintained by the secretary of state on a fee basis, except that visual access to electronic display terminals at the public counters at the secretary of state's office will be without charge and available during public counter hours. If the computerized filing system allows a form of electronic access to information regarding the obligations of debtors, the access must be available 24 hours a day, every day of the year.

Notwithstanding section 13.49, private parties who have electronic-view-only access to computerized records may view the social security number information about a debtor that is of record.

(d) The secretary of state shall adopt rules to implement the computerized filing system. ~~The secretary of state may adopt permanent and emergency rules.~~ The rules must:

(1) allow filings to be made at the offices of all county recorders and the secretary of state's office as required by section 336.9-401;

(2) establish a central database for all information relating to liens and security interests that are filed at the offices of county recorders and the secretary of state;

(3) provide procedures for entering data into a central database;

(4) allow the offices of all county recorders and the secretary of state's office to add, modify, and delete information in the central database as required by the uniform commercial code;

(5) allow the offices of all county recorders and the secretary of state's office to have access to the central database for review and search capabilities;

(6) allow the offices of all county recorders to have electronic-view-only access to the computerized business information records on file with the secretary of state;

(7) require the secretary of state to maintain the central database;

(8) provide security and protection of all information in the central database and monitor the central database to ensure that unauthorized entry is not allowed;

(9) require standardized information for entry into the central database;

(10) prescribe an identification procedure for debtors and secured parties that will enhance lien and financing statement searches; and

(11) prescribe a procedure for phasing-in or converting from the existing filing system to a computerized filing system.

(e) The secretary of state, county recorders, and their employees and agents shall not be liable for any loss or damages arising from errors in or omissions from information entered into the computerized filing system as a result of the electronic transmission of

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tax lien notices under sections 268.161, subdivision 1, paragraph (b), clause (2); 270.69, subdivision 2, paragraph (b), clause (2); 272.483; and 272.488, subdivisions 1 and 3.

Sec. 60. Minnesota Statutes 1994, section 363.06, subdivision 4a, is amended to read:

Subd. 4a. **EMERGENCY APPLICATION OF RULES.** ~~The commissioner may adopt emergency rules pursuant to chapter 14 to carry out the purposes of this section. Emergency and permanent Rules adopted pursuant to this subdivision apply to cases pending before the commissioner on the date of adoption.~~

Sec. 61. Minnesota Statutes 1994, section 462A.06, subdivision 11, is amended to read:

Subd. 11. It may make and publish rules pursuant to chapter 14 respecting its mortgage lending, construction lending, rehabilitation lending, grants, and temporary lending, and any such other rules as are necessary to effectuate its corporate purpose, and may adopt emergency rules to implement demonstration programs using bond proceeds for the financing of residential housing.

Sec. 62. Minnesota Statutes 1994, section 462A.07, subdivision 14, is amended to read:

Subd. 14. **AMERICAN INDIANS.** (a) It may engage in housing programs for low- and moderate-income American Indians developed and administered separately or in combination by the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities as determined by such tribe, band, or communities. In furtherance of the policy of economic integration stated in section 462A.02, subdivision 6, it may engage in housing programs for American Indians who intend to reside on reservations and who are not persons of low and moderate income, provided that the aggregate dollar amount of the loans for each lender's fiscal year shall not exceed an amount equal to 25 percent of the total dollar amount of all loans made by that lender during the lender's fiscal year at the time of loan application. In developing such housing programs, the tribe, band, or communities shall take into account the housing needs of all American Indians residing both on and off reservations within the state. A plan for each such program, which specifically describes the program content, utilization of funds, administration, operation, implementation and other matter, as determined by the agency, must be submitted to the agency for its review and approval prior to the making of eligible loans pursuant to section 462A.21. All such programs must conform to rules promulgated by the agency concerning program administration, including but not limited to rules concerning costs of administration; the quality of housing; interest rates, fees, and charges in connection with making eligible loans; and other matters determined by the agency to be necessary in order to effectuate the purposes of this subdivision and section 462A.21, subdivisions 4b and 4c. All such programs must provide for a reasonable balance in the distribution of funds appropriated for the purpose of this section between American Indians residing on and off reservations within the state. Nothing in this section shall preclude such tribe, band, or communities from requesting and receiving cooperation, advice, and assistance from the agency as regards program development, operation, delivery, financing, or administration. As a condition to the making of such eligible loans, the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities shall:

