

statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to section 323A.1-05(d) or revoked pursuant to section 323A.10-03.

(d) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

(e) A statement of foreign qualification may include the information necessary to make an election under section 319B.04, subdivision 2, and to update that information as provided in section 319B.04, subdivision 3.

Sec. 17. REVISOR INSTRUCTION.

Effective January 1, 2002, the revisor of statutes shall remove from Minnesota Statutes, chapter 319B, all references to Minnesota Statutes, chapter 323.

Sec. 18. EFFECTIVE DATE.

Sections 1 to 16 are effective retroactive to January 1, 1999.

Presented to the governor April 19, 1999

Signed by the governor April 22, 1999, 9:30 a.m.

CHAPTER 86—H.F.No. 1037

An act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1998, sections 2.724, subdivision 1; 10A.01, subdivision 18; 11A.16, subdivision 6; 12.21, subdivision 3; 12.33, subdivision 4; 15.059, subdivision 5a; 16B.171; 16B.335, subdivision 4; 16B.465, subdivision 1; 16C.05, subdivision 2; 17.114, subdivisions 3 and 4; 17.117, subdivision 15; 17.452, subdivision 1; 17.498; 18B.045, subdivision 1; 18E.06; 19.52, subdivision 2; 48A.12, subdivision 1; 58.02, subdivision 22; 60L.08, subdivision 1; 62E.15, subdivision 2; 79A.06, subdivision 5; 103A.43; 103B.321, subdivision 1; 103B.351; 103B.581, subdivision 2; 103F.461; 103G.221, subdivision 1; 103H.175, subdivision 3; 103H.275; 115A.175, subdivision 2; 115A.33; 115B.20, subdivisions 1 and 6; 115C.021, subdivision 1; 116.182, subdivision 3a; 116J.70, subdivision 2a; 117.47; 119A.03, subdivision 2; 119A.26, subdivision 2; 119A.45; 119A.46, subdivision 4; 119A.51, subdivision 1; 119B.05, subdivision 1; 123B.57, subdivision 6; 124D.17, subdivision 7; 126C.21, subdivision 4; 126C.48, subdivision 8; 136F.47; 156.11; 168.022, subdivision 4; 169.1217, subdivision 7a; 169.129, subdivision 2; 171.061, subdivision 1; 171.07, subdivision 10; 174.06, subdivision 1; 179.12; 181.58; 205A.01, subdivision 2; 219.074, subdivision 2; 219.39; 221.034, subdivision 5; 221.036, subdivisions 1 and 3; 239.761, subdivisions 13 and 14; 245.462, subdivisions 4 and 7; 245.466, subdivision 4; 245.4871, subdivision 9; 245.4875, subdivision 4; 245.825, subdivision 1b; 256B.0625, subdivision 32; 256B.0928; 256J.45, subdivision 2; 257.45; 257.74, subdivision 2; 268.9165; 287.09; 307.08, subdivisions 2, 8, 9, and 10; 340A.3021, subdivision 2; 446A.01; 446A.04, subdivision 7; 462A.21, subdivision 19; 480.054; 480.09, subdivision 1; 481.02, subdivision 2; 500.245, subdivision 1; 518.5511, subdivision 1; 518.6111, subdivision 5; and 609.26, by adding a subdivision; Laws 1994, chapter 560, article 2, section 15; and Laws 1997, chapter 207, section 12; repealing Minnesota Statutes 1998, sections 3.873; 16B.88, subdivision 5; 62J.47; 79.51, subdivision 4; 115A.159; 119A.28, subdivision 4; 119A.31, subdivision 3; 119A.54; 124D.17,

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subdivision 8; 144.121, subdivision 7; 144.664, subdivision 4; 197.236, subdivisions 1 and 2; 218.011, subdivision 7; 245.825, subdivision 1a; 256.995, subdivision 7; 323.02, subdivisions 10 and 11; 383.01; 383.02; 383.03; 383.04; 383.05; 383.06; 383.07; 383.08; 383.09; 383.10; 383.11; 383.12; 509.01; 509.02; 509.03; 509.04; 509.05; 509.06; and 526.20; Laws 1996, chapter 426, sections 1 and 2; Laws 1998, chapters 388, section 16; 404, section 49; and 407, article 2, section 97; and Laws 1998, First Special Session chapter 1, article 3, section 15.

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

ARTICLE 1

GENERAL

Section 1. Minnesota Statutes 1998, section 2.724, subdivision 1, is amended to read:

Subdivision 1. **APPOINTMENTS.** When public convenience and necessity require it, the ~~appointments~~ chief justice of the supreme court may assign any judge of any court to serve and discharge the duties of judge of any court in a judicial district not that judge's own at such times as the chief justice may determine. A judge may appeal an assignment to serve on a court in a judicial district not that judge's own to the supreme court and the appeal shall be decided before the assignment is effective. Notwithstanding the provisions of this subdivision, no judge shall be assigned to serve on a court in a judicial district which is located more than 50 miles from the boundary of that judge's judicial district for more than 15 working days in any 12-month period, unless the judge consents to the assignment.

A transferred judge shall be subject to the assignment powers of the chief judge of the judicial district to which the judge is transferred.

Sec. 2. Minnesota Statutes 1998, section 10A.01, subdivision 18, is amended to read:

Subd. 18. **PUBLIC OFFICIAL.** "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner, or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;

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- (g) executive director of the Indian affairs ~~intertribal board~~ council;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) commissioner of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of economic security;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (o) member, regional administrator, division director, general counsel, or operations manager of the metropolitan council;
- (p) the director of the racing commission, the director of the gambling control board, the director of the state lottery, and the deputy director of the state lottery;
- (q) director of the division of alcohol and gambling enforcement in the department of public safety;
- (r) member or executive director of the higher education facilities authority;
- (s) member of the board of directors or president of the Minnesota world trade center corporation; or
- (t) member or chief administrator of a metropolitan agency.

Sec. 3. Minnesota Statutes 1998, section 11A.16, subdivision 6, is amended to read:

Subd. 6. **DISPOSITION OF INCOME.** Notwithstanding provisions of section 11A.12, the income of the permanent school fund as calculated pursuant to subdivision 5, shall be credited to the permanent school fund, and transferred to the school endowment fund as needed for payments made pursuant to section ~~124.08~~ 127A.32.

Sec. 4. Minnesota Statutes 1998, section 12.21, subdivision 3, is amended to read:

Subd. 3. **SPECIFIC AUTHORITY.** In performing duties under this chapter and to effect its policy and purpose, the governor may:

(1) make, amend, and rescind the necessary orders and rules to carry out the provisions of this chapter and section 216C.15 within the limits of the authority conferred by this section, with due consideration of the plans of the federal government and without complying with sections 14.001 to 14.69, but no order or rule has the effect of law except as provided by section 12.32;

(2) ensure that a comprehensive emergency operations plan and emergency management program for this state are developed and maintained, and are integrated into and coordinated with the emergency plans of the federal government and of other states to the fullest possible extent;

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(3) in accordance with the emergency operations plan and the emergency management program of this state, procure supplies and equipment, institute training programs and public information programs, and take all other preparatory steps, including the partial or full activation of emergency management organizations in advance of actual disaster to ensure the furnishing of adequately trained and equipped forces of emergency management personnel in time of need;

(4) make studies and surveys of the industries, resources, and facilities in this state as may be necessary to ascertain the capabilities of the state for emergency management and to plan for the most efficient emergency use of those industries, resources, and facilities;

(5) on behalf of this state, enter into mutual aid arrangements or cooperative agreements with other states and with Canadian provinces, and coordinate mutual aid plans between political subdivisions of this state;

(6) delegate administrative authority vested in the governor under this chapter, except the power to make rules, and provide for the subdelegation of that authority;

(7) cooperate with the president and the heads of the armed forces, the emergency management agency of the United States and other appropriate federal officers and agencies, and with the officers and agencies of other states in matters pertaining to the emergency management of the state and nation, including the direction or control of:

(i) emergency preparedness drills and exercises;

(ii) warnings and signals for drills or actual emergencies and the mechanical devices to be used in connection with them;

(iii) shutting off water mains, gas mains, electric power connections and the suspension of all other utility services;

(iv) the conduct of persons in the state and the movement and cessation of movement of pedestrians and vehicular traffic during, prior, and subsequent to drills or actual emergencies;

(v) public meetings or gatherings; and

(vi) the evacuation, reception, and sheltering of persons;

(8) contribute to a political subdivision, within the limits of the appropriation for that purpose, not more than 25 percent of the cost of acquiring organizational equipment that meets standards established by the governor;

(9) formulate and execute, with the approval of the executive council, plans and rules for the control of traffic in order to provide for the rapid and safe movement over public highways and streets of troops, vehicles of a military nature, materials for national defense and war or for use in any war industry, for the conservation of critical materials or for emergency management purposes, and coordinate the activities of the departments or agencies of the state and its political subdivisions concerned directly or indirectly with public highways and streets, in a manner that will best effectuate those plans;

(10) alter or adjust by executive order, without complying with sections 14.01 to 14.69, the working hours, work days and work week of, and annual and sick leave provi-

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sions and payroll laws regarding all state employees in the executive branch as the governor deems necessary to minimize the impact of the disaster or emergency, conforming the alterations or adjustments to existing state laws, rules, and collective bargaining agreements to the extent practicable;

(11) authorize the commissioner of children, families, and learning to alter school schedules, curtail school activities, or order schools closed without affecting state aid to schools, as defined in section ~~424A.05~~ 120A.05, subdivisions 9, 11, 13, and 17, and including charter schools under section ~~124D.10~~, and elementary schools enrolling prekindergarten pupils in district programs.

Sec. 5. Minnesota Statutes 1998, section 12.33, subdivision 4, is amended to read:

Subd. 4. **REIMBURSEMENT BY STATE.** It is the policy of the state to reimburse the sending political subdivision for loss or damage to equipment used outside of the corporate limits of the sending political subdivision and to reimburse the sending political subdivision for additional expenses incurred in operating and maintaining the equipment outside of its corporate limits. A claim for loss, damage, or expense in using equipment or for additional expenses incurred in the operating or maintaining the equipment must not be allowed unless within 90 days after it is sustained or incurred an itemized notice of the claim, verified by an officer or employee of the sending political subdivision having knowledge of the facts, is filed with the state director.

Sec. 6. Minnesota Statutes 1998, section 15.059, subdivision 5a, is amended to read:

Subd. 5a. **LATER EXPIRATION.** Notwithstanding subdivision 5, the advisory councils and committees listed in this subdivision do not expire June 30, 1997. These groups expire June 30, 2001, unless the law creating the group or this subdivision specifies an earlier expiration date.

Investment advisory council, created in section 11A.08;

Intergovernmental information systems advisory council, created in section 16B.42, expires June 30, 1999;

Feedlot and manure management advisory committee, created in section 17.136;

Aquaculture advisory committee, created in section 17.49;

Dairy producers board, created in section 17.76;

Pesticide applicator education and examination review board, created in section 18B.305;

Advisory seed potato certification task force, created in section 21.112;

Food safety advisory committee, created in section 28A.20;

Minnesota organic advisory task force, created in section 31.95;

Public programs risk adjustment work group, created in section 62Q.03, expires June 30, 1999;

Workers' compensation self-insurers' advisory committee, created in section 79A.02;

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- Youth corps advisory committee, created in section 84.0887;
- Iron range off-highway vehicle advisory committee, created in section 85.013;
- Mineral coordinating committee, created in section 93.002;
- Game and fish fund citizen advisory committees, created in section 97A.055;
- Wetland heritage advisory committee, created in section 103G.2242;
- Wastewater treatment technical advisory committee, created in section 115.54;
- Solid waste management advisory council, created in section 115A.12;
- Nuclear waste council, created in section 116C.711;
- Genetically engineered organism advisory committee, created in section 116C.93;
- Environment and natural resources trust fund advisory committee, created in section 116P.06;
- Child abuse prevention advisory council, created in section 119A.13;
- Chemical abuse and violence prevention council, created in section 119A.27;
- Youth neighborhood services centers advisory board, created in section 119A.29;
- Interagency coordinating council, created in section 125A.28, expires June 30, 1999;
- Desegregation/integration advisory board, created in section 124D.892;
- Nonpublic education council, created in section 123B.445;
- Permanent school fund advisory committee, created in section 127A.30;
- Indian scholarship committee, created in section 124D.84, subdivision 2;
- American Indian education committees, created in section 124D.80;
- Summer scholarship advisory committee, created in section 124D.95;
- Multicultural education advisory committee, created in section 124D.894;
- Male responsibility and fathering grants review committee, created in section 124D.33;
- Library for the blind and physically handicapped advisory committee, created in section 134.31;
- Higher education advisory council, created in section 136A.031;
- Student advisory council, created in section 136A.031;
- Cancer surveillance advisory committee, created in section 144.672;
- Maternal and child health task force, created in section 145.881;
- State community health advisory committee, created in section 145A.10;
- Mississippi River Parkway commission, created in section 161.1419;

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- School bus safety advisory committee, created in section 169.435;
 Advisory council on workers' compensation, created in section 175.007;
 Code enforcement advisory council, created in section 175.008;
 Medical services review board, created in section 176.103;
 Apprenticeship advisory council, created in section 178.02;
 OSHA advisory council, created in section 182.656;
 Health professionals services program advisory committee, created in section 214.32;
 Rehabilitation advisory council for the blind, created in section 248.10;
 American Indian advisory council, created in section 254A.035;
 Alcohol and other drug abuse advisory council, created in section 254A.04;
 Medical assistance drug formulary committee, created in section 256B.0625;
 Home care advisory committee, created in section 256B.071;
 Preadmission screening, alternative care, and home and community-based services advisory committee, created in section 256B.0911;
 Traumatic brain injury advisory committee, created in section 256B.093;
 Minnesota commission serving deaf and hard-of-hearing people, created in section 256C.28;
 American Indian child welfare advisory council, created in section 257.3579;
 Juvenile justice advisory committee, created in section 268.29;
 Northeast Minnesota economic development fund technical advisory committees, created in section 298.2213;
 Iron range higher education committee, created in section 298.2214;
 Northeast Minnesota economic protection trust fund technical advisory committee, created in section 298.297;
 Pipeline safety advisory committee, created in section 299J.06, expires June 30, 1998;
 Battered women's advisory council, created in section 611A.34.

