

(9) the following language in bold print, with any provisions that are inapplicable to the particular policy omitted or crossed out: **“THIS POLICY HAS A WAITING PERIOD OF ..... (CALENDAR OR BENEFIT) DAYS FOR NURSING CARE SERVICES AND A WAITING PERIOD OF ..... (CALENDAR OR BENEFIT) DAYS FOR HOME CARE SERVICES. THIS MEANS THAT THIS POLICY WILL NOT COVER YOUR CARE FOR THE FIRST ..... (CALENDAR OR BENEFIT) DAYS AFTER YOU ENTER A NURSING HOME, OR THE FIRST ..... (CALENDAR OR BENEFIT) DAYS AFTER YOU BEGIN TO USE HOME CARE SERVICES. YOU WOULD NEED TO PAY FOR YOUR CARE FROM OTHER SOURCES FOR THOSE WAITING PERIODS.”**; and

(10) a signed and completed copy of the application for insurance is left with the applicant at the time the application is made.

### Sec. 3. **EFFECTIVE DATE AND APPLICATION.**

Sections 1 and 2 are effective January 1, 1997, and apply to policies issued on or after that date.

Presented to the governor March 26, 1996

Signed by the governor March 28, 1996, 10:06 a.m.

## CHAPTER 390—S.F.No. 2857

*An act relating to the organization and operation of state government; appropriating money for the general administrative expenses of state government; amending Minnesota Statutes 1994, sections 8.15, by adding a subdivision; 16A.11, subdivision 1, and by adding a subdivision; 16D.02, subdivision 2; 16D.03, subdivisions 2 and 3; 16D.04, subdivision 2; 16D.09; 69.021, subdivision 4, and by adding subdivisions; 69.031, subdivisions 1 and 5; 144C.03, subdivision 2; 192.501, as amended; 363.071, subdivision 7; and 423A.02, by adding a subdivision; Minnesota Statutes 1995 Supplement, sections 16D.02, subdivision 8; 16D.04, subdivision 1; 16D.06, subdivision 2; 16D.08, subdivision 2; 16D.11, subdivisions 1 and 7; 16D.12; and 240A.08; Laws 1995, chapter 254, article 1, section 11, subdivision 8; proposing coding for new law in Minnesota Statutes, chapters 10; and 14; repealing Minnesota Statutes 1995 Supplement, section 353.65, subdivision 7.*

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

### Section 1. **STATE GOVERNMENT APPROPRIATIONS.**

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures “1996” and “1997,” where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1996, or June 30, 1997, respectively.

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

## SUMMARY BY FUND

	1996	1997	TOTAL
General	\$ 4,457,000	\$ 5,049,000	\$ 9,506,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1996 1997

## Sec. 2. ATTORNEY GENERAL

An amount sufficient to reimburse the general fund for legal costs attributable to general fund expenditures is appropriated for the fiscal year ending June 30, 1997, from all direct appropriated nongeneral funds.

The budget request of the attorney general for the 1998-1999 biennium must include a consolidated listing that shows on one page all the appropriations that will be used to support the attorney general's office and the finance divisions from which they will be requested.

Sec. 3. OFFICE OF STRATEGIC  
AND LONG-RANGE PLANNING

	50,000	-0-
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The environmental quality board shall assess: (1) the compatibility of metal materials shredding projects with other industrial uses, tourism, and other nonindustrial uses of the Mississippi river critical area, which has been designated an area of critical concern by section 116G.15; and (2) the environmental and public health effects of burning coal within or near residential areas of large urban centers. The board shall report its findings, and any recommendations developed pursuant to these assessments, to the legislature by January 1, 1997.\* **(The preceding section was vetoed by the governor.)**

## Sec. 4. ADMINISTRATION

	-0-	1,250,000
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\$1,000,000 is for impact analysis and staff for state information system modifications relating to year 2000 date change requirements.

\$134,000 of contributed capital is transferred from the electronic equipment rental fund to the micrographics/records center fund in fiscal year 1996.

\$100,000 is for the Government Information Access Council.

\$150,000 is for grants for public information television transmission of legislative activities. This amount is in addition to the appropriation in Laws 1995, chapter 254, article 1, section 11, subdivision 8.

Sec. 5. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	10,000	420,000
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\$250,000 in fiscal year 1997 is for design and construction of the Minnesota Women's Suffrage Memorial Garden on the capitol grounds. The last \$50,000 of this appropriation is available only upon demonstration of a \$50,000 match in nonstate funds.

\$10,000 in fiscal year 1996 is for treatment of the surface of the Roy Wilkins memorial that must be performed immediately to prevent deterioration of the surface. Any amount of this appropriation not spent in fiscal year 1996 may be carried forward and spent in fiscal year 1997.

\$170,000 in fiscal year 1997 is for revision of the board's comprehensive plan and zoning ordinance.

Sec. 6. FINANCE	4,397,000	2,103,000
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This is a one-time appropriation for critical statewide operating systems and is added to the appropriation in Laws 1995, chapter 254, article 1, section 14, subdivision 6. The commissioner of finance may transfer portions of this appropriation to the commissioner of administration and the commissioner of employee relations.

By January 15, 1997, the sponsoring agencies of the statewide systems project shall report to the legislature. The report must include an accounting of money spent for sta-

tewide operating systems, and projections for future spending. The report also must include strategies for potential savings opportunities in operation of the statewide systems. The agencies must consider alternatives to mainframe operations. The report must describe efforts to: improve operator proficiency, modify software to achieve efficiencies, and educate users concerning efficient use of the systems.

The report must also include recommendations for management of user consumption of Intertech resources for the statewide systems, including the desirability of charge backs and fees for services.

Sec. 7. REVENUE

-0-

976,000

This appropriation is to increase the department's audit presence in greater Minnesota and to make changes to the withholding system.

It is anticipated that these changes will result in additional general fund revenues of \$1,950,000 in fiscal year 1997.