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(1) enter into a loan agreement and other contractual arrangements with the agency for the purpose of transferring the allocated portion of loan funds as set forth in section 462A.26 and to insure compliance with the provisions of this section and this chapter; and

(2) agree that all of their official books and records related to such housing programs shall be subjected to audit by the legislative auditor in the manner prescribed for agencies of state government.

The agency shall submit a biennial report concerning the various housing programs for American Indians, and related receipts and expenditures as provided in section 462A.22, subdivision 9, and such tribe, band, or communities to the extent that they administer such programs, shall be responsible for any costs and expenses related to such administration provided, however, they shall be eligible for payment for costs, expenses, and services pursuant to subdivision 12 and section 462A.21. The agency may provide or cause to be provided essential general technical services as set forth in subdivision 2, and general consultative project assistance services, including, but not limited to, management training, and home ownership counseling as set forth in subdivision 3. Members of boards, committees, or other governing bodies of the tribe, band, and communities administering the programs authorized by this subdivision must be compensated for those services as provided in section 15.0575. ~~Rules promulgated under this subdivision may be promulgated as emergency rules under chapter 14.~~

(b) The agency may engage in demonstration projects to encourage the participation of financial institutions or other leveraging sources in providing housing opportunities for American Indians. The agency shall consult with the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities in developing the demonstration projects. The income limits specified in paragraph (a) do not apply to the demonstration projects.

(c) The agency may make home improvement loans under this subdivision without regard to household income.

Sec. 63. Minnesota Statutes 1995 Supplement, section 462A.201, subdivision 2, is amended to read:

Subd. 2. **LOW-INCOME HOUSING.** (a) The agency may, in consultation with the advisory committee, use money from the housing trust fund account to provide loans or grants for projects for the development, construction, acquisition, preservation, and rehabilitation of low-income rental and limited equity cooperative housing units and homes for ownership. No more than 20 percent of available funds may be used for home ownership projects.

(b) A rental or limited equity cooperative housing project must meet one of the following income tests:

(1) at least 75 percent of the rental and cooperative units must be rented to or cooperatively owned by persons and families whose income does not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2; or

(2) all of the units funded by the housing trust fund account must be used for the benefit of persons and families whose income does not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2.

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The median family income may be adjusted for families of five or more.

(c) Homes for ownership must be owned or purchased by persons and families whose income does not exceed 50 percent of the metropolitan area median income, adjusted for family size.

(d) In making the grants, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required. To promote the geographic distribution of grants and loans, the agency may designate a portion of the grant or loan awards to be set aside for projects located in specified congressional districts or other geographical regions specified by the agency. The agency may adopt emergency and permanent rules for awarding grants and loans under this subdivision. ~~The emergency rules are effective for 180 days or until the permanent rules are adopted, whichever occurs first.~~

Sec. 64. Minnesota Statutes 1994, section 462A.236, is amended to read:

462A.236 RULES.

The agency may adopt emergency and permanent rules for the efficient administration of section 462A.05, subdivisions 14b, 18a, and 23. ~~The emergency rules need not be adopted in compliance with chapter 14 and are effective for 360 days or until the permanent rules are adopted, whichever occurs first. The emergency rules are effective upon adoption by the agency and shall be published in the State Register as soon thereafter as possible.~~

Sec. 65. Minnesota Statutes 1994, section 583.285, is amended to read:

583.285 MEDIATION RULES.

The commissioner of agriculture, in consultation with the commissioner of the bureau of mediation services and the director of the University of Minnesota agricultural extension service, shall make rules under chapter 14, to implement the farmer-lender mediation act. ~~The commissioner of agriculture may adopt emergency rules.~~

Sec. 66. Minnesota Statutes 1995 Supplement, section 626.557, subdivision 16, is amended to read:

Subd. 16. **IMPLEMENTATION AUTHORITY.** (a) By September 1, 1995, the attorney general and the commissioners of health and human services, in coordination with representatives of other entities that receive or investigate maltreatment reports, shall develop the common report form described in subdivision 9. The form may be used by mandated reporters, county social service agencies, law enforcement entities, licensing agencies, or ombudsman offices.