Sec. 7. Minnesota Statutes 1998, section 16B.171, is amended to read:

16B.171 EXCEPTION FOR FEDERAL TRANSPORTATION CONTRACTS.

Notwithstanding section ~~16B.17~~ 16C.08 or other law to the contrary, the commissioner of transportation may, when required by a federal agency entering into an inter-governmental contract, negotiate contract terms providing for full or partial prepayment to the federal agency before work is performed or services are provided.

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Sec. 8. RENUMBER; SECTION 16B.171.

The revisor shall renumber Minnesota Statutes, section 16B.171, as section 16C.081.

Sec. 9. Minnesota Statutes 1998, section 16B.335, subdivision 4, is amended to read:

Subd. 4. **ENERGY CONSERVATION.** A recipient to whom a direct appropriation is made for a capital improvement project shall ensure that the project complies with the applicable energy conservation standards contained in law, including sections 216C.19 to ~~216C.21~~ 216C.20, and rules adopted thereunder. The recipient may use the energy planning and intervention and energy technologies units of the department of public service to obtain information and technical assistance on energy conservation and alternative energy development relating to the planning and construction of the capital improvement project.

Sec. 10. Minnesota Statutes 1998, section 16B.465, subdivision 1, is amended to read:

Subdivision 1. **CREATION.** The state information infrastructure provides voice, data, video, and other telecommunications transmission services to state agencies; educational institutions, including public schools as defined in section 120A.05, subdivisions 9, 11, 13, and 17, nonpublic, church or religious organization schools that provide instruction in compliance with sections 120A.22, 120A.24, and ~~124A.41~~ 120A.41, and private colleges; public corporations; and state political subdivisions. It is not a telephone company for purposes of chapter 237. It shall not resell or sublease any services or facilities to nonpublic entities except it may serve private schools and colleges. The commissioner has the responsibility for planning, development, and operations of the state information infrastructure in order to provide cost-effective telecommunications transmission services to state information infrastructure users.

Sec. 11. Minnesota Statutes 1998, section 16C.05, subdivision 2, is amended to read:

Subd. 2. **CREATION AND VALIDITY OF CONTRACTS.** (a) A contract is not valid and the state is not bound by it unless:

- (1) it has first been executed by the head of the agency or a delegate who is a party to the contract;
- (2) it has been approved by the commissioner;
- (3) it has been approved by the attorney general or a delegate as to form and execution;
- (4) the accounting system shows an obligation in an expense budget or encumbrance for the amount of the contract liability; and
- (5) the combined contract and amendments shall not exceed five years, unless otherwise provided for by law. The term of the original contract must not exceed two years unless the commissioner determines that a longer duration is in the best interest of the state.

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(b) Grants, interagency agreements, purchase orders, and annual plans need not, in the discretion of the commissioner and attorney general, require the signature of the commissioner and/or the attorney general. Bond purchase agreements by the Minnesota public facilities authority do not require the approval of the commissioner.

(c) A fully executed copy of every contract must be kept on file at the contracting agency.

Sec. 12. Minnesota Statutes 1998, section 19.52, subdivision 2, is amended to read:

Subd. 2. **IMPEDING COMMISSIONER UNLAWFUL.** It is unlawful to deny to the commissioner access to any premises which the commissioner is authorized to enter for purposes of inspection or to resist, thwart, or hinder the commissioner in carrying out any authorized inspection, by misrepresentation, concealment ~~or~~ of facts or conditions, or otherwise.

Sec. 13. Minnesota Statutes 1998, section 48A.12, subdivision 1, is amended to read:

Subdivision 1. **TERMS.** For purposes of sections 48A.12 to ~~48A.25~~ 48A.22, the following words and phrases have the meanings given them.

Sec. 14. Minnesota Statutes 1998, section 58.02, subdivision 22, is amended to read:

Subd. 22. **SERVICING; SERVICING A RESIDENTIAL MORTGAGE.** "Servicing" or "servicing a residential mortgage loan" means through any medium or mode of communication the collection or remittance ~~for of~~, or the right or obligation to collect or remit for a lender, mortgagee, note owner, noteholder, or for a person's own account, ~~of~~ payments, interest, principal, and escrow items such as insurance and taxes for property subject to a residential mortgage loan.

Sec. 15. Minnesota Statutes 1998, section 60L.08, subdivision 1, is amended to read:

Subdivision 1. **CLASS LIMITATIONS.** For the purposes of section 60L.11, the following limitations on classes of investments apply:

(a) For investments authorized under section 60L.07, clause (2), and investments authorized under section 60L.07, clause (7), that are of the types described in section 60L.07, clause (2), the following restrictions apply:

(1) the aggregate amount of medium and lower grade investments may not exceed 20 percent of the insurer's admitted assets;

(2) the aggregate amount of lower grade investments may not exceed ten percent of the insurer's admitted assets;

(3) the aggregate amount of investments rated 5 or 6 by the SVO may not exceed five percent of the insurer's admitted assets;

(4) the aggregate amount of investments rated 6 by the SVO may not exceed one percent of the insurer's admitted assets; or

(5) the aggregate amount of medium and lower grade investments that receive as cash income less than the equivalent yield for United States Treasury issues with a comparative average life, may not exceed one percent of the insurer's admitted assets.

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(b) Investments authorized under section 60L.07, clause (3), may not exceed 45 percent of admitted assets in the case of life insurers and 25 percent of admitted assets in the case of insurers other than life insurers.

(c) Investments authorized under section 60L.07, clause (4), other than subsidiaries of the types authorized under section 60A.11, subdivision 18, paragraph (a), clause (4); 60D.16; or 61A.281, may not exceed 20 percent of admitted assets in the case of life insurers and 25 percent of admitted assets in the case of insurers other than life insurers.

(d) Investments authorized under section 60L.07, clause (5), may not exceed ten percent of admitted assets.

(e) Investments authorized under section 60L.07, clause (6), may not exceed 20 percent of admitted assets in the case of life insurers, and ten percent of admitted assets in the case of insurers other than life insurers.

(f) Investments authorized under section 60L.07, clause (7), may not exceed 20 percent of admitted assets.

(g) Investments authorized under section 60L.07, clause (8), may not exceed two percent of admitted assets.

(h) Investments authorized under section 60L.07, clause ~~(9)~~ (10), may not exceed two percent of admitted assets.

Sec. 16. Minnesota Statutes 1998, section 62E.15, subdivision 2, is amended to read:

Subd. 2. **ASSOCIATION'S DUTY.** The association shall devise and implement means of maintaining public awareness of the provisions of sections 62E.01 to ~~62E.17~~ 62E.16 and shall administer these sections in a manner which facilitates public participation in the state plan.

Sec. 17. Minnesota Statutes 1998, section 79A.06, subdivision 5, is amended to read:

Subd. 5. **PRIVATE EMPLOYERS WHO HAVE CEASED TO BE SELF-INSURED.** (a) Private employers who have ceased to be private self-insurers shall discharge their continuing obligations to secure the payment of compensation which is accrued during the period of self-insurance, for purposes of Laws 1988, chapter 674, sections 1 to 21, by compliance with all of the following obligations of current certificate holders:

(1) Filing reports with the commissioner to carry out the requirements of this chapter;

(2) Depositing and maintaining a security deposit for accrued liability for the payment of any compensation which may become due, pursuant to chapter 176. However, if a private employer who has ceased to be a private self-insurer purchases an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the period the employer was self-insured, whether or not reported during that period, the policy will discharge the obligation of the employer to maintain a security deposit for the payment of the claims covered under the policy. The policy may not be

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issued by an insurer unless it has previously been approved as to form and substance by the commissioner; and

(3) Paying within 30 days all assessments of which notice is sent by the security fund, for a period of seven years from the last day its certificate of self-insurance was in effect. Thereafter, the private employer who has ceased to be a private self-insurer may either: (i) continue to pay within 30 days all assessments of which notice is sent by the security fund until it has no incurred liabilities for the payment of compensation arising out of injuries during the period of self-insurance; or (ii) pay the security fund a cash payment equal to four percent of the net present value of all remaining incurred liabilities for the payment of compensation under sections 176.101 and 176.111 as certified by a member of the casualty actuarial society. Assessments shall be based on the benefits paid by the employer during the calendar year immediately preceding the calendar year in which the employer's right to self-insure is terminated or withdrawn.

(b) With respect to a self-insurer who terminates its self-insurance authority after April 1, 1998, that member shall obtain and file with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability from medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment before termination.

(c) A former member who terminated its self-insurance authority before April 1, 1998, who has paid assessments to the self-insurers' security fund for seven years, and whose annualized assessment is \$500 or less, may buy out of its outstanding liabilities to the self-insurers' security fund by an amount calculated as follows: 1.35 multiplied by the indemnity case reserves at the time of the calculation, multiplied by the then current self-insurers' security fund annualized assessment rate.

(d) A former member who terminated its self-insurance authority before April 1, 1998, and who is paying assessments within the first seven years after ceasing to be self-insured under paragraph (a), clause (3), may elect to buy out its outstanding liabilities to the self-insurers' security fund by obtaining and filing with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability ~~from~~ for medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment.

(e) A former member who has paid the security fund according to paragraphs (b) to (d) and subsequently receives authority from the commissioner to again self-insure shall be assessed under section 79A.12, subdivision 2, only on indemnity benefits paid on injuries that occurred after the former member received authority to self-insure again; pro-

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vided that the member furnishes verified data regarding those benefits to the security fund.

(f) In addition to proceedings to establish liabilities and penalties otherwise provided, a failure to comply may be the subject of a proceeding before the commissioner. An appeal from the commissioner's determination may be taken pursuant to the contested case procedures of chapter 14 within 30 days of the commissioner's written determination.

Any current or past member of the self-insurers' security fund is subject to service of process on any claim arising out of chapter 176 or this chapter in the manner provided by section 5.25, or as otherwise provided by law. The issuance of a certificate to self-insure to the private self-insured employer shall be deemed to be the agreement that any process which is served in accordance with this section shall be of the same legal force and effect as if served personally within this state.

Sec. 18. Minnesota Statutes 1998, section 103B.581, subdivision 2, is amended to read:

Subd. 2. **FINDINGS AND ORDER.** If the board or joint county authority determines that the existence of the district is no longer in the public welfare or public interest and it is not needed to accomplish the purpose of the Lake Improvement District Act Law, the board or joint county authority shall make the findings and terminate the district by order. On filing a certified copy of the findings and order with the secretary of state, pollution control agency, and commissioner of natural resources the district is terminated and ceases to be a political subdivision of the state.

Sec. 19. Minnesota Statutes 1998, section 103G.221, subdivision 1, is amended to read:

Subdivision 1. **DRAINAGE OF PUBLIC WATERS WETLANDS GENERALLY PROHIBITED WITHOUT REPLACEMENT.** ~~Except as provided in subdivisions 2 and 3,~~ Public waters wetlands may not be drained, and a permit authorizing drainage of public waters wetlands may not be issued, unless the public waters wetlands to be drained are replaced by wetlands that will have equal or greater public value.

Sec. 20. Minnesota Statutes 1998, section 115A.175, subdivision 2, is amended to read:

Subd. 2. **DISMISSAL OF CANDIDATE SITES.** All candidate sites remaining under Minnesota Statutes 1996, section 115A.21, subdivision 1, are dismissed from further consideration as candidate sites for hazardous waste facilities.

Sec. 21. Minnesota Statutes 1998, section 115A.33, is amended to read:

115A.33 ELIGIBILITY; REQUEST FOR REVIEW.

The following persons shall be eligible to request supplementary review by the board pursuant to sections 115A.32 to 115A.39: (a) a generator of sewage sludge within the state who has been issued permits by the agency for a facility to dispose of sewage sludge or solid waste resulting from sewage treatment; (b) a political subdivision which has been issued permits by the agency, or a political subdivision acting on behalf of a person who has been issued permits by the agency, for a solid waste facility which is no larg-

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er than 250 acres, not including any proposed buffer area, and located outside the metropolitan area; (c) a generator of hazardous waste within the state who has been issued permits by the agency for a hazardous waste facility to be owned and operated by the generator, on property owned by the generator, and to be used by the generator for managing the hazardous wastes produced by the generator only; (d) a person who has been issued permits by the agency for a commercial hazardous waste processing facility at a site included in the board's inventory of preferred sites for such facilities adopted pursuant to Minnesota Statutes 1996, section 115A.09; (e) a person who has been issued permits by the agency for a disposal facility for the nonhazardous sludge, ash, or other solid waste generated by a permitted hazardous waste processing facility operated by the person. The board may require completion of a plan conforming to the requirements of section 115A.46, before granting review under clause (b). A request for supplementary review shall show that the required permits for the facility have been issued by the agency and that a political subdivision has refused to approve the establishment or operation of the facility.

Sec. 22. Minnesota Statutes 1998, section 115B.20, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** (a) The environmental response, compensation, and compliance account is in the environmental fund in the state treasury and may be spent only for the purposes provided in subdivision 2.

(b) The commissioner of finance shall administer a response account for the agency and the commissioner of agriculture to take removal, response, and other actions authorized under subdivision 2, clauses (1) to (4) and (10) to (12). The commissioner of finance shall transfer money from the response account to the agency and the commissioner of agriculture to take actions required under subdivision 2, clauses (1) to (4) and (10) to (12).

(c) The commissioner of finance shall administer the account in a manner that allows the commissioner of agriculture and the agency to utilize the money in the account to implement their removal and remedial action duties as effectively as possible.

(d) Amounts appropriated to the commissioner of finance under this subdivision shall not be included in the department of finance budget but shall be included in the pollution control agency and department of agriculture budgets.

(e) All money recovered by the state under section 115B.04 or any other law for injury to, destruction of, or loss of natural resources resulting from the release of a hazardous substance, or a pollutant or contaminant, must be credited to the environmental response, compensation, and compliance account in the environmental fund and is appropriated to the commissioner of natural resources for purposes of subdivision 2, clause ~~(6)~~ (5), consistent with any applicable term of judgments, consent decrees, consent orders, or other administrative actions requiring payments to the state for such purposes. Before making an expenditure of money appropriated under this paragraph, the commissioner of natural resources shall provide written notice of the proposed expenditure to the chairs of the senate committee on finance, the house of representatives committee on ways and means, the finance division of the senate committee on environment and natural resources, and the house of representatives committee on environment and natural resources finance.