Sec. 8. HUMAN RIGHTS

-0-

300,000

(a) This appropriation is for an alternative dispute resolution program and to reduce the backlog of open cases under investigation by the department.

(b) \$200,000 is available July 1, 1996. The commissioner of human rights shall, by May 15, 1996, submit to the chairs of the senate finance committee and the house of representatives ways and means committee a plan to investigate and process charges in accordance with the priorities required by Minnesota Statutes, section 363.06, subdivision 4, and to identify and dismiss within six months of filing cases that should be dismissed as not warranting the use of department resources. The plan will be implemented as provided below and its effectiveness will be tested by its application to cases filed after July 1, 1996, as provided in paragraphs (d) and (e).

(c) The commissioner of human rights, in consultation with representatives of groups of people affected by the Human Rights Act, shall submit to the legislature by January 1, 1997 a plan to eliminate the case backlog in the department and a plan to process cases in the future in a manner that complies with statutory time deadlines.

(d) \$100,000 is available January 1, 1997, so long as the department has screened all cases pending within the department in accordance with the plan submitted, has dismissed, within six months of the date of filing, at least 75 percent of cases filed after July 1, 1996 that were identified as not warranting the use of department resources by that screening, and has reduced the average time for closing a case to 13 months.

(e) If by February 1, 1997 the commissioner has not screened every charge filed on or after July 1, 1996, and, within six months after it was filed, either dismissed it or classified it as a case that warrants investigation to determine probable cause or not probable cause, the legislature intends not to include the amount appropriated in this section in the department's appropriation for the 1998-1999 biennium.

(f) Until June 30, 1997, the commissioner of human rights shall administer an alternative dispute resolution program to resolve disputes arising under the human rights act, with a process to follow up with parties willing to use alternative dispute resolution, develop and maintain a panel of mediators and advisors and assign them to cases, track progress of alternative dispute resolution cases, and conduct evaluations of the program.

Sec. 9. Minnesota Statutes 1994, section 8.15, is amended by adding a subdivision to read:

Subd. 5. REIMBURSEMENTS. State agencies receiving legal services from the attorney general for nongeneral funded activities shall reimburse the full cost of those services to the general fund based on periodic billings prepared by the attorney general. Payment must be made to the attorney general for deposit to the general fund as a nonded-

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icated receipt. The attorney general, in consultation with the commissioner of finance, shall develop reimbursement policies and procedures related to legal services.

**Sec. 10. [10.55] JUNETEENTH.**

June 19 is designated Juneteenth in recognition of the historical pronouncement of the abolition of slavery on June 19, 1865, when the Emancipation Proclamation was said to have been first publicly read in Texas. The governor may take any action necessary to promote and encourage the observance of Juneteenth and public schools may offer instruction and programs on the occasion.

**Sec. 11. [14.045] AGENCIES; LIMITS ON PENALTIES.**

Subdivision 1. LIMIT ON PENALTIES. An agency may not, under authority of rule, levy a total fine or penalty of more than \$700 for a single violation unless the agency has specific statutory authority to levy a fine in excess of that amount.

Subd. 2. CRIMINAL PENALTY. An agency may not, by rule, establish a criminal penalty unless the agency has specific statutory authority to do so.

Subd. 3. FACTORS. (a) If a statute or rule gives an agency discretion over the amount of a fine, the agency must take the following factors into account in determining the amount of the fine:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, and the natural resources of the state;
- (3) the history of past violations;
- (4) the number of violations;
- (5) the economic benefit gained by the person by allowing or committing the violation; and
- (6) other factors that justice may require.

(b) For a violation after an initial violation, the following factors must be considered in addition to the factors in paragraph (a):

- (1) similarity of previous violations to the current violation to be penalized;
- (2) time elapsed since the last violation;
- (3) number of previous violations; and
- (4) response of the person to the most recent previous violation identified.

Subd. 4. EFFECT ON OTHER LAW. This section does not affect the right of an agency to deny a permit, revoke a license, or take similar action, other than the imposition of a fine, even if the cost of the denial, revocation, or other action to the affected party exceeds \$700.

Subd. 5. EFFECTIVE DATE. Subdivisions 1, 2, and 4 apply only to fines and penalties imposed under rules for which notice of intent to adopt rules is published after the effective date of this section.

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Sec. 12. Minnesota Statutes 1994, section 16A.11, subdivision 1, is amended to read:

Subdivision 1. **WHEN.** The governor shall submit a ~~three-part~~ four-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth Tuesday in January in each odd-numbered year. Part three, the detailed recommendations as to capital expenditure, must be submitted as follows: agency capital budget requests by June 15 of each odd-numbered year; preliminary governor's recommendations by September 1 of each odd-numbered year; and final recommendations by February 1 of each even-numbered year. Part four, the detailed recommendations as to information technology expenditure, must be submitted at the same time the governor submits the budget message to the legislature.

Sec. 13. Minnesota Statutes 1994, section 16A.11, is amended by adding a subdivision to read:

Subd. 3c. **PART FOUR; DETAILED INFORMATION TECHNOLOGY BUDGET.** The detailed information technology budget must include recommendations for information technology projects to be funded during the next biennium and planning estimates for an additional two biennia. It must be submitted with projects ranked in order of importance among all projects as determined by the governor.

Sec. 14. Minnesota Statutes 1994, section 16D.02, subdivision 2, is amended to read:

Subd. 2. **COMMISSIONER.** "Commissioner" means the commissioner of ~~finance~~ revenue.

Sec. 15. Minnesota Statutes 1995 Supplement, section 16D.02, subdivision 8, is amended to read:

Subd. 8. **ENTERPRISE.** "Enterprise" means the Minnesota collection enterprise, a separate unit established by the commissioner to carry out the provisions of this chapter, pursuant to the commissioner's authority to contract with the commissioner of revenue for collection services under section 16D.04, subdivision 1.