(b) The commissioners of health and human services shall as soon as possible promulgate rules necessary to implement the requirements of this section. ~~The commissioners of health and human services may promulgate emergency rules pursuant to sections 14.29 to 14.36.~~

(c) By December 31, 1995, the commissioners of health, human services, and public safety shall develop criteria for the design of a statewide database utilizing data collected on the common intake form of the common entry point. The statewide database must be accessible to all entities required to conduct investigations under this section, and must be accessible to ombudsman and advocacy programs.

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(d) By September 1, 1995, each lead agency shall develop the guidelines required in subdivision 9b.

Sec. 67. **REPEALER.**

Minnesota Statutes 1994, sections 222.61; and 254B.041, subdivision 1, are repealed.

ARTICLE 3

AGENCY FEE SETTING

Section 1. Minnesota Statutes 1995 Supplement, section 16B.748, is amended to read:

16B.748 RULES.

The commissioner may adopt rules for the following purposes:

(1) to set a fee under section ~~16A.128~~ 16A.1285 for processing a construction or installation permit or elevator contractor license application;

(2) to set a fee under section ~~16A.128~~ 16A.1285 to cover the cost of elevator inspections;

(3) to establish minimum qualifications for elevator inspectors that must include possession of a current elevator constructor electrician's license issued by the state board of electricity and proof of successful completion of the national elevator industry education program examination or equivalent experience;

(4) to establish criteria for the qualifications of elevator contractors;

(5) to establish elevator standards under sections 16B.61, subdivisions 1 and 2, and 16B.64;

(6) to establish procedures for appeals of decisions of the commissioner under chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek advice from the elevator trade, building owners or managers, and others knowledgeable in the installation, construction, and repair of elevators; and

(7) to establish requirements for the registration of all elevators.

Sec. 2. Minnesota Statutes 1994, section 17.03, subdivision 10, is amended to read:

Subd. 10. **GIFTS; PUBLICATION FEES; ADVERTISING; APPROPRIATION.** (a) The commissioner may accept for and on behalf of the state any gift, bequest, devise, grant, or interest in money or personal property of any kind tendered to the state for any purpose pertaining to the activities of the department of agriculture or any of its divisions.

(b) The commissioner may charge a fee for reports, publications, or other promotional or informational material produced by the department of agriculture. The commis-

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sioner may solicit and accept advertising revenue for any departmental publications or promotional materials.

(c) The fees collected by the commissioner under this section are to recover all or part of the costs of providing services for which the fees are paid. These fees are not subject to chapter 14 or sections ~~16A.128 and 16A.1281~~ section 16A.1285.

(d) Money received by the commissioner for these activities may be credited to one or more special accounts in the state treasury. Money in those special accounts is annually appropriated to the commissioner to provide the services for which the money was received.

Sec. 3. Minnesota Statutes 1994, section 18.54, subdivision 1, is amended to read:

Subdivision 1. **SERVICES AND FEES.** The commissioner may make small lot inspections or perform other necessary services for which another charge is not specified. For these services the commissioner shall set a fee plus expenses that will recover the cost of performing this service, as provided in section ~~16A.128~~ 16A.1285. The commissioner may set an additional acreage fee for inspection of seed production fields for exporters in order to meet domestic and foreign plant quarantine requirements.