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Sec. 23. Minnesota Statutes 1998, section 115C.021, subdivision 1, is amended to read:

Subdivision 1. **GENERAL RULE.** Except as provided in subdivision subdivisions 2 to 4, a person is responsible for a release from a tank if the person is an owner or operator of the tank at any time during or after the release.

Sec. 24. Minnesota Statutes 1998, section 116.182, subdivision 3a, is amended to read:

Subd. 3a. **NOTIFICATION OF OTHER GOVERNMENT UNITS.** In addition to other applicable statutes or rules that are required to receive financial assistance consistent with this subdivision, the commissioner may not approve or certify a project to the public facilities authority for wastewater financial assistance unless the following requirements are met:

(1) prior to the initiation of the public facilities planning process for a new wastewater treatment system, the project proposer gives written notice to all municipalities as defined in ~~section 116.82~~ within ten miles of the proposed project service area, including the county in which the project is located, the office of strategic and long-range planning, and the pollution control agency. The notice shall state the proposer's intent to begin the facilities planning process and provide a description of the need for the proposed project. The notice also shall request a response within 30 days of the notice date from all government units who wish to receive and comment on the future facilities plan for the proposed project;

(2) during development of the facility plan's analysis of service alternatives, the project proposer must request information from all municipalities and sanitary districts which have existing systems that have current capacity to meet the proposer's needs or can be upgraded to meet those needs. At a minimum, the proposer must notify in writing those municipalities and sanitary districts whose corporate limits or boundaries are within three miles of the proposed project's service area;

(3) 60 days prior to the municipality's public hearing on the facilities plan, a copy of the draft facilities plan and notice of the public hearing on the facilities plan must be given to the local government units who previously expressed interest in the proposed project under clause (1);

(4) for a proposed project located or proposed to be located outside the corporate limits of a city, the affected county has certified to the agency that the proposed project is consistent with the applicable county comprehensive plan and zoning and subdivision regulations; and

(5) copies of the notifications required under clauses (1) and (2), as well as the certification from the county and a summary of the comments received, must be included by the municipality in the submission of its facilities plan to the pollution control agency, along with other required items as specified in the agency's rules.

This subdivision does not apply to the western Lake Superior sanitary district or the metropolitan council.

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Sec. 25. Minnesota Statutes 1998, section 116J.70, subdivision 2a, is amended to read:

Subd. 2a. **LICENSE; EXCEPTIONS.** "Business license" or "license" does not include the following:

(1) any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) any license issued by a county, home rule charter city, statutory city, township, or other political subdivision;

(3) any license required to practice the following occupation regulated by the following sections:

- (i) abstracters regulated pursuant to chapter 386;
- (ii) accountants regulated pursuant to chapter 326;
- (iii) adjusters regulated pursuant to chapter 72B;
- (iv) architects regulated pursuant to chapter 326;
- (v) assessors regulated pursuant to chapter 270;
- (vi) athletic trainers regulated pursuant to chapter 148;
- (vii) attorneys regulated pursuant to chapter 481;
- (viii) auctioneers regulated pursuant to chapter 330;
- (ix) barbers regulated pursuant to chapter 154;
- (x) beauticians regulated pursuant to chapter 155A;
- (xi) boiler operators regulated pursuant to chapter 183;
- (xii) chiropractors regulated pursuant to chapter 148;
- (xiii) collection agencies regulated pursuant to chapter 332;
- (xiv) cosmetologists regulated pursuant to chapter 155A;
- (xv) dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;
- (xvi) detectives regulated pursuant to chapter 326;
- (xvii) electricians regulated pursuant to chapter 326;
- (xviii) mortuary science practitioners regulated pursuant to chapter 149A;
- (xix) engineers regulated pursuant to chapter 326;
- (xx) insurance brokers and salespersons regulated pursuant to chapter 60A;
- (xxi) certified interior designers regulated pursuant to chapter 326;
- (xxii) midwives regulated pursuant to chapter 148;

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- (xxiii) nursing home administrators regulated pursuant to chapter 144A;
- (xxiv) optometrists regulated pursuant to chapter 148;
- (xxv) osteopathic physicians regulated pursuant to chapter 147;
- (xxvi) pharmacists regulated pursuant to chapter 151;
- (xxvii) physical therapists regulated pursuant to chapter 148;
- (xxviii) physician assistants regulated pursuant to chapter 147A;
- (xxix) physicians and surgeons regulated pursuant to chapter 147;
- (xxx) plumbers regulated pursuant to chapter 326;
- (xxxi) podiatrists regulated pursuant to chapter 153;
- (xxxii) practical nurses regulated pursuant to chapter 148;
- (xxxiii) professional fund raisers regulated pursuant to chapter 309;
- (xxxiv) psychologists regulated pursuant to chapter 148;
- (xxxv) real estate brokers, salespersons, and others regulated pursuant to chapters 82 and 83;
- (xxxvi) registered nurses regulated pursuant to chapter 148;
- (xxxvii) securities brokers, dealers, agents, and investment advisers regulated pursuant to chapter 80A;
- (xxxviii) steamfitters regulated pursuant to chapter 326;
- (xxxix) teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (xl) veterinarians regulated pursuant to chapter 156;
- (xli) water conditioning contractors and installers regulated pursuant to chapter 326;
- (xlii) water well contractors regulated pursuant to chapter 103I;
- (xliii) water and waste treatment operators regulated pursuant to chapter 115;
- (xliv) motor carriers regulated pursuant to chapter 221;
- (xlv) ~~professional corporations regulated pursuant to chapter 319A or professional firms regulated under chapter 319B;~~
- (xlvi) real estate appraisers regulated pursuant to chapter 82B;
- (xlvii) residential building contractors, residential remodelers, residential roofers, manufactured home installers, and specialty contractors regulated pursuant to chapter 326;
- (4) any driver's license required pursuant to chapter 171;
- (5) any aircraft license required pursuant to chapter 360;

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(6) any watercraft license required pursuant to chapter 86B;

(7) any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air, or water, which is required to be obtained from a state agency or instrumentality; and

(8) any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services.

Sec. 26. Minnesota Statutes 1998, section 117.47, is amended to read:

117.47 PERMITS; LICENSES.

The commissioner of natural resources may grant permits and licenses or leases on and across lands owned by the state to any corporation or association engaged in or preparing to engage in the business of mining and beneficiating taconite as defined in section ~~298.23~~ 298.001, subdivision 4, or semitaconite as defined in section 298.34, for the purpose of providing the corporation or association necessary easements, rights of way and surface rights over, through and across such lands for the erection and maintenance of pipe lines, pole lines, conduits, sluiceways, roads, railroads and tramways. The commissioner may grant permits and licenses or leases for flowage rights, rights to transport crude ore, concentrates or waste materials over such state-owned lands, and may lease state-owned lands for the depositing of stripping, lean ores, tailings, or waste products of such business. Such permits, licenses or leases, may also authorize the use of state-owned lands by such corporation or association for plants and other buildings necessary to the proper carrying on of such business and may grant water rights and other rights requisite to the construction of wharves, piers, breakwaters, or similar facilities necessary to the carrying on of such business or the shipment of the products thereof. The commissioner may also license the flooding of state lands in connection with any permit or authorization for the use of public waters issued by the legislature or issued by the commissioner pursuant to law. Such permits, licenses, and leases shall be upon such conditions and for such consideration and for such period of time as the commissioner may determine. The county auditor, with the approval of the county board, is authorized to grant permits, licenses and leases for all such purposes across tax-forfeited lands not held by the state free from any trust in favor of any and all taxing districts, upon such conditions and for such consideration and for such period of time as the county board may determine. Any proceeds from the granting of such permits, licenses or leases shall be apportioned and distributed as other proceeds from the sale or rental of tax-forfeited lands.

Sec. 27. Minnesota Statutes 1998, section 119A.03, subdivision 2, is amended to read:

Subd. 2. **DUTIES OF THE COMMISSIONER.** The commissioner shall:

- (1) identify measurable outcomes by which programs administered by the department will be evaluated at the state and local level;
- (2) develop linkages with other state departments to ensure coordination and consistent state policies promoting healthy development of children and families;
- (3) prepare, in consultation with the children's cabinet, ~~the commission on children, youth, and their families,~~ and affected parties, ~~prior to January 1, 1996,~~ and prior to July 1

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of each year thereafter, guidelines governing planning, reporting, and other procedural requirements necessary to administer this chapter;

(4) facilitate inclusive processes when designing or implementing guidelines and strategies to achieve agency goals for children and families listed in section 119A.01, subdivision 3;

(5) facilitate intergovernmental and public-private partnership strategies necessary to implement this chapter;

(6) submit to the federal government, or provide assistance to local governments and organizations in submitting, where appropriate and feasible, requests for federal waivers or recommendations for changes in federal law necessary to carry out the purposes of this chapter;

(7) coordinate review of all plans and other documents required under the guidelines provided for in clause (3);

(8) coordinate development of the management support system components required for implementation of this chapter;

(9) review other programs serving children and families to determine the feasibility for transfer to the department of children, families, and learning or the feasibility of inclusion in the funding consolidation process; and

(10) monitor local compliance with this chapter.

Sec. 28. Minnesota Statutes 1998, section 119A.26, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** (a) The assistant commissioner shall:

(1) gather, develop, and make available throughout the state information and educational materials on preventing and reducing violence in the family and in the community, both directly and by serving as a clearinghouse for information and educational materials from schools, state and local agencies, community service providers, and local organizations;

(2) foster collaboration among schools, state and local agencies, community service providers, and local organizations that assist in violence intervention or prevention;

(3) assist schools, state and local agencies, service providers, and organizations, on request, with training and other programs designed to educate individuals about violence and reinforce values that contribute to ending violence;

(4) after consulting with all state agencies involved in preventing or reducing violence within the family or community, develop a statewide strategy for preventing and reducing violence that encompasses the efforts of those agencies and takes into account all money available for preventing or reducing violence from any source;

(5) submit the strategy to the governor by January 15 of each calendar year, along with a summary of activities occurring during the previous year to prevent or reduce violence experienced by children, young people, and their families; and

(6) assist appropriate professional and occupational organizations, including organizations of law enforcement officers, prosecutors, and educators, in developing and op-

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erating informational and training programs to improve the effectiveness of activities to prevent or reduce violence within the family or community.

(b) The assistant commissioner shall gather and make available information on prevention and supply reduction activities throughout the state, foster cooperation among involved state and local agencies, and assist agencies and public officials in training and other programs designed to improve the effectiveness of prevention and supply reduction activities.

(c) The assistant commissioner shall coordinate the distribution of funds received by the state of Minnesota through the federal Anti-Drug Abuse Act. The assistant commissioner shall recommend to the commissioner recipients of grants under ~~sections 119A.30 and section 299A.33~~, after consultation with the chemical abuse prevention resource council.

(d) The assistant commissioner shall:

(1) after consultation with all state agencies involved in prevention or supply reduction activities, develop a state chemical abuse and dependency strategy encompassing the efforts of those agencies and taking into account all money available for prevention and supply reduction activities, from any source;

(2) submit the strategy to the governor by January 15 of each year, along with a summary of prevention and supply reduction activities during the preceding calendar year;

(3) assist appropriate professional and occupational organizations, including organizations of law enforcement officers, prosecutors, and educators, in developing and operating informational and training programs to improve the effectiveness of prevention and supply reduction activities;

(4) provide information, including information on drug trends, and assistance to state and local agencies, both directly and by functioning as a clearinghouse for information from other agencies;

(5) facilitate cooperation among drug program agencies; and

(6) in coordination with the chemical abuse prevention resource council, review, approve, and coordinate the administration of prevention, criminal justice, and treatment grants.

Sec. 29. Minnesota Statutes 1998, section 119A.45, is amended to read:

119A.45 EARLY CHILDHOOD LEARNING AND CHILD PROTECTION FACILITIES.

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for Head Start, early childhood and family education programs, other early childhood intervention programs, or demonstration family service centers housing multiagency collaboratives, with priority to centers in counties or municipalities with the highest number percentage of children living in poverty. The commissioner may also make grants to state agencies and political subdivisions to construct or rehabilitate facilities for crisis nurseries or child visitation centers. The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner must prescribe the terms and

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conditions of the leases. A grant for an individual facility must not exceed \$200,000 for each program that is housed in the facility, up to a maximum of \$500,000 for a facility that houses three programs or more. The commissioner must give priority to grants that involve collaboration among sponsors of programs under this section and may give priority to projects that collaborate with child care providers, including all-day and school-age child care programs, special needs care, sick child care, and nontraditional hour care. The commissioner may give priority to grants for programs that will increase their child care workers' wages as a result of the grant. At least 25 percent of the amounts appropriated for these grants must be used in conjunction with the youth employment and training programs operated by the commissioner of economic security up to \$50,000 must utilize youthbuild under sections 268.361 to 268.366 or other youth employment and training programs for the labor portion of the construction. Eligible programs must consult with appropriate labor organizations to deliver education and training. State appropriations must be matched on a 50 percent basis with nonstate funds. The matching requirement must apply programwide and not to individual grants.

Sec. 30. Minnesota Statutes 1998, section 119A.46, subdivision 4, is amended to read:

Subd. 4. **LEAD CONTRACTORS SUPERVISOR OR CERTIFIED FIRM.** (a) Eligible organizations and ~~lead contractors~~ supervisors or certified firms may participate in the swab team program. An eligible organization receiving a grant under this section must assure that all participating ~~lead contractors~~ supervisors or certified firms are licensed and that all swab team workers are certified by the department of health under section 144.9505. Eligible organizations and ~~lead contractors~~ supervisors or certified firms may distinguish between interior and exterior services in assigning duties and may participate in the program by:

- (1) providing on-the-job training for swab team workers;
 - (2) providing swab team services to meet the requirements of sections 144.9503, subdivision 4, and 144.9504, subdivision 6;
 - (3) providing a removal and replacement component using skilled craft workers under subdivision 7;
 - (4) providing lead testing according to subdivision 8;
 - (5) providing lead dust cleaning supplies, as described in section 144.9503 144.9507, subdivision 5 4, paragraph (b) (c), to residents; or
 - (6) having a swab team worker instruct residents and property owners on appropriate lead control techniques, including the lead-safe directives developed by the commissioner of health.
- (b) Participating ~~lead contractors~~ supervisors or certified firms must:
- (1) demonstrate proof of workers' compensation and general liability insurance coverage;
 - (2) be knowledgeable about lead abatement requirements established by the Department of Housing and Urban Development and the Occupational Safety and Health Administration and lead hazard reduction requirements and lead-safe directives of the commissioner of health;

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- (3) demonstrate experience with on-the-job training programs;
- (4) demonstrate an ability to recruit employees from areas at high risk for toxic lead exposure; and
- (5) demonstrate experience in working with low-income clients.