Sec. 16. Minnesota Statutes 1994, section 16D.03, subdivision 2, is amended to read:

Subd. 2. **STATE AGENCY REPORTS.** State agencies shall report quarterly to the commissioner of finance the debts owed to them. The commissioner of finance, in consultation with the commissioners of revenue and human services, and the attorney general, shall establish internal guidelines for the recognition, tracking, reporting, and collection of debts owed the state. The internal guidelines must include accounting standards, performance measurements, and uniform reporting requirements applicable to all state agencies. The commissioner of finance shall require a state agency to recognize, track, report, and attempt to collect debts according to the internal guidelines.

Sec. 17. Minnesota Statutes 1994, section 16D.03, subdivision 3, is amended to read:

Subd. 3. **REPORT OF THE COMMISSIONER.** By January 15 of each year, the commissioner of finance shall report on the management of debts owed the state, includ-

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ing performance measurements and progress of the debt collection efforts undertaken by state agencies and the commissioner. The report must be made to the governor and the chairs of the committee on finance of the senate and the committee on ways and means of the house of representatives.

Sec. 18. Minnesota Statutes 1995 Supplement, section 16D.04, subdivision 1, is amended to read:

Subdivision 1. **DUTIES.** The commissioner shall provide services to the state and its agencies to collect debts owed the state. The commissioner is not a collection agency as defined by section 332.31, subdivision 3, and is not licensed, bonded, or regulated by the commissioner of commerce under sections 332.31 to 332.35 or 332.38 to 332.45. The commissioner is subject to section 332.37, except clause (9) or (10). ~~The commissioner may contract with the commissioner of revenue for collection services, and may delegate to the commissioner of revenue any of the commissioner's duties and powers under this chapter.~~ Debts referred to the commissioner of revenue for collection under this section or section 256.9792 may in turn be referred by the commissioner of revenue to the enterprise. An audited financial statement may not be required as a condition of debt placement with a private agency if the private agency: (1) has errors and omissions coverage under a professional liability policy in an amount of at least \$1,000,000; or (2) has a fidelity bond to cover actions of its employees, in an amount of at least \$100,000. In cases of debts referred under section 256.9792, the provisions of this chapter and section 256.9792 apply to the extent they are not in conflict. If they are in conflict, the provisions of section 256.9792 control. For purposes of this chapter, the referring agency for such debts remains the department of human services.

Sec. 19. Minnesota Statutes 1994, section 16D.04, subdivision 2, is amended to read:

Subd. 2. **AGENCY PARTICIPATION.** A state agency may, at its option, refer debts to the commissioner for collection. The ultimate responsibility for the debt, including the reporting of the debt to the commissioner of finance and the decision with regard to the continuing collection and uncollectibility of the debt, remains with the referring state agency.

Sec. 20. Minnesota Statutes 1995 Supplement, section 16D.06, subdivision 2, is amended to read:

Subd. 2. **DISCLOSURE OF DATA.** Data received, collected, created, or maintained by the commissioner or the attorney general to collect debts are classified as private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9. The commissioner or the attorney general may disclose not public data:

- (1) under section 13.05;
- (2) under court order;
- (3) under a statute specifically authorizing access to the not public data;
- (4) to provide notices required or permitted by statute;
- (5) to an agent of the commissioner or the attorney general, including a law enforcement person, attorney, or investigator acting for the commissioner or the attorney general

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in the investigation or prosecution of a criminal or civil proceeding relating to collection of a debt;

(6) to report names of debtors, amount of debt, date of debt, and the agency to whom debt is owed to credit bureaus and private collection agencies under contract with the commissioner;

(7) when necessary to locate the debtor, locate the assets of the debtor, or to enforce or implement the collection of a debt; and

(8) to the commissioner of revenue for tax administration purposes.

The commissioner and the attorney general may not disclose data that is not public to a private collection agency or other entity with whom the commissioner has contracted under section 16D.04, subdivision 4, unless disclosure is otherwise authorized by law.

Sec. 21. Minnesota Statutes 1995 Supplement, section 16D.08, subdivision 2, is amended to read:

Subd. 2. **POWERS.** In addition to the collection remedies available to private collection agencies in this state, the commissioner, with legal assistance from the attorney general, may utilize any statutory authority granted to a referring agency for purposes of collecting debt owed to that referring agency. The commissioner may also use delegate to the enterprise the tax collection remedies of the ~~commissioner of revenue~~ in sections 270.06, clauses (7) and (17), excluding the power to subpoena witnesses; 270.66; 270.69, excluding subdivisions 7 and 13; 270.70, excluding subdivision 14; 270.7001 to 270.72; and 290.92, subdivision 23, except that a continuous wage levy under section 290.92, subdivision 23, is only effective for 70 days, unless no competing wage garnishments, executions, or levies are served within the 70-day period, in which case a wage levy is continuous until a competing garnishment, execution, or levy is served in the second or a succeeding 70-day period, in which case a continuous wage levy is effective for the remainder of that period. A debtor who qualifies for cancellation of the collection penalty under section 16D.11, subdivision 3, clause (1), can apply to the commissioner for reduction or release of a continuous wage levy, if the debtor establishes that the debtor needs all or a portion of the wages being levied upon to pay for essential living expenses, such as food, clothing, shelter, medical care, or expenses necessary for maintaining employment. The commissioner's determination not to reduce or release a continuous wage levy is appealable to district court. The word "tax" or "taxes" when used in the tax collection statutes listed in this subdivision also means debts referred under this chapter. For debts other than state taxes or child support, before any of the tax collection remedies listed in this subdivision can be used, except for the remedies in section 270.06, clauses (7) and (17), if the referring agency has not already obtained a judgment or filed a lien, the commissioner must first obtain a judgment against the debtor.