Sec. 4. Minnesota Statutes 1994, section 18.54, subdivision 2, is amended to read:

Subd. 2. **VIRUS DISEASE-FREE CERTIFICATION.** The commissioner shall have the authority to provide special services such as virus disease-free certification and other similar programs. Participation by nursery stock growers shall be voluntary. Plants offered for sale as certified virus-free must be grown according to certain procedures in a manner defined by the commissioner for the purpose of eliminating viruses and other injurious disease or insect pests. The commissioner shall collect reasonable fees from participating nursery stock growers for services and materials that are necessary to conduct this type of work, as provided in section ~~16A.128~~ 16A.1285.

Sec. 5. Minnesota Statutes 1994, section 21.92, is amended to read:

21.92-SEED INSPECTION FUND.

There is established in the state treasury an account known as the seed inspection fund. Fees and penalties collected by the commissioner under sections 21.80 to 21.92 and interest attributable to money in the account shall be deposited into this account. The rates at which the fees are charged may be adjusted pursuant to section ~~16A.128~~ 16A.1285.

Sec. 6. Minnesota Statutes 1994, section 41A.023, is amended to read:

41A.023 POWERS.

In addition to other powers granted by this chapter, the board may:

- (1) sue and be sued;
- (2) acquire, hold, lease, and transfer any interest in real and personal property for its corporate purposes;
- (3) sell at public or private sale, at the price or prices determined by the board, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evi-

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dencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual;

(4) obtain insurance on its property;

(5) obtain municipal bond insurance, letters of credit, surety obligations, or similar agreements from financial institutions;

(6) enter into other agreements or transactions, without regard to chapter 16B, that the board considers necessary or appropriate to carry out the purposes of this chapter with federal or state agencies, political subdivisions of the state, or other persons, firms, or corporations;

(7) establish and collect fees without regard to chapter 14 and section ~~16A.128~~ 16A.1285;

(8) accept appropriations, gifts, grants, and bequests;

(9) use money received from any source for any legal purpose or program of the board;

(10) participate in loans for agricultural resource projects in accordance with section 41A.035;

(11) provide small business development loans in accordance with section 41A.036; and

(12) guarantee or insure bonds or notes issued by the board.

Sec. 7. Minnesota Statutes 1994, section 85A.02, subdivision 5b, is amended to read:

Subd. 5b. **EXEMPTIONS.** The board is not subject to sections 3.841 to 3.845, 15.057, 15.061, ~~16A.128~~ 16A.1285, and 16A.28; chapter 16B, except for sections 16B.07, 16B.102, 16B.17, ~~16B.19~~, 16B.35, and 16B.55; and chapter 14, except section 14.38, subdivision 7, relating to the legal status of rules and the legislative review of rules.

Sec. 8. Minnesota Statutes 1995 Supplement, section 97A.0453, is amended to read:

97A.0453 **NOTICE TO COMMITTEES FOR FEES FIXED BY RULE.**

Before the commissioner submits notice to the State Register of intent to adopt emergency rules that establish or adjust fees, the commissioner shall ~~comply with section 16A.128, subdivision 2a~~ send a copy of the notice and the proposed rules to the chairs of the house ways and means committee and the senate committee on finance.

Sec. 9. Minnesota Statutes 1994, section 97B.025, is amended to read:

97B.025 **ADVANCED HUNTER EDUCATION.**

The commissioner may establish advanced education courses for hunters and trappers. The commissioner, with the approval of the commissioner of finance, may impose a fee not to exceed \$10 for each person attending an advanced education course. The commissioner shall establish the fee under section ~~16A.128~~ 16A.1285.

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Sec. 10. Minnesota Statutes 1995 Supplement, section 103G.301, subdivision 2, is amended to read:

Subd. 2. **PERMIT APPLICATION FEES.** (a) An application for a permit authorized under this chapter, and each request to amend or transfer an existing permit, must be accompanied by a permit application fee to defray the costs of receiving, recording, and processing the application or request to amend or transfer.