Sec. 31. Minnesota Statutes 1998, section 119A.51, subdivision 1, is amended to read:

Subdivision 1. **SCOPE.** As used in sections 119A.52 to ~~119A.54~~ and 119A.53, the terms defined in this section have the meanings given them.

Sec. 32. Minnesota Statutes 1998, section 119B.05, subdivision 1, is amended to read:

Subdivision 1. **ELIGIBLE RECIPIENTS.** Families eligible for child care assistance under the AFDC child care program are:

(1) persons receiving services under sections 256.031 to 256.0361 and 256.047 to 256.048;

(2) AFDC recipients who are employed or in job search and meet the requirements of section 119B.10;

(3) persons who are members of transition year families under section 119B.01, subdivision 16;

(4) members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation;

(5) AFDC caretakers who are participating in the STRIDE and non-STRIDE AFDC child care program;

(6) families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K; and

(7) MFIP-S families who are participating in work activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J. Child care assistance to support work activities as described in section 256J.49 must be available according to sections ~~119A.54~~, 119B.01, subdivision 8, 124D.13, 256E.08, and 611A.32 and titles IVA, IVB, IVE, and XX of the Social Security Act.

Sec. 33. Minnesota Statutes 1998, section 123B.57, subdivision 6, is amended to read:

Subd. 6. **USES OF HEALTH AND SAFETY REVENUE.** Health and safety revenue may be used only for approved expenditures necessary to correct fire safety hazards, life safety hazards, or for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section ~~296.01~~ 296A.01, labor and industry regulated facility

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and equipment hazards, and health, safety, and environmental management. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms. The revenue may not be used for a building or property or part of a building or property used for post-secondary instruction or administration or for a purpose unrelated to elementary and secondary education.

Sec. 34. Minnesota Statutes 1998, section 126C.21, subdivision 4, is amended to read:

Subd. 4. **TACONITE DEDUCTIONS.** (1) Notwithstanding any provisions of any other law to the contrary, the adjusted net tax capacity used in calculating general education aid may include only that property that is currently taxable in the district.

(2) For districts that received payments under sections 298.018; ~~298.23~~ 298.24 to 298.28; 298.34 to 298.39; 298.391 to 298.396; and 298.405; any law imposing a tax upon severed mineral values, or recognized revenue pursuant to section 477A.15; the general education aid must be reduced in the final adjustment payment by the difference between the dollar amount of the payments received pursuant to those sections, or revenue recognized pursuant to section 477A.15 in the fiscal year to which the final adjustment is attributable and the amount that was calculated, pursuant to section 126C.48, subdivision 8, as a reduction of the levy attributable to the fiscal year to which the final adjustment is attributable. If the final adjustment of a district's general education aid for a fiscal year is a negative amount because of this clause, the next fiscal year's general education aid to that district must be reduced by this negative amount in the following manner: there must be withheld from each scheduled general education aid payment due the district in such fiscal year, 15 percent of the total negative amount, until the total negative amount has been withheld. The amount reduced from general education aid pursuant to this clause must be recognized as revenue in the fiscal year to which the final adjustment payment is attributable.

Sec. 35. Minnesota Statutes 1998, section 126C.48, subdivision 8, is amended to read:

Subd. 8. **TACONITE PAYMENT AND OTHER REDUCTIONS.** (1) Reductions in levies pursuant to sections 126C.48, subdivision 1, and 273.138, must be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 298.018; ~~298.23~~ 298.24 to 298.28, except an amount distributed under section 298.28, subdivision 4, paragraph (c), clause (ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; and any law imposing a tax upon severed mineral values, or recognized revenue pursuant to section 477A.15; must not include a portion of these aids in their permissible levies pursuant to those sections, but instead must reduce the permissible levies authorized by this chapter and chapters 120B, 122A, 123A, 123B, 124A, 124D, 125A, and 127A by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal

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year less the product of the same dollar amount of payments or revenue times five percent.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 126C.13, to an amount less than the amount raised by a levy of a net tax rate of 6.82 percent times the adjusted net tax capacity for taxes payable in 1990 and thereafter of that district for the preceding year as determined by the commissioner. The amount of any increased levy authorized by referendum pursuant to section 126C.17, subdivision 9, shall not be reduced pursuant to this subdivision. The amount of any levy authorized by section 126C.43, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the health and safety levy authorized by sections 123B.57 and 126C.40, subdivision 5, the commissioner shall ascertain from each affected school district the amount it proposes to levy under each section or subdivision. The reduction shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 298.018; ~~298.23~~ 298.24 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values; and not deducted from general education aid pursuant to section 126C.21, subdivision 4, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year, the amount required to be subtracted from the previous fiscal year's general education aid pursuant to section 126C.21, subdivision 4, which is in excess of the general education aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 36. Minnesota Statutes 1998, section 136F.47, is amended to read:

136F.47 PENSION PLAN.

~~Effective July 1, 1995,~~ The board shall assume the administrative responsibility for the individual retirement account plans in ~~chapter~~ chapters 354B and 354C formerly administered separately by the state university board and the community college board. The separate plans and the former plan administration must be merged into a single individual retirement account plan and plan administration covering eligible employees of the board, eligible employees of system institutions, and other eligible employee groups who are covered by the plan under section ~~354B.01~~ 354B.21.

Sec. 37. Minnesota Statutes 1998, section 156.11, is amended to read:

156.11 CORPORATIONS NOT TO PRACTICE.

It shall be unlawful in the state of Minnesota for any corporation, other than one organized pursuant to ~~chapter 319A or 319B,~~ to practice veterinary medicine, or to hold itself out or advertise itself in any way as being entitled to practice veterinary medicine, or to receive the fees, or portions of fees, or gifts or other emoluments or benefits derived from the practice of veterinary medicine, or the performance of veterinary services by any person, whether such person be licensed to practice veterinary medicine or not. Any corporation violating the provisions of this section shall be guilty of a gross misdemeanor

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and fined not more than \$3,000 for each offense, and each day that this chapter is violated shall be considered a separate offense.

Sec. 38. Minnesota Statutes 1998, section 168.022, subdivision 4, is amended to read:

Subd. 4. **PAYMENT OUT OF HIGHWAY USER FUND.** Payment of any refund pursuant to this section shall be made out of the highway user tax distribution fund and the amounts necessary to pay the refunds are appropriated out of the highway user that fund.

Sec. 39. Minnesota Statutes 1998, section 169.1217, subdivision 7a, is amended to read:

Subd. 7a. **ADMINISTRATIVE FORFEITURE PROCEDURE.** (a) A motor vehicle used to commit a designated offense or used in conduct resulting in a designated license revocation is subject to administrative forfeiture under this subdivision.

(b) When a motor vehicle is seized under subdivision 2, the appropriate agency shall serve the driver or operator of the vehicle with a notice of the seizure and intent to forfeit the vehicle. Additionally, when a motor vehicle is seized under subdivision 2, or within a reasonable time after that, all persons known to have an ownership or possessory interest in the vehicle must be notified of the seizure and the intent to forfeit the vehicle. Notice mailed by certified mail to the address shown in department of public safety records is sufficient notice to the registered owner of the vehicle. Otherwise, notice may be given in the manner provided by law for service of a summons in a civil action.

(c) The notice must be in writing and contain:

- (1) a description of the vehicle seized;
- (2) the date of seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English, Hmong, and Spanish. Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 169.1217, SUBDIVISION 7a, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY. YOU MAY NOT HAVE TO PAY THE FILING FEE FOR THE DEMAND IF DETERMINED YOU ARE UNABLE TO AFFORD THE FEE. YOU DO NOT HAVE TO PAY THE FILING FEE IF THE PROPERTY IS WORTH LESS THAN \$500 AND YOU FILE YOUR CLAIM IN CONCILIATION COURT."

(d) Within 30 days following service of a notice of seizure and forfeiture under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority having jurisdiction over the forfeiture, and the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01. If the value of the seized property is less than \$500, the claimant may file an action in conciliation court for recovery of the seized vehicle without paying the conciliation court filing fee. No responsive pleading is required of the

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prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. Except as provided in this section, judicial reviews and hearings are governed by section 169.123, subdivisions 5c and 6, and shall take place at the same time as any judicial review of the person's license revocation under section 169.123. The proceedings may be combined with any hearing on a petition filed under section 169.123, subdivision 5c, and are governed by the rules of civil procedure.

(e) The complaint must be captioned in the name of the claimant as plaintiff and the seized vehicle as defendant, and must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized and the plaintiff's interest in the vehicle seized. Notwithstanding any law to the contrary, an action for the return of a vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(f) If the claimant makes a timely demand for a judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under subdivision 8.

(g) If a demand for judicial determination of an administrative forfeiture is filed under this subdivision and the court orders the return of the seized vehicle, the court shall order that filing fees be reimbursed to the person who filed the demand. In addition, the court may order the payment of reasonable costs, expenses, and attorney fees sanctions under section ~~549.21, subdivision 2~~ 549.211.

Sec. 40. Minnesota Statutes 1998, section 169.129, subdivision 2, is amended to read:

Subd. 2. **PENALTIES.** (a) Except as otherwise provided in paragraph (b), a person who violates subdivision 1 is guilty of a gross misdemeanor.

(b) A person is guilty of an enhanced gross misdemeanor and may be sentenced to imprisonment in a local correctional facility for not more than two years or to payment of a fine of not more than \$3,000, or both, if the person violates subdivision 1 and the person's driver's license or driving privilege has been suspended, revoked, canceled, denied, or disqualified two or more times within the past ten years under any of the statutes listed in subdivision 1. A person convicted of an enhanced gross misdemeanor under this paragraph is subject to the applicable mandatory penalties provided in section 169.121, subdivision ~~3d~~ 3e.

Sec. 41. Minnesota Statutes 1998, section 171.061, subdivision 1, is amended to read:

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

(1) "applicant" means an individual applying for a driver's license, provisional license, restricted license, duplicate license, instruction permit, Minnesota identification card, or motorized bicycle operator's permit; and

(2) "application" refers to an application for a driver's license, provisional license, restricted license, duplicate license, instruction permit, Minnesota identification card, or motorized bicycle operator's permit.

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Sec. 42. Minnesota Statutes 1998, section 171.07, subdivision 10, is amended to read:

Subd. 10. **AGREEMENT WITH OTHER AGENCY.** The commissioner of public safety is authorized to enter into agreements with other agencies to issue cards to clients of those agencies for use in their programs. The cards may be issued to persons who do not qualify for a Minnesota driver's license or do not provide evidence of name and identity as required by rule for a Minnesota identification card. Persons issued cards under this subdivision will meet the identification verification requirements of the contracting agency.

The interagency agreement may include provisions for the payment of the county fee provided in section ~~171.06~~ 171.061, subdivision 4, and the actual cost to manufacture the card.

Cards issued under this subdivision are not Minnesota identification cards for the purposes defined in sections 48.512, 201.061, 201.161, 332.50, and 340A.503.

Sec. 43. Minnesota Statutes 1998, section 174.06, subdivision 1, is amended to read:

Subdivision 1. **DEPARTMENT OF HIGHWAYS.** All powers, duties and functions heretofore vested in or imposed on the commissioner of highways or the department of highways by chapters 160, 161, 162, 163, 164, 165, 167, 169, 173, or sections ~~473.404~~ 473.405 to 473.449 or any other law relating to the duties and powers of the commissioner of highways are transferred to, vested in, and imposed on the commissioner of transportation. The position of the commissioner of highways and the department of highways as heretofore constituted are abolished.

Sec. 44. Minnesota Statutes 1998, section 179.12, is amended to read:

179.12 EMPLOYERS' UNFAIR LABOR PRACTICES.

It is an unfair labor practice for an employer:

(1) to institute a lockout of its employees in violation of a valid collective bargaining agreement between the employer and its employees or labor organization if the employees at the time are in good faith complying with the provisions of the agreement, or to violate the terms and conditions of the bargaining agreement;

(2) to institute a lockout of its employees in violation of section 179.06 or 179.07;

(3) to encourage or discourage membership in a labor organization by discrimination in regard to hire or tenure of employment or any terms or conditions of employment; provided, that this clause does not apply to the provisions of collective bargaining agreements entered into voluntarily by an employer and its employees or a labor organization representing the employees as a bargaining agent, as provided by section 179.16;

(4) to discharge or otherwise to discriminate against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under this chapter;

(5) to spy directly or through agents or any other persons upon activities of employees or their representatives in the exercise of their legal rights;

(6) to distribute or circulate a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing individuals who are blacklisted from obtaining or retaining employment;

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(7) to engage or contract for the services of a person who is an employee of another if the employee is paid a wage that is less than the wage to be paid by the engaging or contracting employer under an existing union contract for work of the same grade or classification;

(8) willfully and knowingly to utilize a professional strikebreaker to replace an employee or employees involved in a strike or lockout at a place of business located within this state; or

(9) to grant or offer to grant the status of permanent replacement employee to a person for performing bargaining unit work for an employer during a lockout of employees in a labor organization or during a strike of employees in a labor organization authorized by a representative of employees;

~~(10) The violation of clauses clause (2), (4), (5), (6), (7), (8), and or (9) are is an~~ unlawful acts act.

Sec. 45. Minnesota Statutes 1998, section 181.58, is amended to read:

181.58 SURVIVING SPOUSE PAID WAGES DUE.

For the purposes of this section the word "employer" includes every person, firm, partnership, corporation, the state of Minnesota, all political subdivisions, and all municipal corporations.

If, at the time of the death of any person, an employer is indebted to the person for work, labor, or services performed, and no personal representative of the person's estate has been appointed, such employer shall, upon the request of the surviving spouse, forthwith pay this indebtedness, in such an amount as may be due, not exceeding the sum of \$10,000, to the surviving spouse. The employer may in the same manner provide for payment to the surviving spouse of accumulated credits under the vacation or overtime plan or system maintained by the employer. The employer shall require proof of claimant's relationship to decedent by affidavit, and require claimant to acknowledge receipt of such payment in writing. Any payments made by the employer pursuant to the provisions of this section shall operate as a full and complete discharge of the employer's indebtedness to the extent of the payment, and no employer shall thereafter be liable therefor to the decedent's estate or the decedent's personal representative thereafter appointed. Any amounts so received by a spouse shall be considered in diminution of the allowance to the spouse under section ~~525.15~~ 524.2-403.