Sec. 22. Minnesota Statutes 1994, section 16D.09, is amended to read:

#### 16D.09 UNCOLLECTIBLE DEBTS.

When a debt is determined by a state agency to be uncollectible, the debt may be written off by the state agency from the state agency's financial accounting records and no longer recognized as an account receivable for financial reporting purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts have been exhausted, (2) the cost of further collection action will exceed the amount recoverable, (3)

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the debt is legally without merit or cannot be substantiated by evidence, (4) the debtor cannot be located, (5) the available assets or income, current or anticipated, that may be available for payment of the debt are insufficient, (6) the debt has been discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt has expired, or (8) it is not in the public interest to pursue collection of the debt. The determination of the uncollectibility of a debt must be reported by the state agency along with the basis for that decision as part of its quarterly reports to the commissioner of finance. Determining that the debt is uncollectible does not cancel the legal obligation of the debtor to pay the debt.

Sec. 23. Minnesota Statutes 1995 Supplement, section 16D.11, subdivision 1, is amended to read:

Subdivision 1. **IMPOSITION.** As determined by the commissioner of finance, a penalty shall be added to the debts referred to the commissioner or private collection agency for collection. The penalty is collectible by the commissioner or private agency from the debtor at the same time and in the same manner as the referred debt. The referring agency shall advise the debtor of the penalty under this section and the debtor's right to cancellation of the penalty under subdivision 3 at the time the agency sends notice to the debtor under section 16D.07. If the commissioner or private agency collects an amount less than the total due, the payment is applied proportionally to the penalty and the underlying debt. Penalties collected by the commissioner under this subdivision or retained under subdivision 6 shall be deposited in the general fund as nondedicated receipts. Penalties collected by private agencies are appropriated to the referring agency to pay the collection fees charged by the private agency. Penalty collections in excess of collection agency fees must be deposited in the general fund as nondedicated receipts.

Sec. 24. Minnesota Statutes 1995 Supplement, section 16D.11, subdivision 7, is amended to read:

Subd. 7. **ADJUSTMENT OF RATE.** By June 1 of each year, the commissioner of finance shall determine the rate of the penalty for debts referred to the enterprise during the next fiscal year. The rate is a percentage of the debts in an amount that most nearly equals the costs of the enterprise necessary to process and collect referred debts under this chapter. In no event shall the rate of the penalty when a debt is first referred exceed three-fifths of the maximum penalty, and in no event shall the rate of the maximum penalty exceed 25 percent of the debt. Determination of the rate of the penalty under this section is not rulemaking under chapter 14, and is not subject to the fee setting requirements of section 16A.1285.

Sec. 25. Minnesota Statutes 1995 Supplement, section 16D.12, is amended to read:

**16D.12 PAYMENT OF COLLECTION AGENCY FEES.**

Unless otherwise expressly prohibited by law, a state agency may pay for the services of a state the commissioner or a private collection agency from the money collected. The portion of the money collected which must be paid to the commissioner or the collection agency as its collection fee is appropriated from the fund to which the collected money is due.

Sec. 26. Minnesota Statutes 1994, section 69.021, subdivision 4, is amended to read:

Subd. 4. **DETERMINATION OF QUALIFIED STATE AID RECIPIENTS; CERTIFICATION TO COMMISSIONER OF REVENUE.** The commissioner shall

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determine which municipalities and independent nonprofit firefighting corporations are qualified to receive fire state aid and which municipalities and counties are qualified to receive state peace officer aid. The commissioner shall determine qualification upon receipt of (1) the fire department personnel and equipment certification or the police department and qualified peace officers certificate, whichever is applicable, required under section 69.011, (2) the financial compliance report required under section 6.495, and (3) any other relevant information which comes to the attention of the commissioner. Upon completion of the determination, on or before ~~September~~ October 1, the commissioner shall calculate under subdivision 6 the amount of (a) state peace officer aid which each county or municipality is to receive and (b) fire state aid which each municipality or nonprofit firefighting corporation is to receive. The commissioner shall certify to the commissioner of finance the name of each county or municipality, and the amount of state aid which each county or municipality is to receive, in the case of state peace officer aid; and the name of each municipality or independent nonprofit firefighting corporation and the amount of state aid which each municipality or independent nonprofit firefighting corporation is to receive, in the case of fire state aid.

Sec. 27. Minnesota Statutes 1994, section 69.021, is amended by adding a subdivision to read:

Subd. 10. REDUCTION. The commissioner of revenue shall reduce the apportionment of police state aid under subdivisions 5, paragraph (b), 6, and 7, for eligible employer units by any amount in excess of the employer's total prior calendar year obligation under section 353.65, as certified by the executive director of the public employees retirement association. The total shall be deposited in a separate excess police state-aid account in the general fund, administered and distributed as provided in subdivision 11.

Sec. 28. Minnesota Statutes 1994, section 69.021, is amended by adding a subdivision to read:

Subd. 11. EXCESS POLICE STATE-AID HOLDING ACCOUNT. (a) An excess police state-aid holding account is established in the general fund.

(b) Excess police state aid determined according to section 69.021, subdivision 10, must be deposited in the excess police state-aid holding account.

(c) From the balance in the excess police state-aid holding account, \$1,000,000 must be transferred annually to the ambulance service personnel longevity award and incentive suspense account established by section 144C.03, subdivision 2.

(d) If a police officer stress reduction program is created by law and money is appropriated for that program, an amount equal to that appropriation must be transferred from the balance in the excess police state-aid holding account.

(e) On October 1, 1997, and annually on each October 1, one-half of the balance of the excess police state-aid holding account remaining after deductions under paragraphs (c) and (d) is appropriated for additional amortization aid under section 423A.02, subdivision 1b.

(f) The remaining balance in the excess police state-aid holding account, after the deductions under paragraphs (c), (d), and (e), cancels to the general fund.

Sec. 29. Minnesota Statutes 1994, section 69.031, subdivision 1, is amended to read:

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Subdivision 1. **COMMISSIONER OF FINANCE'S WARRANT.** The commissioner of finance shall issue to the county, municipality, or independent nonprofit fire-fighting corporation certified to the commissioner of finance by the commissioner a warrant for an amount equal to the amount certified to by the commissioner pursuant to section 69.021. The amount due and not paid by ~~September~~ October 1 accrues interest at the rate of one percent for each month or part of a month the amount remains unpaid, beginning the preceding July 1.