(b) The application fee for a permit to appropriate water, a permit to construct or repair a dam that is subject to dam safety inspection, a state general permit, or to apply for the state water bank program is \$75. The application fee for a permit to work in public waters or to divert waters for mining must be at least \$75, but not more than \$500, in accordance with a schedule of fees adopted under section ~~16A.128~~ 16A.1285.

Sec. 11. Minnesota Statutes 1994, section 103G.301, subdivision 3, is amended to read:

Subd. 3. **FIELD INSPECTION FEES.** (a) In addition to the application fee, the commissioner may charge a field inspection fee for:

- (1) projects requiring a mandatory environmental assessment under chapter 116D;
- (2) projects undertaken without a required permit or application; and
- (3) projects undertaken in excess of limitations established in an issued permit.

(b) The fee must be at least \$100 but not more than actual inspection costs.

(c) The fee is to cover actual costs related to a permit applied for under this chapter or for a project undertaken without proper authorization.

(d) The commissioner shall establish a schedule of field inspection fees under section ~~16A.128~~ 16A.1285. The schedule must include actual costs related to field inspection, including investigations of the area affected by the proposed activity, analysis of the proposed activity, consultant services, and subsequent monitoring, if any, of the activity authorized by the permit.

Sec. 12. Minnesota Statutes 1994, section 103I.525, subdivision 8, is amended to read:

Subd. 8. **RENEWAL.** (a) A licensee must file an application and a renewal application fee to renew the license by the date stated in the license.

(b) The renewal application fee shall be set by the commissioner under section ~~16A.128~~ 16A.1285.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all properly completed well reports, well sealing reports, reports of excavations to construct elevator shafts, well permits, and well notifications for work conducted by the licensee since the last license renewal.

Sec. 13. Minnesota Statutes 1994, section 103I.525, subdivision 9, is amended to read:

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Subd. 9. **INCOMPLETE OR LATE RENEWAL.** If a licensee fails to submit all information required for renewal in subdivision 8 or submits the application and information after the required renewal date:

(1) the licensee must include an additional late fee set by the commissioner under section 16A.128 16A.1285; and

(2) the licensee may not conduct activities authorized by the well contractor's license until the renewal application, renewal application fee, late fee, and all other information required in subdivision 8 are submitted.

Sec. 14. Minnesota Statutes 1994, section 1031.531, subdivision 8, is amended to read:

Subd. 8. **RENEWAL.** (a) A person must file an application and a renewal application fee to renew the limited well contractor's license by the date stated in the license. (b) The renewal application fee shall be set by the commissioner under section 16A.128 16A.1285.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all properly completed well sealing reports, well permits, and well notifications for work conducted by the licensee since the last license renewal.

Sec. 15. Minnesota Statutes 1994, section 1031.531, subdivision 9, is amended to read:

Subd. 9. **INCOMPLETE OR LATE RENEWAL.** If a licensee fails to submit all information required for renewal in subdivision 8 or submits the application and information after the required renewal date:

(1) the licensee must include an additional late fee set by the commissioner under section 16A.128 16A.1285; and

(2) the licensee may not conduct activities authorized by the limited well contractor's license until the renewal application, renewal application fee, and late fee, and all other information required in subdivision 8 are submitted.

Sec. 16. Minnesota Statutes 1994, section 1031.535, subdivision 8, is amended to read:

Subd. 8. **RENEWAL.** (a) A person must file an application and a renewal application fee to renew the license by the date stated in the license.

(b) The renewal application fee shall be set by the commissioner under section 16A.128 16A.1285.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of renewal, the commissioner must have on file all reports and permits for elevator shaft work conducted by the licensee since the last license renewal.

Sec. 17. Minnesota Statutes 1994, section 1031.541, subdivision 4, is amended to read:

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Subd. 4. **RENEWAL.** (a) A person must file an application and a renewal application fee to renew the registration by the date stated in the registration.

(b) The renewal application fee shall be set by the commissioner under section ~~16A.128~~ 16A.1285.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all well reports, well sealing reports, well permits, and notifications for work conducted by the registered person since the last registration renewal.