Sec. 46. Minnesota Statutes 1998, section 205A.01, subdivision 2, is amended to read:

Subd. 2. **SCHOOL DISTRICT.** "School district" means an independent or special school district, as defined in section ~~120.02~~ 120A.05.

Sec. 47. Minnesota Statutes 1998, section 219.074, subdivision 2, is amended to read:

Subd. 2. **CROSSING VACATION PROGRAM.** On or before July 1, 1992, and on or before July 1 of each of the next four years, and as necessary afterward, the commissioner shall ~~propose to the board~~ develop a list of grade crossings proposed to be vacated. The list must be developed by applying the standards set forth in the rules adopted under

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section 219.073. Grade crossings that are part of an abandonment, closing, or removal under section 219.741 may not be included in the list. The commissioner shall notify the public officials having the necessary authority and the railway companies operating the railroads of the proposed vacations. Either affected party may request a hearing. If requested, the commissioner shall hold a contested case hearing applying in its determination the rules developed under section 219.073. If after the hearing the commissioner determines that the vacation is consistent with the standards adopted under section 219.073, it the commissioner may order the crossing vacated. If a request for a hearing on a particular crossing is not received within 30 days of the publication in the State Register, the commissioner shall order the crossing vacated.

Sec. 48. Minnesota Statutes 1998, section 219.39, is amended to read:

219.39 DANGEROUS CROSSING; COMPLAINT; HEARING.

Upon written complaint authorized by the governing body of a city or county, by the board of supervisors of a town, or by authorized officers of a subject railroad, alleging that a railroad crossing a street, road, or highway in the city, town, or county is dangerous to life and property, and giving the reasons for the allegations, the commissioner shall investigate the matters contained in the complaint, and, when necessary, initiate a hearing ~~before the board.~~

Sec. 49. Minnesota Statutes 1998, section 221.034, subdivision 5, is amended to read:

Subd. 5. **DISCHARGE EXEMPTIONS.** Except as provided in subdivision 6, the requirements of subdivision 3 do not apply to incidents involving the unintentional release of hazardous materials being transported under the following proper shipping names:

(1) consumer commodity;

(2) battery, electric storage, wet, filled with acid or alkali;

(3) paint, enamel, lacquer, stain, shellac or varnish aluminum, bronze, gold, wood filler, and liquid or lacquer base liquid when shipped in packagings of five gallons or less; or

(4) materials prepared and transported as a limited quantity according to Code of Federal Regulations, title 49, subtitle B, chapter 1, subchapter C.

Sec. 50. Minnesota Statutes 1998, section 221.036, subdivision 1, is amended to read:

Subdivision 1. **ORDER.** The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) section 221.033, subdivision 2b; (3) section 221.041, subdivision 3; (4) section 221.081; (5) section 221.151; (6) section 221.171; (7) section 221.141; ~~(8) section 221.035, a material term or condition of a license issued under that section;~~ or rules of the board or commissioner relating to the transportation of hazardous waste, motor carrier operations, insurance, or tariffs and accounting. An order must be issued as provided in this section.

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Sec. 51. Minnesota Statutes 1998, section 221.036, subdivision 3, is amended to read:

Subd. 3. **AMOUNT OF PENALTY; CONSIDERATIONS.** (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of section 221.021; 221.041, subdivision 3; 221.081; 221.141; 221.151; or 221.171, or rules of the board or commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section 221.033, subdivision 2b, ~~or 221.035~~, and rules adopted under these sections that section, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;
- (3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;
- (4) the economic benefit gained by the person by allowing or committing the violation; and
- (5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

Sec. 52. Minnesota Statutes 1998, section 239.761, subdivision 13, is amended to read:

Subd. 13. ~~E85~~. A blend of ethanol and gasoline, containing at least 60 percent ethanol and not more than 85 percent ethanol, produced for use as a motor fuel in alternative fuel vehicles as defined in section ~~296.01~~ 296A.01, subdivision 5, must comply with ASTM specification D 5798-96.

Sec. 53. Minnesota Statutes 1998, section 239.761, subdivision 14, is amended to read:

Subd. 14. ~~M85~~. A blend of methanol and gasoline, containing at least 85 percent methanol, produced for use as a motor fuel in alternative fuel vehicles as defined in section ~~296.01~~ 296A.01, subdivision 5, must comply with ASTM specification D 5797-96.

Sec. 54. Minnesota Statutes 1998, section 245.462, subdivision 4, is amended to read:

Subd. 4. **CASE MANAGER.** (a) "Case manager" means an individual employed by the county or other entity authorized by the county board to provide case management services specified in section 245.4711. A case manager must have a bachelor's degree in one of the behavioral sciences or related fields from an accredited college or university and have at least 2,000 hours of supervised experience in the delivery of services to adults with mental illness, must be skilled in the process of identifying and assessing a wide range of client needs, and must be knowledgeable about local community resources and

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how to use those resources for the benefit of the client. The case manager shall meet in person with a mental health professional at least once each month to obtain clinical supervision of the case manager's activities. Case managers with a bachelor's degree but without 2,000 hours of supervised experience in the delivery of services to adults with mental illness must complete 40 hours of training approved by the commissioner of human services in case management skills and in the characteristics and needs of adults with serious and persistent mental illness and must receive clinical supervision regarding individual service delivery from a mental health professional at least once each week until the requirement of 2,000 hours of supervised experience is met. Clinical supervision must be documented in the client record.

Until June 30, 1999, an immigrant who does not have the qualifications specified in this subdivision may provide case management services to adult immigrants with serious and persistent mental illness who are members of the same ethnic group as the case manager if the person: (1) is actively pursuing credits toward the completion of a bachelor's degree in one of the behavioral sciences or a related field from an accredited college or university; (2) completes 40 hours of training as specified in this subdivision; and (3) receives clinical supervision at least once a week until the requirements of this subdivision are met.

(b) The commissioner may approve waivers submitted by counties to allow case managers without a bachelor's degree but with 6,000 hours of supervised experience in the delivery of services to adults with mental illness if the person:

(1) meets the qualifications for a mental health practitioner in subdivision 26 17;

(2) has completed 40 hours of training approved by the commissioner in case management skills and in the characteristics and needs of adults with serious and persistent mental illness; and

(3) demonstrates that the 6,000 hours of supervised experience are in identifying functional needs of persons with mental illness, coordinating assessment information and making referrals to appropriate service providers, coordinating a variety of services to support and treat persons with mental illness, and monitoring to ensure appropriate provision of services. The county board is responsible to verify that all qualifications, including content of supervised experience, have been met.

Sec. 55. Minnesota Statutes 1998, section 245.462, subdivision 7, is amended to read:

Subd. 7. **COUNTY BOARD.** "County board" means the county board of commissioners or board established pursuant to the Joint Powers Act, section 471.59, or the Human Services Board Act, sections 402.01 to 402.10.

Sec. 56. Minnesota Statutes 1998, section 245.466, subdivision 4, is amended to read:

Subd. 4. **JOINT COUNTY MENTAL HEALTH AGREEMENTS.** In order to provide efficiently the services required by sections 245.461 to 245.486, counties are encouraged to join with one or more county boards to establish a multicounty local mental health authority pursuant to the Joint Powers Act, section 471.59, the Human Services Board Act, sections 402.01 to 402.10, community mental health center provisions, section 245.62, or enter into multicounty mental health agreements. Participating county boards shall establish acceptable ways of apportioning the cost of the services.

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Sec. 57. Minnesota Statutes 1998, section 245.4871, subdivision 9, is amended to read:

Subd. 9. **COUNTY BOARD.** "County board" means the county board of commissioners or board established under the Joint Powers Act, section 471.59, or the Human Services Board Act, sections 402.01 to 402.10.

Sec. 58. Minnesota Statutes 1998, section 245.4875, subdivision 4, is amended to read:

Subd. 4. **JOINT COUNTY MENTAL HEALTH AGREEMENTS.** To efficiently provide the children's mental health services required by sections 245.487 to 245.4888, counties are encouraged to join with one or more county boards to establish a multicounty local children's mental health authority under the Joint Powers Act, section 471.59, the Human Services Board Act, sections 402.01 to 402.10, community mental health center provisions, section 245.62, or enter into multicounty mental health agreements. Participating county boards shall establish acceptable ways of apportioning the cost of the services.

Sec. 59. Minnesota Statutes 1998, section 256J.45, subdivision 2, is amended to read:

Subd. 2. **GENERAL INFORMATION.** The MFIP-S orientation must consist of a presentation that informs caregivers of:

- (1) the necessity to obtain immediate employment;
- (2) the work incentives under MFIP-S;
- (3) the requirement to comply with the employment plan and other requirements of the employment and training services component of MFIP-S, including a description of the range of work and training activities that are allowable under MFIP-S to meet the individual needs of participants;
- (4) the consequences for failing to comply with the employment plan and other program requirements, and that the county agency may not impose a sanction when failure to comply is due to the unavailability of child care or other circumstances where the participant has good cause under subdivision 3;
- (5) the rights, responsibilities, and obligations of participants;
- (6) the types and locations of child care services available through the county agency;
- (7) the availability and the benefits of the early childhood health and developmental screening under sections 121A.16 to 121A.19; 123B.02, subdivision 16; and 123B.10; and 126.65;
- (8) the caregiver's eligibility for transition year child care assistance under section 119B.05;
- (9) the caregiver's eligibility for extended medical assistance when the caregiver loses eligibility for MFIP-S due to increased earnings or increased child or spousal support;

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(10) the caregiver's option to choose an employment and training provider and information about each provider, including but not limited to, services offered, program components, job placement rates, job placement wages, and job retention rates;

(11) the caregiver's option to request approval of an education and training plan according to section 256J.52; and

(12) the work study programs available under the higher education system.

Sec. 60. Minnesota Statutes 1998, section 257.45, is amended to read:

257.45 REQUIREMENTS FOR VISITATION; SUPERVISION.

Any requirements for visitation, inspection or supervision of children, homes, institutions or other agencies in another state which may apply under section ~~257.07~~ 257.071 shall be deemed to be met if performed pursuant to an agreement entered into by appropriate officers or agencies of this state or a subdivision thereof as contemplated by paragraph (b) of article 5 of the Interstate Compact on the Placement of Children.

Sec. 61. Minnesota Statutes 1998, section 257.74, subdivision 2, is amended to read:

Subd. 2. If a mother relinquishes or proposes to relinquish for adoption a child who does not have

(a) a presumed father under section 257.55, subdivision 1,

(b) a father whose relationship to the child has been determined by a court, or

(c) a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction, notice of the adoption proceeding shall be given as required by ~~sections section 259.49 and 259.51.~~

Sec. 62. Minnesota Statutes 1998, section 268.9165, is amended to read:

268.9165 AUTHORITY TO WAIVE REQUIREMENTS DURING DISASTER PERIODS.

The commissioner of children, families, and learning may waive requirements under sections 119A.50 to ~~119A.54~~ 119A.53, for up to nine months after the disaster, for Head Start grantees in areas where a federal disaster has been declared under United States Code, title 42, section 5121, et seq., or the governor has exercised authority under chapter 12. The commissioner shall notify the chairs of the senate family and early childhood education budget division, the senate education finance committee, the house family and early childhood education finance division, the house education committee, and the house ways and means committee ten days before the effective date of any waiver granted under this section.

Sec. 63. Minnesota Statutes 1998, section 287.09, is amended to read:

287.09 MORTGAGE ON EXEMPT PROPERTY; PROPERTY NOT DIRECTLY TAXED; RECEIPT; APPORTIONMENT OF TAX.

When real estate described in a mortgage is exempt from taxation under the Constitution of the state of Minnesota, article X, section 1, the mortgage registry tax shall be paid to the treasurer of the county in which the real estate is located in the same manner as if the real estate were not exempt from taxation. When any real estate described in a mort-

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gage is not exempt from taxation under that section, but is not taxed by direct tax upon the net tax capacity thereof, the mortgage registry tax shall be paid to the county; this sentence does not apply to real estate taxed under sections ~~298.23~~ 298.24 to 298.28.

Sec. 64. Minnesota Statutes 1998, section 307.08, subdivision 2, is amended to read:

Subd. 2. A person who intentionally, willfully, and knowingly destroys, mutilates, injures, disturbs, or removes human skeletal remains or human burial grounds, is guilty of a felony. A person who intentionally, willfully, or knowingly removes any tombstone, monument, or structure placed in any public or private cemetery or unmarked human burial ground, or any fence, railing, or other work erected for protection or ornament, or any tree, shrub, or plant or grave goods and artifacts within the limits of the cemetery or burial ground, and a person who, without authority from the trustees, state archaeologist, or Indian affairs ~~intertribal board~~ council, discharges any firearms upon or over the grounds of any public or private cemetery or authenticated and identified Indian burial ground, is guilty of a gross misdemeanor.

Sec. 65. Minnesota Statutes 1998, section 307.08, subdivision 8, is amended to read:

Subd. 8. No authenticated and identified Indian burial ground may be relocated unless the request to relocate is approved by the Indian affairs ~~intertribal board~~ council. When the Indian burial ground is located on public lands or waters, the cost of removal is the responsibility of and shall be paid by the state or political subdivision controlling the lands or waters. If large Indian burial grounds are involved, efforts shall be made by the state to purchase and protect them instead of removing them to another location.

Sec. 66. Minnesota Statutes 1998, section 307.08, subdivision 9, is amended to read:

Subd. 9. The department of natural resources, the department of transportation, and all other state agencies and local governmental units whose activities may be affected, shall cooperate with the state archaeologist and the Indian affairs ~~intertribal board~~ council to carry out the provisions of this section.

Sec. 67. Minnesota Statutes 1998, section 307.08, subdivision 10, is amended to read:

Subd. 10. When Indian burials are known or suspected to exist, on public lands or waters, the state or political subdivision controlling the lands or waters shall submit construction and development plans to the state archaeologist and the Indian affairs ~~intertribal board~~ council for review prior to the time bids are advertised. The state archaeologist and the Indian affairs ~~intertribal board~~ council shall promptly review the plans and make recommendations for the preservation or removal of the human burials or remains, which may be endangered by construction or development activities.