Sec. 30. Minnesota Statutes 1994, section 69.031, subdivision 5, is amended to read:

Subd. 5. **DEPOSIT OF STATE AID.** (1) The municipal treasurer, on receiving the fire state aid, shall within 30 days after receipt transmit it to the treasurer of the duly incorporated firefighters' relief association if there is one organized and the association has filed a financial report with the municipality; but if there is no relief association organized, or if any association dissolve, be removed, or has heretofore dissolved, or has been removed as trustees of state aid, then the treasurer of the municipality shall keep the money in the municipal treasury as provided for in section 424A.08 and shall be disbursed only for the purposes and in the manner set forth in that section.

(2) The municipal treasurer, upon receipt of the police state aid, shall disburse the police state aid in the following manner:

(a) For a municipality in which a local police relief association exists and all peace officers are members of the association, the total state aid shall be transmitted to the treasurer of the relief association within 30 days of the date of receipt, and the treasurer of the relief association shall immediately deposit the total state aid in the special fund of the relief association;

(b) For a municipality in which police retirement coverage is provided by the public employees police and fire fund and all peace officers are members of the fund, the total state aid shall be applied toward the municipality's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, ~~and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the excess contributions holding account of the public employees retirement association; or~~

(c) For a municipality other than a city of the first class with a population of more than 300,000 in which both a police relief association exists and police retirement coverage is provided in part by the public employees police and fire fund, the municipality may elect at its option to transmit the total state aid to the treasurer of the relief association as provided in clause (a), to use the total state aid to apply toward the municipality's employer contribution to the public employees police and fire fund subject to all the provisions set forth in clause (b), or to allot the total state aid proportionately to be transmitted to the police relief association as provided in this subdivision and to apply toward the municipality's employer contribution to the public employees police and fire fund subject to the provisions of clause (b) on the basis of the respective number of active full-time peace officers, as defined in section 69.011, subdivision 1, clause (g).

For a city of the first class with a population of more than 300,000, in addition, the city may elect to allot the appropriate portion of the total police state aid to apply toward the employer contribution of the city to the public employees police and fire fund based

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on the covered salary of police officers covered by the fund each payroll period and to transmit the balance to the police relief association.

(3) The county treasurer, upon receipt of the police state aid for the county, shall apply the total state aid toward the county's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, ~~and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the excess contributions holding account of the public employees retirement association.~~

(4) The designated metropolitan airports commission official, upon receipt of the police state aid for the metropolitan airports commission, shall apply the total police state aid toward the commission's employer contribution to the Minneapolis employees retirement fund under section 422A.101, subdivision 2a.

Sec. 31. Minnesota Statutes 1994, section 144C.03, subdivision 2, is amended to read:

Subd. 2. **TRUST ACCOUNT.** (a) There is established in the general fund an ambulance service personnel longevity award and incentive trust account and an ambulance service personnel longevity award and incentive suspense account.

(b) The trust account must be credited with:

(1) general fund appropriations for that purpose;

(2) transfers from the ambulance service personnel longevity award and incentive suspense account; and

(3) investment earnings on those accumulated proceeds. The assets and income of the trust account must be held and managed by the commissioner of finance and the state board of investment for the benefit of the state of Minnesota and its general creditors.

(c) The suspense account must be credited with transfers from the ~~excess contributions~~ police state-aid holding account established in ~~section 353.65, subdivision 7~~ section 69.021, subdivision 11, any per-year-of-service allocation under section 144C.07, subdivision 2, paragraph (c), that was not made for an individual, and investment earnings on those accumulated proceeds. The suspense account must be managed by the commissioner of finance and the state board of investment. From the suspense account to the trust account there must be transferred to the ambulance service personnel longevity award and incentive trust account, as the suspense account balance permits, the following amounts:

(1) an amount equal to any general fund appropriation to the ambulance service personnel longevity award and incentive trust account for that fiscal year; and

(2) an amount equal to the percentage of the remaining balance in the account after the deduction of the amount under clause (1), as specified for the applicable fiscal year:

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Fiscal year	Percentage
1995	20
1996	40
1997	50
1998	60
1999	70
2000	80
2001	90
2002 and thereafter	100

Sec. 32. Minnesota Statutes 1994, section 192.501, as amended by Laws 1995, chapter 186, section 48, is amended to read:

**192.501 FINANCIAL INCENTIVES FOR NATIONAL GUARD MEMBERS.**

Subdivision 1. **REENLISTMENT BONUS.** (a) ~~The adjutant general shall establish a program providing a reenlistment bonus for members of the Minnesota national guard in accordance with this section. An active member of the Minnesota national guard serving satisfactorily, as defined by the adjutant general, shall be paid \$250 per year for reenlisting in the Minnesota national guard.~~

(b) ~~A member must reenlist in the Minnesota national guard for a minimum of three years.~~

(c) ~~A member is eligible for subsequent reenlistment bonuses to the extent that total years of bonus eligibility are limited to 12 years.~~

(d) ~~Bonus payments shall be paid in the month prior to the anniversary of a member's current reenlistment.~~

(e) ~~A member electing to receive tuition assistance under subdivision 2, shall forfeit the reenlistment bonus for the years that the tuition assistance is provided.~~

Subd. 1a. **ENLISTMENT BONUS PROGRAM.** (a) The adjutant general may establish within the limitations of this subdivision a program to provide enlistment bonuses to eligible prospects who become members of the Minnesota national guard.

(b) Eligibility for the bonus is limited to a candidate who:

(1) has expertise, qualifications, or potential for military service deemed by the adjutant general as sufficiently important to the readiness of the national guard or a unit of the national guard to warrant the payment of a bonus in an amount to generally encourage the candidate's enlistment in the national guard;

(2) joins the national guard as an enlisted member, as defined in section 190.05, subdivision 6; and

(3) serves satisfactorily during the period of, and completes, the person's initial entry training, if applicable.