Sec. 18. Minnesota Statutes 1994, section 103I.541, subdivision 5, is amended to read:

Subd. 5. **INCOMPLETE OR LATE RENEWAL.** If a registered person submits a renewal application after the required renewal date:

(1) the registered person must include an additional late fee set by the commissioner under section ~~16A.128~~ 16A.1285; and

(2) the registered person may not conduct activities authorized by the monitoring well contractor's registration until the renewal application, renewal application fee, late fee, and all other information required in subdivision 4 are submitted.

Sec. 19. Minnesota Statutes 1994, section 116C.834, subdivision 1, is amended to read:

Subdivision 1. **COSTS.** All costs incurred by the state to carry out its responsibilities under the compact and under sections 116C.833 to 116C.843 shall be paid by generators of low-level radioactive waste in this state through fees assessed by the pollution control agency. The agency shall assess the fees in the manner provided in section ~~16A.128~~ 16A.1285. Fees may be reasonably assessed on the basis of volume or degree of hazard of the waste produced by a generator. Costs for which fees may be assessed include, but are not limited to:

(a) the state contribution required to join the compact;

(b) the expenses of the Commission member and costs incurred to support the work of the Interstate Commission;

(c) regulatory costs, including but not limited to costs of adopting and enforcing regulations if the state enters into a limited agreement with the United States Nuclear Regulatory Commission to assume state regulation of transportation and packaging, or disposal, of low-level radioactive wastes;

(d) siting costs of a low-level radioactive waste facility under section 116C.842 and sections 116C.845 to 116C.848 to the extent that the costs are reasonably attributable to waste generated in this state; and

(e) any liability the state may incur as a party state to the compact.

Sec. 20. Minnesota Statutes 1994, section 116J.63, subdivision 2, is amended to read:

Subd. 2. Fees for reports, publications, or related publicity or promotional material are not subject to the rulemaking requirements of chapter 14 and are not subject to see-

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tions ~~16A.128 and 16A.1281~~ section 16A.1285. The fees prescribed by the commissioner must be commensurate with the distribution objective of the department for the material produced or with the cost of furnishing the services. All fees for materials and services must be deposited in the general fund.

Sec. 21. Minnesota Statutes 1994, section 144.98, subdivision 4, is amended to read:

Subd. 4. **FEES FOR LABORATORY PROFICIENCY TESTING AND TECHNICAL TRAINING.** The commissioner of health may set fees for proficiency testing and technical training services under section ~~16A.128~~ 16A.1285. Fees must be set so that the total fees cover the direct costs of the proficiency testing and technical training services, including salaries, supplies and equipment, travel expenses, and attorney general costs attributable to the fee function.

Sec. 22. Minnesota Statutes 1994, section 148B.17, is amended to read:

148B.17 FEES.

Each board shall by rule establish fees, including late fees, for licenses and renewals so that the total fees collected by the board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section ~~16A.128~~ 16A.1285. Fees must be credited to accounts in the special revenue fund.

Sec. 23. Minnesota Statutes 1994, section 161.1231, subdivision 5, is amended to read:

Subd. 5. **FEES.** The commissioner shall establish and collect fees for use of the parking facilities. The fees must be established and adjusted in compliance with United States Code, title 23, section 137, and are not subject to chapter 14, including section 14.38, subdivisions 5 to 9, or ~~16A.128~~ 16A.1285.

Sec. 24. Minnesota Statutes 1994, section 183.375, subdivision 5, is amended to read:

Subd. 5. **FEES.** All fees collected by the division of boiler inspection shall be paid into the state treasury in the manner provided by law for fees received by other state departments and credited to the general fund. When fees are to be set by the commissioner, they shall be set pursuant to section ~~16A.128~~ 16A.1285.

Sec. 25. Minnesota Statutes 1994, section 183.411, subdivision 2a, is amended to read:

Subd. 2a. **INSPECTION FEES.** The commissioner may set fees for inspecting traction engines, show boilers, and show engines pursuant to section ~~16A.128~~ 16A.1285.