Sec. 68. Minnesota Statutes 1998, section 340A.3021, subdivision 2, is amended to read:

Subd. 2. **EXCEPTIONS.** Subdivision 1 does not apply to:

- (1) alcoholic beverages passing through Minnesota in interstate commerce;
- (2) alcoholic beverages imported into Minnesota by individuals for personal use in the amounts permitted under section ~~297C.09~~ 297G.07, subdivision 2, or 340A.417; and

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(3) a holder of a manufacturer's warehouse permit.

Sec. 69. Minnesota Statutes 1998, section 446A.01, is amended to read:

446A.01 MINNESOTA PUBLIC FACILITIES AUTHORITY ACT.

~~Sections 446A.01 to 446A.09~~ This chapter may be cited as the "Minnesota Public Facilities Authority Act."

Sec. 70. Minnesota Statutes 1998, section 446A.04, subdivision 7, is amended to read:

Subd. 7. **IN GENERAL.** The authority has all the powers necessary and convenient to carry out its duties under ~~sections 446A.05, subdivision 1, 446A.051, and 446A.12 to 446A.20~~ this chapter.

Sec. 71. Minnesota Statutes 1998, section 462A.21, subdivision 19, is amended to read:

Subd. 19. **MENTAL ILLNESS CRISIS HOUSING ASSISTANCE.** The agency may spend money for the purpose of section 462A.208 and may pay the costs and expenses necessary and incidental to the development and operation of the program authorized in section ~~462A.207~~ 462A.208.

Sec. 72. Minnesota Statutes 1998, section 480.054, is amended to read:

480.054 DISTRIBUTION OF PROPOSED RULES; HEARING.

Before any rule for the court of appeals or for the district court is adopted, the supreme court shall distribute copies of the proposed rule to the bench and bar of the state for their consideration and suggestions and give due consideration to any suggestions they submit to the court. The court of appeals judges, ~~the or~~ district court judges association, the Minnesota county court judges association, or the municipal court judges association may file with the court a petition specifying their suggestions concerning any existing or proposed rule and requesting a hearing on it. The court shall grant a hearing within six months after the filing of the petition. The court may grant a hearing upon the petition of any other person.

Sec. 73. Minnesota Statutes 1998, section 480.09, subdivision 1, is amended to read:

Subdivision 1. The state library shall be maintained ~~in the capitol and shall be~~ under the supervision of the justices of the supreme court. Notwithstanding chapter 16C or any other act inconsistent herewith or acts amendatory thereof or supplementary thereto, they shall direct the purchases of books, pamphlets, and documents therefor and the sales and exchanges therefrom upon such terms and conditions as they may deem just and proper. They may authorize the transfer of books and documents to the University of Minnesota or any department thereof, or to any state agency. They shall adopt rules for the government of the library and the management of its affairs, and prescribe penalties for the violation thereof.

Sec. 74. Minnesota Statutes 1998, section 481.02, subdivision 2, is amended to read:

Subd. 2. **CORPORATIONS.** No corporation, organized for pecuniary profit, except an attorney's ~~professional corporation organized under chapter 319A or~~ professional firm organized under chapter 319B, by or through its officers or employees or any one

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else, shall maintain, conduct, or defend, except in its own behalf when a party litigant, any action or proceeding in any court in this state, or shall, by or through its officers or employees or any one else, give or assume to give legal advice or counsel or perform for or furnish to another person or corporation legal services; or shall, by word, sign, letter, or advertisement, solicit the public or any person to permit it to prepare, or cause to be prepared, any will or testamentary disposition or instrument of trust serving purposes similar to those of a will, or hold itself out as desiring or willing to prepare any such document, or to give legal advice or legal services relating thereto or to give general legal advice or counsel, or to act as attorney at law or as supplying, or being in a position to supply, the services of a lawyer or lawyers; or shall to any extent engage in, or hold itself out as being engaged in, the business of supplying services of a lawyer or lawyers; or shall cause to be prepared any person's will or testamentary disposition or instrument of trust serving purposes similar to those of a will, or any other legal document, for another person, firm, or corporation, and receive, directly or indirectly, all or a part of the charges for such preparation or any benefits therefrom; or shall itself prepare, directly or through another, any such document for another person, firm, or corporation, except as provided in subdivision 3.

Sec. 75. Minnesota Statutes 1998, section 500.245, subdivision 1, is amended to read:

Subdivision 1. **DISPOSAL OF LAND.** (a) A state or federal agency, limited partnership, or a corporation may not lease or sell agricultural land or a farm homestead before offering or making a good faith effort to offer the land for sale or lease to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor. The offer must be made on the notice to offer form under subdivision 2. The requirements of this subdivision do not apply to a sale or lease by a corporation that is a family farm corporation or an authorized farm corporation or to a sale or lease by the commissioner of agriculture of property acquired by the state under the family farm security program under chapter 41. This subdivision applies only to a sale or lease when the seller or lessor acquired the property by enforcing a debt against the agricultural land or farm homestead, including foreclosure of a mortgage, accepting a deed in lieu of foreclosure, terminating a contract for deed, or accepting a deed in lieu of terminating a contract for deed. Selling or leasing property to a third party at a price is prima facie evidence that the price is acceptable to the seller or lessor. The seller must provide written notice to the immediately preceding former owner that the agricultural land or farm homestead will be offered for sale at least 14 days before the agricultural land or farm homestead is offered for sale.

(b) An immediately preceding former owner is the entity with record legal title to the agricultural land or farm homestead before acquisition by the state or federal agency or corporation except: if the immediately preceding former owner is a bankruptcy estate, the debtor in bankruptcy is the immediately preceding former owner; and if the agricultural land or farm homestead was acquired by termination of a contract for deed or deed in lieu of termination of a contract for deed, the immediately preceding former owner is the purchaser under the contract for deed. For purposes of this subdivision, only a family farm, family farm corporation, or family farm partnership can be an immediately preceding former owner.

(c) An immediately preceding former owner may elect to purchase or lease the entire property or an agreed to portion of the property. If the immediately preceding former

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owner elects to purchase or lease a portion of the property, the election must be reported in writing to the seller or lessor prior to the time the property is first offered for sale or lease. If election is made to purchase or lease a portion of the property, the portion must be contiguous and compact so that it does not unreasonably reduce access to or the value of the remaining property.

(d) For purposes of this subdivision, the term "a price no higher than the highest price offered by a third party" means the acceptable cash price offered by a third party or the acceptable time-price offer made by a third party. A cash price offer is one that involves simultaneous transfer of title for payment of the entire amount of the offer. If the acceptable offer made by a third party is a time-price offer, the seller or lessor must make the same time-price offer or an equivalent cash offer to the immediately preceding former owner. An equivalent cash offer is equal to the total of the payments made over a period of the time-price offer discounted by yield curve of the United States treasury notes and bonds of similar maturity on the first business day of the month in which the offer is personally delivered or mailed for time periods similar to the time period covered by the time-price offer, plus 2.0 percent. A time-price offer is an offer that is financed entirely or partially by the seller and includes an offer to purchase under a contract for deed or mortgage. An equivalent cash offer is not required to be made if the state participates in an offer to a third party through the rural finance authority.

(e) This subdivision applies to a seller when the property is sold and to a lessor each time the property is leased, for the time period specified in section 500.24, subdivision 3 2, paragraph (i) (v), after the agricultural land is acquired ~~except~~:

(1) an offer to lease to the immediately preceding former owner is required only until the immediately preceding owner fails to accept an offer to lease the property or the property is sold;

(2) an offer to sell to the immediately preceding former owner is required until the property is sold; and

(3) if the immediately preceding former owner elects to lease or purchase a portion of the property, this subdivision does not apply to the seller with regard to the balance of the property after the election is made under paragraph (c).

(f) The notice of an offer under subdivision 2 that is personally delivered with a signed receipt or sent by certified mail with a receipt of mailing to the immediately preceding former owner's last known address is a good faith offer.

(g) This subdivision does not apply to a sale or lease that occurs after the seller or lessor has held the property for the time period specified in section 500.24, subdivision 3 2, paragraph (i) (v).

(h) For purposes of this subdivision, if the immediately preceding former owner is a bankruptcy estate the debtor in the bankruptcy is the immediately preceding owner.

(i) The immediately preceding former owner must exercise the right to lease all or a portion of the agricultural land or a homestead located on agricultural land in writing within 15 days after an offer to lease under this subdivision is mailed with a receipt of mailing or personally delivered. If election is made to lease only the homestead or a portion of the agricultural land, the portion to be leased must be clearly identified in writing. The immediately preceding former owner must exercise the right to buy the agricultural

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land, a portion of the agricultural land, or a farm homestead located on agricultural land, in writing, within 65 days after an offer to buy under this subdivision is mailed with a receipt of mailing or is personally delivered. Within ten days after exercising the right to lease or buy by accepting the offer, the immediately preceding owner must fully perform according to the terms of the offer including paying the amounts due. A seller may sell and a lessor may lease the agricultural land or farm homestead subject to this subdivision to the third party in accordance with their lease or purchase agreement if:

(1) the immediately preceding former owner does not accept an offer to lease or buy before the offer terminates; or

(2) the immediately preceding former owner does not perform the obligations of the offer, including paying the amounts due, within ten days after accepting the offer.

(j) A certificate indicating whether or not the property contains agricultural land or a farm homestead that is signed by the county assessor where the property is located and recorded in the office of the county recorder or the registrar of titles where the property is located is prima facie evidence of whether the property is agricultural land or a farm homestead.

(k) As prima facie evidence that an offer to sell or lease agricultural land or a farm homestead has terminated, a receipt of mailing the notice under subdivision 2 and an affidavit, signed by a person authorized to act on behalf of a state, federal agency, or corporation selling or leasing the agricultural land or a farm homestead may be filed in the office of the county recorder or registrar of titles of the county where the agricultural land or farm homestead is located. The affidavit must state that:

(1) notice of an offer to buy or lease the agricultural land or farm homestead was provided to the immediately preceding former owner at a price not higher than the highest price offered by a third party that is acceptable;

(2) the time during which the immediately preceding former owner is required to exercise the right to buy or lease the agricultural land or farm homestead has expired;

(3) the immediately preceding former owner has not exercised the right to buy or lease the agricultural land or farm homestead as provided in this subdivision or has accepted an offer and has not fully performed according to the terms of the offer; and

(4) the offer to the immediately preceding former owner has terminated.

(l) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision or to lease or purchase at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor may be extinguished or limited by an express statement signed by the immediately preceding owner that complies with the plain language requirements of section 325G.31. The right may not be extinguished or limited except by:

(1) an express statement in a deed in lieu of foreclosure of the agricultural land;

(2) an express statement in a deed in lieu of a termination of a contract for deed for the agricultural land;

(3) an express statement conveying the right to the state or federal agency or corporation owning the agricultural land that is required to make an offer under this subdivi-

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sion; however, the preceding former owner may rescind the conveyance by notifying the state or federal agency or corporation in writing within 20 calendar days after signing the express statement;

(4) to cure a title defect, an express statement conveying the right may be made to a person to whom the agricultural land has been transferred by the state or federal agency or corporation; or

(5) an express statement conveying the right to a contract for deed vendee to whom the agricultural land or farm homestead was sold under a contract for deed by the immediately preceding former owner if the express statement and the contract for deed are recorded.

(m) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision may not be assigned or transferred except as provided in paragraph (l), but may be inherited.

(n) An immediately preceding former owner, except a former owner who is actively engaged in farming as defined in section 500.24, subdivision 2, paragraph (a), and who agrees to remain actively engaged in farming on a portion of the agricultural land or farm homestead for at least one year after accepting an offer under this subdivision, may not sell agricultural land acquired by accepting an offer under this subdivision if the arrangement of the sale was negotiated or agreed to prior to the former owner accepting the offer under this subdivision. A person who sells property in violation of this paragraph is liable for damages plus reasonable attorney fees to a person who is damaged by a sale in violation of this paragraph. There is a rebuttable presumption that a sale by an immediately preceding former owner is in violation of this paragraph if the sale takes place within 270 days of the former owner accepting the offer under this subdivision. This paragraph does not apply to a sale by an immediately preceding former owner to the owner's spouse, the owner's parents, the owner's sisters and brothers, the owner's spouse's sisters and brothers, or the owner's children.

Sec. 76. Minnesota Statutes 1998, section 518.5511, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** (a) An administrative process is established to obtain, modify, and enforce child and medical support orders and parentage orders and enforce maintenance if combined with a child support proceeding. All laws governing these actions apply insofar as they are not inconsistent with the provisions of this section and section 518.5512. Wherever other laws or rules are inconsistent with this section and section 518.5512, the provisions in this section and section 518.5512 shall apply.

(b) All proceedings for obtaining, modifying, or enforcing child and medical support orders and enforcing maintenance orders if combined with a child support proceeding, are required to be conducted in the administrative process when the public authority is a party or provides services to a party or parties to the proceedings. Cases in which there is no assignment of support or in which the public authority is not providing services may not be conducted in the administrative process. At county option, the administrative process may include contempt motions or actions to establish parentage. Nothing contained herein shall prevent a party, upon timely notice to the public authority, from commencing an action or bringing a motion for the establishment, modification, or enforcement of child support or enforcement of maintenance orders if combined with a child support pro-

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ceeding in district court, if additional issues involving domestic abuse, establishment or modification of custody or visitation, property issues, or other issues outside the jurisdiction of the administrative process, are part of the motion or action, or from proceeding with a motion or action brought by another party containing one or more of these issues if it is pending in district court.

(c) A party may make a written request to the public authority to initiate an uncontested administrative proceeding. The initiating party may serve a copy of the written request on the noninitiating party in accordance with the rules of civil procedure. If the public authority denies the request, the public authority shall issue a notice of denial which denies the request for relief within 30 days of receiving the written request, states the reasons for the denial, and notifies the party of the right to proceed directly to a hearing before an administrative law judge according to subdivision 3a. If the party proceeds directly to a hearing and files the requisite documents with the court administrator within 30 days after the public authority's denial and the party's action results in a modification of a child support order, the modification may be retroactive to the date the written request was served on the noninitiating party. If the initiating party did not serve the written request on the noninitiating party, modification may be made retroactive as provided in section 518.64, subdivision 2, paragraph (d). If the public authority accepts the request and proceeds with the uncontested administrative process, any order or modification may be retroactive to the date the written request was served on the noninitiating party. If the initiating party did not serve the written request on the noninitiating party, an order or modification may be made retroactive to the date the public authority serves the proposed order on the noninitiating party as provided in subdivision 2, paragraph (a).