The adjutant general may, within the limitations of this paragraph and other applicable laws, determine additional eligibility criteria for the bonus, and must specify all of the criteria in regulations and publish changes as necessary.

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(c) The enlistment bonus payments must be made on a schedule that is determined and published in department regulations by the adjutant general.

(d) If a member fails to complete a term of enlistment for which a bonus was paid, the adjutant general may seek to recoup a prorated amount of the bonus as determined by the adjutant general.

Subd. 1b. REENLISTMENT BONUS PROGRAM. (a) The adjutant general may establish a program to provide a reenlistment bonus to eligible members of the Minnesota national guard who extend their enlistment in the national guard within the limitations of this subdivision.

(b) Eligibility for the bonus is limited to an enlisted member of the national guard, as defined in section 190.05, subdivision 6, who:

(1) is serving satisfactorily as determined by the adjutant general;

(2) has 12 or fewer years of service creditable for retirement; and

(3) has military training and expertise deemed by the adjutant general as sufficiently important to the readiness of the national guard or a unit of the national guard to warrant the payment of a bonus in an amount to generally encourage the member's reenlistment in the national guard.

The adjutant general may, within the limitations of this paragraph and other applicable laws, determine additional eligibility criteria for the bonus, and must specify all of the criteria in regulations and publish changes as necessary.

(c) The reenlistment bonus payments must be made on a schedule that is determined and published in department regulations by the adjutant general.

(d) If a member fails to complete a term of reenlistment for which a bonus was paid, the adjutant general may seek to recoup a prorated amount of the bonus as determined by the adjutant general.

Subd. 2. TUITION AND TEXTBOOK REIMBURSEMENT GRANT PROGRAM. (a) The adjutant general shall establish a program providing to provide tuition and textbook reimbursement for grants to eligible members of the Minnesota national guard in accordance with this section. An active member of the Minnesota national guard serving satisfactorily, as defined by the adjutant general, shall be reimbursed for tuition paid to a post-secondary education institution as defined by section 136A.15, subdivision 5, upon proof of satisfactory completion of course work within the limitations of this subdivision.

(b) In the case of tuition paid to a public institution located in Minnesota, including any vocational or technical school, tuition is limited to an amount equal to 50 percent of the cost of tuition at that public institution, except as provided in this section. In the case of tuition paid to a Minnesota private institution or vocational or technical school or a public or private institution or vocational or technical school not located in Minnesota, reimbursement Eligibility is limited to a member of the national guard who:

(1) is serving satisfactorily as defined by the adjutant general;

(2) is attending a post-secondary educational institution, as defined by section 136A.15, subdivision 6, including a vocational or technical school operated or regulated by this state or another state or province; and

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(3) provides proof of satisfactory completion of coursework, as defined by the adjutant general.

In addition, if a member of the Minnesota national guard is killed in the line of state active service or federally funded state active service, as defined in section 190.05, subdivisions 5a and 5b, the member's surviving spouse, and any surviving dependent who has not yet reached 24 years of age, shall be eligible for a tuition and textbook reimbursement grant.

The adjutant general may, within the limitations of this paragraph and other applicable laws, determine additional eligibility criteria for the grant, and must specify the criteria in department regulations and publish changes as necessary.

(c) The amount of a tuition and textbook reimbursement grant must be specified on a schedule as determined and published in department regulations by the adjutant general, but is limited to 50 a maximum of an amount equal to 75 percent of the cost of tuition for lower division programs in the college of liberal arts at the twin cities campus of the University of Minnesota in the most recent academic year, except as provided in this section.

(e) If a member of the Minnesota national guard is killed in the line of state active service or federally funded state active service as defined in section 190.05, subdivision 5b, the state shall reimburse that in the case of a survivor as defined in paragraph (b), the amount of the tuition and textbook reimbursement grant for coursework satisfactorily completed by the person shall be limited to 100 percent of the cost of tuition for post-secondary courses satisfactorily completed by any surviving spouse and any surviving dependents who are 23 years old or younger. Reimbursement for surviving spouses and dependents is limited in amount and duration as is reimbursement for the national guard member at a Minnesota public educational institution.

Paragraph (b) notwithstanding, a person is no longer eligible for a grant under this subdivision once the person has received grants under this subdivision for the equivalent of 208 quarter credits or 144 semester credits of coursework.

(d) The amount of tuition reimbursement for each eligible individual shall be determined by the adjutant general according to rules formulated within 30 days of June 4, 1989. Tuition and textbook reimbursement grants received under this section subdivision shall not be considered by the Minnesota higher education services office or by any other state board, commission, or entity in determining a person's eligibility for a scholarship or grant-in-aid under sections 136A.095 to 136A.1311.

(e) If a member fails to complete a term of enlistment during which a tuition and textbook reimbursement grant was paid, the adjutant general may seek to recoup a prorated amount as determined by the adjutant general.

**Subd. 3. RECORDKEEPING; RECRUITMENT AND RETENTION; FISCAL MANAGEMENT REPORTING.** The department of military affairs shall adjutant general must keep an accurate record of the recipients of the reenlistment bonus and tuition reimbursement programs. The department shall report to the legislature on the effectiveness of the reenlistment bonus and tuition reimbursement programs in retaining and recruiting members for the Minnesota National Guard. The report to the legislature shall be made by January 1 of each year. The report shall include a review of the effect that the reenlistment bonus and tuition reimbursement programs have on the enlistment and

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reenlistment of national guard members. The report shall include an accurate record of the effect that both the tuition reimbursement program and the reenlistment bonus program have on the recruitment and retention of members by and benefits paid under this section, and must report this information in the agency performance report, including information regarding the rank, unit location, race, and sex gender.

By January 16 of each year, the adjutant general must provide copies of the regulations developed under this section to the chairs of the house and senate policy committees responsible for the national guard.

The department of military affairs shall make a specific effort to recruit and retain reenlist women and members of minority groups into the national guard through the use of the tuition reimbursement and reenlistment bonus financial incentives authorized by the programs in this section.