Sec. 26. Minnesota Statutes 1994, section 183.411, subdivision 3, is amended to read:

Subd. 3. **LICENSES.** A license to operate steam farm traction engines, portable and stationary show engines and portable and stationary show boilers shall be issued to an applicant who:

(a) is 18 years of age or older;

(b) has two licensed second class, grade A engineers or steam traction engineers, or any combination thereof, cosign the application; attesting to the applicant's competence in operating said devices;

(c) passes a written test for competence in operating said devices;

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- (d) has at least 25 hours of actual operating experience on said devices; and
- (e) pays the required fee.

A license shall be valid for the lifetime of the licensee. A one time fee set by the commissioner pursuant to section ~~16A.128~~ 16A.1285, shall be charged for the license.

Sec. 27. Minnesota Statutes 1994, section 183.545, is amended to read:

183.545 FEES FOR INSPECTION.

Subdivision 1. **FEE AMOUNT; VESSELS.** The fees for the inspection of the hull, boiler, machinery, and equipments of vessels are to be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285, for vessels of 50 tons burden or over and vessels of less than 50 tons burden.

Subd. 2. **FEE AMOUNTS; MASTERS AND PILOTS.** The commissioner shall, pursuant to section ~~16A.128~~ 16A.1285, set the fee for an examination of an applicant for a master's or pilot's license, for an annual renewal of a master's or a pilot's license, and for an annual renewal if paid later than ten days after expiration.

Subd. 3. **INSPECTION FEES.** The fees for the annual inspection of boilers and biennial inspection of pressure vessels are to be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285, for:

- (a) boiler inaccessible for internal inspection;
- (b) boiler accessible for internal inspection;
- (c) boiler internal inspection over 2,000 square feet heating surface;
- (d) boiler internal inspection over 4,000 square feet heating surface;
- (e) boiler internal inspection over 10,000 square feet heating surface;
- (f) boiler accessible for internal inspection requiring one-half day or more of inspection time shall be billed at the established shop inspection fee rate;
- (g) pressure vessel for internal inspection via manhole; and
- (h) pressure vessel inaccessible for internal inspection.

An additional fee based on the scale of fees applicable to an inspection shall be charged when it is necessary to make a special trip for a hydrostatic test of a boiler or pressure vessel.

The commissioner shall, pursuant to section ~~16A.128~~ 16A.1285, set shop inspection fees. Inspection time includes all time related to the shop inspection.

Subd. 4. **APPLICANTS FEES.** The commissioner shall, pursuant to section ~~16A.128~~ 16A.1285, set the fee for an examination of an applicant for the following licenses:

- (a) chief engineer's license;
- (b) first class engineer's license;
- (c) second class engineer's license;
- (d) special engineer's license;
- (e) traction engineer's license; and
- (f) pilot's license.

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If an applicant, after an examination, is entitled to receive a license, it shall be issued without the payment of any additional charge. Any license so issued expires one year after the date of its issuance. An engineer's license may be renewed upon application therefor and the payment of an annual renewal fee as set by the commissioner pursuant to section ~~16A.128~~ 16A.1285.

Subd. 6. **NATIONAL BOARD INSPECTORS.** The fee for an examination of an applicant for a national board of boiler and pressure vessels inspectors commission shall be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285.

Subd. 7. **NUCLEAR ENDORSEMENT.** The fee for each examination of an applicant for a national board of boiler and pressure vessels commissioned inspectors nuclear endorsement shall be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285.

Subd. 8. **CERTIFICATE OF COMPETENCY.** The fee for issuance of the original state of Minnesota certificate of competency for inspectors shall be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285. This fee is waived for inspectors who paid the examination fee. The fee for an annual renewal of the state of Minnesota certificate of competency shall be set by the commissioner pursuant to section ~~16A.128~~ 16A.1285, and is due January 1 of each year.

Subd. 9. **DEPOSIT OF FEES.** Fees received under this section and section 183.57 must be deposited in the state treasury and credited to the general fund.