(d) The public authority may initiate actions in the administrative process.

(e) For the purpose of the administrative process, all powers, duties, and responsibilities conferred on judges of district court to obtain and enforce child and medical support and parentage and maintenance obligations, subject to the limitations of this section are conferred on administrative law judges, including the power to determine controlling interstate orders, and to issue subpoenas, orders to show cause, and bench warrants for failure to appear.

The administrative law judge has the authority to enter parentage orders in which the custody and visitation provisions are uncontested.

(f) Nonattorney employees of the public authority responsible for child support may prepare, sign, serve, and file complaints, motions, notices, summary notices, proposed orders, default orders, consent orders, orders for blood or genetic tests, and other documents related to the administrative process for obtaining, modifying, or enforcing child and medical support orders, orders establishing paternity, and related documents, and orders to enforce maintenance if combined with a child support order. The nonattorney employee may issue administrative subpoenas, conduct prehearing conferences, and participate in proceedings before an administrative law judge. This activity shall not be considered to be the unauthorized practice of law. Nonattorney employees may not represent the interests of any party other than the public authority, and may not give legal advice. The nonattorney employees may act subject to the limitations of section 518.5512.

(g) Any party may make a written request to the office of administrative hearings for a subpoena compelling the attendance of a witness or the production of books, papers,

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records, or other documents relevant to the administrative process. Subpoenas are enforceable through the district court. The public authority may also request a subpoena from the office of administrative hearings for the production of a witness or documents. The nonattorney employee of the public authority may issue subpoenas subject to the limitations in section 518.5512, subdivision 6⁵, paragraph (a), clause (2).

(h) At all stages of the administrative process, the county attorney, or other attorney under contract, shall act as the legal adviser for the public authority.

(i) The commissioner of human services shall:

(1) provide training to child support officers and other persons involved in the administrative process;

(2) timely prepare and make available to the public authority forms for all notices and orders prescribed in subdivisions 2 and 3; and

(3) distribute money to cover the costs of the administrative process, including the salaries of administrative law judges. If available appropriations are insufficient to cover the costs, the commissioner shall prorate the amount among the counties.

(j) The commissioner of human services, in consultation with the office of administrative hearings, is responsible for the supervision of the administrative process.

(k) The public authority, the office of administrative hearings, court administrators, and other entities involved in the administrative process shall use the forms prepared by the commissioner for use in the uncontested administrative process.

(l) The office of administrative hearings may reject orders submitted by the public authority under subdivisions 2 and 3 if they are not prepared using forms developed or approved by the commissioner.

(m) The office of administrative hearings shall:

(1) train and monitor the performance of administrative law judges, maintain records of proceedings, provide transcripts upon request, and maintain the integrity of the district court file; and

(2) prepare and make available to court administrators and the public authority forms that conform with requirements of the rules of court that may be used by parties who proceed directly to hearing under subdivision 3a.

Sec. 77. Minnesota Statutes 1998, section 518.6111, subdivision 5, is amended to read:

Subd. 5. PAYOR OF FUNDS RESPONSIBILITIES. (a) An order for or notice of withholding is binding on a payor of funds upon receipt. Withholding must begin no later than the first pay period that occurs after 14 days following the date of receipt of the order for or notice of withholding. In the case of a financial institution, preauthorized transfers must occur in accordance with a court-ordered payment schedule.

(b) A payor of funds shall withhold from the income payable to the obligor the amount specified in the order or notice of withholding and amounts specified under subdivisions 6 and 9 and shall remit the amounts withheld to the public authority within seven business days of the date the obligor is paid the remainder of the income. The payor

of funds shall include with the remittance the social security number of the obligor, the case type indicator as provided by the public authority and the date the obligor is paid the remainder of the income. The obligor is considered to have paid the amount withheld as of the date the obligor received the remainder of the income. A payor of funds may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment.

(c) A payor of funds shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of wage or salary withholding authorized by this section. A payor of funds shall be liable to the obligee for any amounts required to be withheld. A payor of funds that fails to withhold or transfer funds in accordance with this section is also liable to the obligee for interest on the funds at the rate applicable to judgments under section 549.09, computed from the date the funds were required to be withheld or transferred. A payor of funds is liable for reasonable attorney fees of the obligee or public authority incurred in enforcing the liability under this paragraph. A payor of funds that has failed to comply with the requirements of this section is subject to contempt sanctions under section 518.615. If the payor of funds is an employer or independent contractor and violates this subdivision, a court may award the obligor twice the wages lost as a result of this violation. If a court finds a payor of funds violated this subdivision, the court shall impose a civil fine of not less than \$500.

(d) If a single employee is subject to multiple withholding orders or multiple notices of withholding for the support of more than one child, the payor of funds shall comply with all of the orders or notices to the extent that the total amount withheld from the obligor's income does not exceed the limits imposed under the Consumer Credit Protection Act, ~~Chapter 15 of the United States Code, title 15, section 1637(b)~~ 1673(b), giving priority to amounts designated in each order or notice as current support as follows:

(1) if the total of the amounts designated in the orders for or notices of withholding as current support exceeds the amount available for income withholding, the payor of funds shall allocate to each order or notice an amount for current support equal to the amount designated in that order or notice as current support, divided by the total of the amounts designated in the orders or notices as current support, multiplied by the amount of the income available for income withholding; and

(2) if the total of the amounts designated in the orders for or notices of withholding as current support does not exceed the amount available for income withholding, the payor of funds shall pay the amounts designated as current support, and shall allocate to each order or notice an amount for past due support, equal to the amount designated in that order or notice as past due support, divided by the total of the amounts designated in the orders or notices as past due support, multiplied by the amount of income remaining available for income withholding after the payment of current support.

(e) When an order for or notice of withholding is in effect and the obligor's employment is terminated, the obligor and the payor of funds shall notify the public authority of the termination within ten days of the termination date. The termination notice shall include the obligor's home address and the name and address of the obligor's new payor of funds, if known.

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(f) A payor of funds may deduct one dollar from the obligor's remaining salary for each payment made pursuant to an order for or notice of withholding under this section to cover the expenses of withholding.

Sec. 78. Minnesota Statutes 1998, section 609.26, is amended by adding a subdivision to read:

Subd. 2a. ORIGINAL INTENT CLARIFIED. To the extent that it states that subdivision 2 creates affirmative defenses to a charge under this section, subdivision 2 clarifies the original intent of the legislature in enacting Laws 1984, chapter 484, section 2, and does not change the substance of this section. Subdivision 2 does not modify or alter any convictions entered under this section before August 1, 1988.

Sec. 79. Laws 1994, chapter 560, article 2, section 15, is amended to read:

Subd. 4. PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER. (a) Notwithstanding any other law to the contrary, terms and conditions of employment for employees listed in this subdivision must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (c), (d), (e), and (f) must be reviewed and approved, modified, or rejected by the legislature and the legislative commission on employee relations under section 3.855, subdivision 2, before becoming effective.

(b) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer, respectively.

(c) Total compensation for unclassified positions under section 43A.08, subdivision 1, clause (9), in the state universities and the community colleges not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, respectively.

(d) Total compensation for classified administrative law judges in the office of administrative hearings must be determined by the chief administrative law judge.

(e) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of technical colleges must be determined by the higher education coordinating board and the state board of technical colleges, respectively.

~~(f) Total compensation for unclassified managerial positions not covered by a collective bargaining agreement in the higher education board must be determined by the higher education board.~~

Sec. 80. Laws 1997, chapter 207, section 12, is amended to read:

Sec. 12. SALE OF STATE LANDS TO WILD RICE LESSEES.

(a) Notwithstanding Minnesota Statutes, sections 84A.56, 89.021, 89.27, and 92.45, and the public sale provisions of Minnesota Statutes, sections 94.10, 282.14, and 282.221, the commissioner of natural resources may sell by private sale to the wild rice

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lessees under leases authorized in Minnesota Statutes, section 92.501, the acquired, consolidated conservation and Volstead area lands described in paragraph (b) under the remaining sale provisions in Minnesota Statutes, sections 94.10 and 282.14 to 282.226. The affected counties must approve the sales of the consolidated conservation and Volstead area lands described in paragraph (b).

(b) The land that may be sold is described as:

(1) The Southeast Quarter of Section 10; that part of the West Half of the Southwest Quarter of Section 11 lying westerly of the west bank of the Tamarac River; the Southeast Quarter of the Northwest Quarter and that part of the Northeast Quarter lying westerly of the west bank of the Tamarac River of Section 15; the Northwest Quarter of the Northwest Quarter and the West 160 feet of the Northeast Quarter of the Northwest Quarter of Section 16, Township 154 North, Range 30 West, Beltrami county, Minnesota;

(2) The Northwest Quarter of the Southwest Quarter, Section 11, Township 152 North, Range 32 West, Beltrami county, Minnesota;

(3) The North Half of the Southwest Quarter, the North Half of the Southwest Quarter of the Southwest Quarter, and the North Half of the Northwest Quarter of the Southeast Quarter of Section 14, Township 152 North, Range 32 West; the Northeast Quarter of the Southwest Quarter of Section 19, Township 155 North, Range 31 West; and Government Lot 1, the East 330 feet of Government Lot 2, and the North 330 feet of Government Lot 6, Section 25, Township 155 North, Range 32 West, Beltrami county, Minnesota;

(4) The South 330 feet of Government Lot 4 and the south 330 feet of the Southeast Quarter of the Southwest Quarter of Section 18; Government Lots 1, 2, 3 and 4, the East Half of the Northwest Quarter, the East Half of the Southwest Quarter, the Southwest Quarter of the Southeast Quarter, the West 200 feet of the Southeast Quarter of the Southeast Quarter; and the West 900 feet of the South 700 feet of the Northwest Quarter of the Southeast Quarter of Section 19; and the North Half of the Northeast Quarter of Section 30, Township 154 North, Range 29 West, Koochiching county, Minnesota;

(5) The Northwest Quarter of the Northeast Quarter and the North 330 feet of the Southwest Quarter of the Northeast Quarter of Section 22, Township 150 North, Range 39 West, Polk county, Minnesota;

(6) The Southeast Quarter of the Northwest Quarter; that part of the Southwest Quarter of the Northwest Quarter lying east of County Road No. 24; that part of the Northwest Quarter of the Northwest Quarter lying south of the south bank of State Ditch No. 63 and east of County Road No. 24; and that part of the North Half of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter lying south of the south bank of State Ditch No. 63; all in Section 27, Township 48 North, Range 27 West, Aitkin county, Minnesota;

(7) The Northeast Quarter of Section 35, Township 48 North, Range 27 West, Aitkin county, Minnesota;

(8) The Northwest Quarter of the Northeast Quarter of Section 8, Township 48 North, Range 26 West, Aitkin county, Minnesota;

(9) The West Half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, and the South 660 feet of the Northeast Quarter of the Northeast Quarter of Sec-

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tion 10; and the West 330 feet of the Southwest Quarter of the Northwest Quarter of Section 11; Township 154 North, Range 30 West, Beltrami county, Minnesota;

(10) ~~The South 660 feet of the Northwest Quarter of the Northwest Quarter, the South 660 feet of the West 660 feet of the Northeast Quarter of the Northwest Quarter, the North 660 feet of the West 660 feet of the Southeast Quarter of the Northwest Quarter, and the South Half of the Northeast Quarter of the Southwest Quarter of Section 21, Township 154 North, Range 30 West, Beltrami county, Minnesota; and~~

(11) The Northeast Quarter of the Northwest Quarter, Section 11, Township 153 North, Range 31 West, Beltrami county, Minnesota.

(c) The conveyances shall be in a form approved by the attorney general. In determining the value of the described lands, no improvements paid for by the lessee shall be added to the value of the land. The purchaser of the land described in paragraph (b), clause (5), may not alter the existing groundwater hydrology, and may alter the surface water hydrology from the current operation only with the approval of the commissioner.

Sec. 81. ACTS VALIDATED.

Acts by the White Bear Lake conservation district board before the effective date of this section are not invalid on account of irregularities, or omissions if any, in the approval, or filing of the approval, of Laws 1977, chapter 322, sections 2 and 3, amending law coded as Minnesota Statutes, sections 103B.661, subdivision 1, and 103B.665, subdivision 1. This section and those amendments are effective without local approval the day after final enactment of this section.

Sec. 82. INSTRUCTION TO REVISOR.

The revisor of statutes shall change the terms "office of adult release" or "officer of adult release" to "hearings and release unit" or "officer of the hearings and release unit" as appropriate, wherever it appears in Minnesota Statutes and Minnesota Rules.

Sec. 83. REPEALER.

- (a) Minnesota Statutes 1998, section 3.873, is repealed.
- (b) Minnesota Statutes 1998, section 62J.47, is repealed.
- (c) Minnesota Statutes 1998, section 115A.159, is repealed.
- (d) Minnesota Statutes 1998, section 119A.28, subdivision 4, is repealed.
- (e) Minnesota Statutes 1998, section 119A.31, subdivision 3, is repealed.
- (f) Minnesota Statutes 1998, section 119A.54, is repealed.
- (g) Minnesota Statutes 1998, section 218.011, subdivision 7, is repealed.
- (h) Minnesota Statutes 1998, section 256.995, subdivision 7, is repealed.
- (i) Minnesota Statutes 1998, section 323.02, subdivisions 10 and 11, are repealed effective January 1, 2002.
- (j) Minnesota Statutes 1998, sections 383.01; 383.02; 383.03; 383.04; 383.05; 383.06; 383.07; 383.08; 383.09; 383.10; 383.11; and 383.12, are repealed.

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(k) Minnesota Statutes 1998, sections 509.01; 509.02; 509.03; 509.04; 509.05; and 509.06, are repealed.

(l) Minnesota Statutes 1998, section 526.20, is repealed.

(m) Laws 1996, chapter 426, sections 1 and 2, are repealed.

(n) Laws 1998, chapter 388, section 16, is repealed.

(o) Laws 1998, chapter 404, section 49, is repealed.

(p) Laws 1998, chapter 407, article 2, section 97, is repealed.

(q) Laws 1998, First Special Session chapter 1, article 3, section 15, is repealed effective the day following final enactment.