Sec. 33. Minnesota Statutes 1995 Supplement, section 240A.08, is amended to read:

**240A.08 APPROPRIATION.**

(a) \$750,000 is appropriated annually from the general fund to the Minnesota amateur sports commission for the purpose of entering into long-term leases, use, or other agreements with the metropolitan sports facilities commission for the conduct of amateur sports activities at the basketball and hockey arena, consistent with the purposes set forth in this chapter, including (1) stimulating and promoting amateur sports, (2) promoting physical fitness by promoting participation in sports, (3) promoting the development of recreational amateur sport opportunities and activities, and (4) promoting local, regional, national, and international amateur sport competitions and events. The amateur sports commission shall determine what constitutes amateur sports activities as provided in this chapter as of March 1, 1995. The metropolitan sports facilities commission may allocate at least 25 but no more than 50 dates a year for the conduct of amateur sports activities at the basketball and hockey arena by the amateur sports commission. At least 12 of the dates must be on a Friday, Saturday, or Sunday. The amateur sports commission may sell a date at the arena to another group for any purpose. Revenue from sale of these dates is appropriated to the amateur sports commission for purposes listed in section 240A.04. If any amateur sports activities conducted by the amateur sports commission at the basketball and hockey arena are restricted to participants of one gender, an equal number of activities on comparable days of the week must be conducted for participants of the other gender, but not necessarily in the same year. The legislature reserves the right to repeal or amend this appropriation, and does not intend this appropriation to create public debt.

(b) The amateur sports commission shall not transmit to the operator of the basketball and hockey arena payment of any event-related costs or expenses, including, but not limited to, personnel, labor, services, equipment, utilities, or supplies attributable to the events unless and until the operator has demonstrated, to the satisfaction of the amateur sports commission, the basis for each specific cost or expense and the means by which the costs and expenses were determined.

(c) The amateur sports commission may use any ticket system as may be in place from time to time at the basketball and hockey arena, provided that any royalty or rebate fees or charges or surcharges on tickets received by the operator of the arena from third parties must be credited against event-related costs or expenses.

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(d) In the establishment of event-related costs to be imposed upon the amateur sports commission, the operator of the basketball and hockey arena shall provide the amateur sports commission with the maximum discount that the operator has supplied to any other sponsor of a similar amateur sports event in the arena within the 180-day period immediately preceding the date of the amateur sports commission event.

(e) The amateur sports commission must report by August 1 each year to the chairs of the house and senate state government finance divisions on compliance with this section and on the total value of dates and ancillary services, and revenue derived from resale of dates, during the previous state fiscal year.

(f) The attorney general, on behalf of the amateur sports commission, must pursue collection of monetary damages from the operator of the arena if the operator fails to comply with the requirements of this section.

(g) The books, records, documents, accounting procedures, and practices of the metropolitan sports facilities commission, the Minneapolis community development agency, and any corporation with which the Minnesota amateur sports commission may contract for use of the basketball and hockey arena are available for review by the Minnesota amateur sports commission, the legislative auditor, and the chairs of the state government finance divisions of the senate and the house of representatives, subject to chapter 13 and section 473.598, subdivision 4.

Sec. 34. Minnesota Statutes 1994, section 363.071, subdivision 7, is amended to read:

Subd. 7. **LITIGATION AND HEARING COSTS.** The administrative law judge shall order a respondent who is determined to have engaged in an unfair discriminatory practice to reimburse the department and the attorney general for all appropriate litigation and hearing costs expended in preparing for and conducting the hearing, unless payment of the costs would impose a financial hardship on the respondent. Appropriate costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the costs of transcripts and other necessary supplies and materials.

Money reimbursed to the department of human rights under this subdivision must be paid into the state treasury and credited to a special revenue account. Money in that account is appropriated to the commissioner of human rights to the extent the reimbursements were made to cover the department's costs and are available for the department's activities in enforcing the Minnesota human rights act.

Sec. 35. Minnesota Statutes 1994, section 423A.02, is amended by adding a subdivision to read:

Subd. 1b. **ADDITIONAL AMORTIZATION STATE AID.** Annually, on October 1, the commissioner of revenue shall allocate the additional amortization state aid transferred under section 69.021, subdivision 11, to:

(1) all police or salaried firefighter relief associations governed by and in full compliance with the requirements of section 69.77, that had an unfunded actuarial accrued liability in the actuarial valuation prepared under sections 356.215 and 356.216 as of the preceding December 31; and

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(2) all local police or salaried firefighter consolidation accounts governed by chapter 353A that are certified by the executive director of the public employees retirement association as having for the current fiscal year an additional municipal contribution amount under section 353A.09, subdivision 5, paragraph (b), and that have implemented section 353A.083, subdivision 1, if the effective date of the consolidation preceded May 24, 1993, and that have implemented section 353A.083, subdivision 2, if the effective date of the consolidation preceded June 1, 1995.

The commissioner shall allocate the state aid on the basis of the proportional share of the relief association or consolidation account of the total unfunded actuarial accrued liability of all recipient relief associations and consolidation accounts as of December 31, 1993, for relief associations, and as of June 30, 1994, for consolidation accounts.

Sec. 36. Laws 1995, chapter 254, article 1, section 11, subdivision 8, is amended to read:

Subd. 8. Public Broadcasting  
3,054,000                      3,054,000

\$1,450,000 the first year and \$1,450,000 the second year are for matching grants for public television. Public television grant recipients shall give special emphasis to children's programming. In addition, public television grant recipients shall promote program and outreach initiatives that attempt to reduce youth violence in our communities.

\$600,000 the first year and \$600,000 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota public television association.

\$320,000 the first year and \$320,000 the second year are for community service grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 129D.14.

\$494,000 the first year and \$494,000 the second year are for equipment grants to public radio stations. These grants must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

\$15,000 each year is for a grant to the association of Minnesota public education

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radio stations for station KMOJ. This money may be used for equipment.