Sec. 28. Minnesota Statutes 1994, section 223.17, subdivision 3, is amended to read:

Subd. 3. **GRAIN BUYERS AND STORAGE FUND; FEES.** The commissioner shall set the fees for inspections under sections 223.15 to 223.22 at levels necessary to pay the expenses of administering and enforcing sections 223.15 to 223.22. These fees may be adjusted pursuant to the provisions of section ~~16A.128~~ 16A.1285.

The fee for any license issued or renewed prior to June 30, 1984, is \$100. The fee for any license issued or renewed after June 30, 1984, shall be set according to the following schedule:

(a) \$100 plus \$50 for each additional location for grain buyers whose gross annual purchases are less than \$1,500,000;

(b) \$200 plus \$50 for each additional location for grain buyers whose gross annual purchases are at least \$1,500,000, but not more than \$3,000,000; and

(c) \$300 plus \$50 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000.

There is created in the state treasury the grain buyers and storage fund. Money collected pursuant to sections 223.15 to 223.19 shall be paid into the state treasury and credited to the grain buyers and storage fund and is appropriated to the commissioner for the administration and enforcement of sections 223.15 to 223.22.

Sec. 29. Minnesota Statutes 1994, section 239.101, subdivision 4, is amended to read:

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~~ 16A.1285, to ensure that the fees charged are sufficient to recover all costs connected with the inspections.

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

Sec. 30. Minnesota Statutes 1994, section 240A.03, subdivision 10, is amended to read:

Subd. 10. **USE AGREEMENTS.** The commission may lease, license, or enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control. Fees charged by the commission are not subject to section ~~16A.128~~ 16A.1285. A use agreement may provide that the other contracting party has exclusive use of the premises at the times agreed upon.

Sec. 31. Minnesota Statutes 1994, section 299M.04, is amended to read:

299M.04 RULES; SETTING FEES.

The commissioner shall adopt permanent rules for operation of the council; regulation by municipalities; permit, filing, inspection, certificate, and license fees; qualifications, examination, and licensing of fire protection contractors; certification of journeyman sprinkler fitters; registration of apprentices; and the administration and enforcement of this chapter. Fees must be set under section ~~16A.128~~ 16A.1285. Permit fees must be a percentage of the total cost of the fire protection work.

Sec. 32. Minnesota Statutes 1994, section 326.47, subdivision 6, is amended to read:

Subd. 6. **FILING AND INSPECTION FEES.** The department of labor and industry must charge a filing fee set by the commissioner under section ~~16A.128~~ 16A.1285 for all applications for permits to construct or install high pressure piping systems. The fee for inspection of high pressure piping system construction or installation shall be set by the commissioner under section ~~16A.128~~ 16A.1285. This subdivision does not apply where a permit is issued by a municipality complying with subdivision 2.

Sec. 33. Minnesota Statutes 1995 Supplement, section 326.50, is amended to read:

326.50 APPLICATION; FEES.

Application for an individual contracting pipefitter competency or an individual journeyman pipefitter competency license shall be made to the department of labor and industry, with fees. The applicant shall be licensed only after passing an examination by the department of labor and industry. Fees and conditions for renewal of an individual contracting pipefitter competency or an individual journeyman pipefitter competency license shall be determined by the department by rule under chapter 14 and section ~~16A.128~~ 16A.1285.

Sec. 34. Minnesota Statutes 1994, section 326.86, subdivision 1, is amended to read:

Subdivision 1. **LICENSING FEE.** The licensing fee for persons licensed pursuant to sections 326.83 to 326.991 is \$75 per year. The commissioner may adjust the fees under section ~~16A.128~~ 16A.1285 to recover the costs of administration and enforcement. The fees must be limited to the cost of license administration and enforcement and must be deposited in the state treasury and credited to the general fund. A fee of \$25 will be charged for a duplicate license or an amended license reflecting a change of business name, address, or qualifying person.

Presented to the governor March 12, 1996

Signed by the governor March 13, 1996, 2:40 p.m.

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