\$150,000 the first year and \$150,000 the second year are for grants for public information television transmission of legislative activities. At least one-half must go for programming to be broadcast in rural Minnesota.

\$25,000 the first year and \$25,000 the second year are for grants to the Twin Cities regional cable channel.

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

**Sec. 37. ADDITIONAL MUNICIPAL CERTIFICATION TO ACCOMPANY 1996 POLICE STATE AID APPLICATION FORM.**

In addition to the information required to be provided by municipalities and counties in order to receive police state aid under Minnesota Statutes, sections 69.011 to 69.051, every potential recipient of the 1996 allocation of police state aid must certify the following information as a condition of receipt of police state aid in 1996:

(1) the number of licensed police officers employed by the municipality or county with public employees police and fire plan pension coverage during calendar year 1995;

(2) the covered payroll of the employees described in clause (1) for calendar year 1995;

(3) the amount of employer contributions to the public employees police and fire plan made by the municipality or county regarding the employees described in clause (1) for calendar year 1995;

(4) the number of firefighters employed by the municipality or county with public employees police and fire plan pension coverage during calendar year 1995;

(5) the annual covered payroll of the employees described in clause (4) for calendar year 1995; and

(6) the amount of employer contributions to the public employees police and fire plan made by the municipality or county regarding the employees described in clause (4) for calendar year 1995.

**Sec. 38. REPORT ON CERTAIN POLICE STATE-AID REIMBURSEMENT PRACTICES.**

(a) Using the information reported under section 37, the commissioner of revenue and the executive director of the public employees retirement association jointly shall report, by November 1, 1996, to the chair of the legislative commission on pensions and retirement on the number of salaried firefighters for whom the employer contribution to

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the public employees police and fire plan was reimbursed in 1995 in the police state-aid program, the employing units involved, and the amount of 1995 police state aid involved for each employing unit.

(b) With the benefit of the reported information provided under paragraph (a), the legislative commission on pensions and retirement shall study the issue of the use of police state aid to fund the employer contribution to the public employees police and fire fund for local government firefighters and shall, by March 1, 1997, report the results of its study and any recommendations in the form of proposed legislation to the chair of the committee on governmental operations of the house of representatives, the chair of the committee on ways and means of the house of representatives, the chair of the committee on governmental operations and veterans of the senate, and the chair of the committee on finance of the senate.

### **Sec. 39. STATEWIDE SYSTEMS ACCOUNT.**

Subdivision 1. CREATION. The statewide systems account is a separate account in the general fund. All money resulting from billings for statewide systems services must be deposited in the account. For the purposes of this section, statewide systems includes the state accounting system, payroll system, human resources system, procurement system, and related information access systems.

Subd. 2. BILLING PROCEDURES. The commissioner may bill up to \$6,400,000 in fiscal year 1997 for statewide systems services provided to state agencies, judicial branch agencies, the University of Minnesota, the Minnesota state colleges and universities, and other entities. Billing must be based only on usage of services relating to statewide systems provided by the intertechnologies division. Each agency shall transfer from agency operating appropriations to the statewide systems account the amount billed by the commissioner. Billing policies and procedures related to statewide systems services must be developed by the commissioner of finance in consultation with the commissioners of employee relations and administration, the University of Minnesota, and the Minnesota state colleges and universities.

Subd. 3. APPROPRIATION. Money transferred into the account is appropriated to the commissioner of finance to pay for statewide systems services during fiscal year 1997.

### **Sec. 40. STATE-OWNED PASSENGER VEHICLE STUDY.**

The commissioner of administration shall study and make recommendations to the chairs of the house and senate governmental operations committees by January 15, 1997, regarding strategies to achieve better management control of state-owned passenger vehicles. The study and recommendations shall specifically address opportunities for further consolidating the state's passenger vehicle fleets.

### **Sec. 41. REPEALER.**

Minnesota Statutes 1995 Supplement, section 353.65, subdivision 7, is repealed.

### **Sec. 42. EFFECTIVE DATE.**

This act is effective the day following final enactment, except that sections 2, 9, 11, 26 to 32, and 41 are effective July 1, 1996.

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Presented to the governor March 23, 1996

Signed by the governor March 27, 1996, 10:58 a.m.

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## CHAPTER 391—S.F.No. 1996

*An act relating to family law; requiring specificity in visitation orders; providing for enforcement of visitation orders; modifying provisions for visitation expeditors; providing for suspension of interest on child support arrearages in certain cases; imposing penalties; amending Minnesota Statutes 1994, sections 518.175, subdivisions 1 and 6; 518.1751; 518.68, subdivisions 2 and 3; and 548.091, subdivision 1a; Minnesota Statutes 1995 Supplement, section 518.5512, by adding a subdivision; repealing Minnesota Statutes 1994, section 518.175, subdivision 4.*

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

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### ARTICLE 1

### VISITATION

Section 1. Minnesota Statutes 1994, section 518.175, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** (a) In all proceedings for dissolution or legal separation, subsequent to the commencement of the proceeding and continuing thereafter during the minority of the child, the court shall, upon the request of either parent, grant such rights of visitation on behalf of the child and noncustodial parent as will enable the child and the noncustodial parent to maintain a child to parent relationship that will be in the best interests of the child. If the court finds, after a hearing, that visitation is likely to endanger the child's physical or emotional health or impair the child's emotional development, the court shall restrict visitation by the noncustodial parent as to time, place, duration, or supervision and may deny visitation entirely, as the circumstances warrant. The court shall consider the age of the child and the child's relationship with the noncustodial parent prior to the commencement of the proceeding. A parent's failure to pay support because of the parent's inability to do so shall not be sufficient cause for denial of visitation.

(b) The court may provide that a law enforcement officer or other appropriate person will accompany a party seeking to enforce or comply with visitation.

(c) Upon request of either party, to the extent practicable a visitation order must include a specific schedule for visitation, including the frequency and duration of visitation and visitation during holidays and vacations, unless visitation is restricted, denied, or reserved.

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