Sec. 84. EFFECTIVE DATE.

Section 11 is effective on the day following final enactment.

ARTICLE 2

EXPIRED ADVISORY COMMITTEES

Section 1. Minnesota Statutes 1998, section 17.452, subdivision 1, is amended to read:

Subdivision 1. **PROMOTION AND COORDINATION.** (a) The commissioner shall promote the commercial raising of farmed cervidae and shall coordinate programs and rules related to the commercial raising of farmed cervidae. Farmed cervidae research, projects, and demonstrations must be reported to the commissioner before state appropriations for the research projects or demonstrations are encumbered. The commissioner shall maintain a data base of information on raising farmed cervidae.

(b) ~~The commissioner shall appoint a farmed cervidae advisory committee to advise the commissioner on farmed cervidae issues. The advisory committee shall consist of representatives from the University of Minnesota, the commissioner of agriculture, the board of animal health, the commissioner of natural resources, the commissioner of trade and economic development, a statewide elk breeders association, a statewide deer breeders association, a statewide deer farmers association, and members of the house of representatives and the senate. The committee shall meet at least twice a year at the call of the commissioner of agriculture.~~

Sec. 2. Minnesota Statutes 1998, section 124D.17, subdivision 7, is amended to read:

Subd. 7. **ADVISORY COMMITTEES COMMITTEE.** ~~The commissioner shall establish a program advisory committee consisting of persons knowledgeable in child development, child health, and family services, who reflect the geographic, cultural, racial, and ethnic diversity of the state; and representatives of the commissioners of children, families, and learning, human services, and health. This program advisory committee must review grant applications, assist in distribution of the grants, and monitor prog-~~

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ress of the way to grow/school readiness program. Each grantee must establish a program advisory board of 12 or more members to advise the grantee on program design, operation, and evaluation. The board must include representatives of local units of government and representatives of the project area who reflect the geographic, cultural, racial, and ethnic diversity of that community.

Sec. 3. Minnesota Statutes 1998, section 245.825, subdivision 1b, is amended to read:

Subd. 1b. **REVIEW AND APPROVAL.** Notwithstanding the provisions of Minnesota Rules, parts 9525.2700 to 9525.2810, the commissioner may designate the county case manager to authorize the use of controlled procedures as defined in Minnesota Rules, parts 9525.2710, subpart 9, and 9525.2740, subparts 1 and 2, after review and approval by the interdisciplinary team and the internal review committee as required in Minnesota Rules, part 9525.2750, subparts 1a and 2. Use of controlled procedures must be reported to the commissioner in accordance with the requirements of Minnesota Rules, part 9525.2750, subpart 2a. The commissioner must provide all reports to the advisory committee at least quarterly.

Sec. 4. Minnesota Statutes 1998, section 256B.0625, subdivision 32, is amended to read:

Subd. 32. **NUTRITIONAL PRODUCTS.** (a) Medical assistance covers nutritional products needed for nutritional supplementation because solid food or nutrients thereof cannot be properly absorbed by the body or needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow's milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product. Nutritional products needed for the treatment of a combined allergy to human milk, cow's milk, and soy formula require prior authorization. Separate payment shall not be made for nutritional products for residents of long-term care facilities. Payment for dietary requirements is a component of the per diem rate paid to these facilities.

(b) ~~The commissioner shall designate a nutritional supplementation products advisory committee to advise the commissioner on nutritional supplementation products for which payment is made. The committee shall consist of nine members, one of whom shall be a physician, one of whom shall be a pharmacist, two of whom shall be registered dietitians, one of whom shall be a public health nurse, one of whom shall be a representative of a home health care agency, one of whom shall be a provider of long-term care services, and two of whom shall be consumers of nutritional supplementation products. Committee members shall serve two-year terms and shall serve without compensation.~~

(c) ~~The advisory committee shall review and recommend nutritional supplementation products which require prior authorization. The commissioner shall develop procedures for the operation of the advisory committee so that the advisory committee operates in a manner parallel to the drug formulary committee.~~

Sec. 5. Minnesota Statutes 1998, section 256B.0928, is amended to read:

256B.0928 STATEWIDE CAREGIVER SUPPORT AND RESPITE CARE PROJECT.

(a) The commissioner shall establish and maintain a statewide caregiver support and respite care project. The project shall:

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- (1) provide information, technical assistance, and training statewide to county agencies and organizations on direct service models of caregiver support and respite care services;
- (2) identify and address issues, concerns, and gaps in the statewide network for caregiver support and respite care;
- (3) maintain a statewide caregiver support and respite care resource center;
- (4) educate caregivers on the availability and use of caregiver and respite care services;
- (5) promote and expand caregiver training and support groups using existing networks when possible; and
- (6) apply for and manage grants related to caregiver support and respite care.

(b) ~~An advisory committee shall be appointed to advise the caregiver support project on all aspects of the project including the development and implementation of the caregiver support and respite care services projects. The advisory committee shall review procedures and provide advice and technical assistance to the caregiver support project regarding the grant program established under section 256B.0917 and others established for caregivers.~~

~~The advisory committee shall consist of not more than 16 people appointed by the commissioner and shall be comprised of representatives from public and private agencies, service providers, and consumers from all areas of the state.~~

~~Members of the advisory committee shall not be compensated for service.~~

Sec. 6. REPEALER.

Minnesota Statutes 1998, sections 16B.88, subdivision 5; 79.51, subdivision 4; 124D.17, subdivision 8; 144.121, subdivision 7; 144.664, subdivision 4; 197.236, subdivisions 1 and 2; and 245.825, subdivision 1a, are repealed.

ARTICLE 3

LEGISLATIVE WATER COMMISSION

Section 1. Minnesota Statutes 1998, section 17.114, subdivision 3, is amended to read:

Subd. 3. **DUTIES.** (a) The commissioner shall:

- (1) establish a clearinghouse and provide information, appropriate educational opportunities and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;
- (2) survey producers and support services and organizations to determine information and research needs in the area of sustainable agricultural practices;

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(3) demonstrate the on-farm applicability of sustainable agriculture practices to conditions in this state;

(4) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(5) direct the programs of the department so as to work toward the sustainability of agriculture in this state;

(6) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(7) work closely with farmers, the University of Minnesota, and other appropriate organizations to identify opportunities and needs as well as assure coordination and avoid duplication of state agency efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(8) report to the environmental quality board for review and then to the legislative water commission house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture every even-numbered year.

(b) The report under paragraph (a), clause (8), must include:

(1) the presentation and analysis of findings regarding the current status and trends regarding the economic condition of producers; the status of soil and water resources utilized by production agriculture; the magnitude of off-farm inputs used; and the amount of nonrenewable resources used by Minnesota farmers;

(2) a description of current state or federal programs directed toward sustainable agriculture including significant results and experiences of those programs;

(3) a description of specific actions the department of agriculture is taking in the area of sustainable agriculture;

(4) a description of current and future research needs at all levels in the area of sustainable agriculture; and

(5) suggestions for changes in existing programs or policies or enactment of new programs or policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.

Sec. 2. Minnesota Statutes 1998, section 17.114, subdivision 4, is amended to read:

Subd. 4. **INTEGRATED PEST MANAGEMENT.** (a) The state shall promote and facilitate the use of integrated pest management through education, technical or financial assistance, information and research.

(b) The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public post-secondary institutions, Minnesota extension service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption.

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

(c) The commissioner shall report to the environmental quality board for review and then to the ~~legislative water commission~~ house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture every even-numbered year. The report shall be combined with the report required in subdivision 3.

Sec. 3. Minnesota Statutes 1998, section 17.117, subdivision 15, is amended to read:

Subd. 15. **REPORT.** (a) The commissioner and chair shall prepare and submit a report to the ~~legislative water commission~~ by ~~October 15, 1994, and October 15, 1995.~~ Thereafter, the report shall be submitted house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture by October 15 of each odd-numbered year.

(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.

Sec. 4. Minnesota Statutes 1998, section 17.498, is amended to read:

17.498 RULES; FINANCIAL ASSURANCE.

(a) The commissioner of the pollution control agency, after consultation and cooperation with the commissioners of agriculture and natural resources, shall present proposed rules to the pollution control agency board prescribing water quality permit requirements for aquaculture facilities by May 1, 1992. The rules must consider:

(1) best available proven technology, best management practices, and water treatment practices that prevent and minimize degradation of waters of the state considering economic factors, availability, technical feasibility, effectiveness, and environmental impacts;

(2) classes, types, sizes, and categories of aquaculture facilities;

(3) temporary reversible impacts versus long-term impacts on water quality;

(4) effects on drinking water supplies that cause adverse human health concerns; and

(5) aquaculture therapeutics, which shall be regulated by the pollution control agency.

(b) Net pen aquaculture and other aquaculture facilities with similar effects must submit an annual report to the commissioner of the pollution control agency analyzing changes in water quality trends from previous years, documentation of best management practices, documentation of costs to restore the waters used for aquaculture to the trophic state existing before aquatic farming was initiated, and documentation of financial assurance in an amount adequate to pay for restoration costs. The trophic state, which is the productivity of the waters measured by total phosphorus, dissolved oxygen, algae abundance as chlorophyll-a, and secchi disk depth of light penetration, and the condition of the waters measured by raw drinking water parameters, shall be determined to the extent possible before aquatic farming is initiated. The financial assurance may be a trust fund, letter of credit, escrow account, surety bond, or other financial assurance payable to the commissioner for restoration of the waters if the permittee cannot or will not restore the waters after termination of aquatic farming operations or revocation of the permit.

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(c) ~~The commissioner of the pollution control agency shall submit a draft of the proposed rules to the legislative water commission by September 1, 1991. By January 15, 1992, the commissioner of the pollution control agency shall submit a report to the legislative water commission about aquaculture facilities permitted by the pollution control agency. The report must include concerns of permittees as well as concerns of the agency about permitted aquaculture facilities and how those concerns will be addressed in the proposed rules.~~

(d) Information received as part of a permit application or as otherwise requested must be classified according to chapter 13. Information about processes, aquatic farming procedures, feed and therapeutic formulas and rates, and tests on aquatic farming products that have economic value is nonpublic data under chapter 13, if requested by the applicant or permittee.

Sec. 5. Minnesota Statutes 1998, section 18B.045, subdivision 1, is amended to read:

Subdivision 1. **DEVELOPMENT.** The commissioner shall develop a pesticide management plan for the prevention, evaluation, and mitigation of occurrences of pesticides or pesticide breakdown products in groundwaters and surface waters of the state. The pesticide management plan must include components promoting prevention, developing appropriate responses to the detection of pesticides or pesticide breakdown products in groundwater and surface waters, and providing responses to reduce or eliminate continued pesticide movement to groundwater and surface water. Beginning By September 1, 1994, and biennially thereafter of each even-numbered year, the commissioner must submit a status report on the plan to the environmental quality board for review and then to the legislative water commission house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture.

Sec. 6. Minnesota Statutes 1998, section 18E.06, is amended to read:

18E.06 REPORT TO WATER COMMISSION.

By September 1, 1994, and of each year thereafter, the agricultural chemical response compensation board and the commissioner shall submit to the house of representatives committee on ways and means, the senate committee on finance, the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture, and the environmental quality board, and the legislative water commission a report detailing the activities and reimbursements for which money from the account has been spent during the previous year.

Sec. 7. Minnesota Statutes 1998, section 103A.43, is amended to read:

103A.43 WATER ASSESSMENTS AND REPORTS.

(a) The environmental quality board shall evaluate and report to the legislative water commission house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture and the legislative commission on Minnesota resources on statewide water research needs and recommended priorities for addressing these needs. Local water research needs may also be included.

(b) The environmental quality board shall work with the pollution control agency and the department of agriculture to coordinate a biennial assessment and analysis of wa-

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ter quality, groundwater degradation trends, and efforts to reduce, prevent, minimize, and eliminate degradation of water. The assessment and analysis must include an analysis of relevant monitoring data.

(c) The environmental quality board shall work with the department of natural resources to coordinate an assessment and analysis of the quantity of surface and ground water in the state and the availability of water to meet the state's needs.

(d) The environmental quality board shall coordinate and submit a report on water policy including the analyses in paragraphs (a) to (c) to the legislative water commission house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture and the legislative commission on Minnesota resources by September 15 of each even-numbered year. The report may include the groundwater policy report in section 103A.204.

Sec. 8. Minnesota Statutes 1998, section 103B.321, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** The board shall:

(1) develop guidelines for the contents of comprehensive water plans that provide for a flexible approach to meeting the different water and related land resources needs of counties and watersheds across the state;

(2) coordinate assistance of state agencies to counties and other local units of government involved in preparation of comprehensive water plans, including identification of pertinent data and studies available from the state and federal government;

(3) conduct an active program of information and education concerning the requirements and purposes of sections 103B.301 to 103B.355 in conjunction with the association of Minnesota counties;

(4) determine contested cases under section 103B.345;

(5) establish a process for review of comprehensive water plans that assures the plans are consistent with state law;

(6) report to the legislative commission on Minnesota house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture as required by section 103B.351; and

(7) make grants to counties for comprehensive local water planning, implementation of priority actions identified in approved plans, and sealing of abandoned wells.

Sec. 9. Minnesota Statutes 1998, section 103B.351, is amended to read:

103B.351 COMMISSION OVERSIGHT; REPORT REQUIRED.

The board shall, on or before January 15 of each year, submit to the legislative water commission house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture a written report on the board's functions and the implementation of sections 103B.201 to 103B.355 since the previous report under this section was submitted. The report to the ~~commission~~ committees must include the board's recommendations for changes to sections 103B.201 to 103B.355 and any recommendations for funding. The board shall also report to the commission committees at

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other times requested by the ~~commission~~ committees. ~~The commission may make recommendations to the legislature concerning the funding, implementation, and amendment of sections 103B.201 to 103B.355.~~

Sec. 10. Minnesota Statutes 1998, section 103F.461, is amended to read:

103F.461 GROUNDWATER EDUCATION.

(a) In each even-numbered year, the board of water and soil resources must review groundwater education activities with local units of government and develop recommendations for improvement in a report to the environmental quality board for review and then to the ~~legislative water commission~~ house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture as part of the groundwater policy report in section 103A.204. The board must work with agencies and interested groups with responsibility for groundwater education in preparing the report.

(b) The board must ensure that the biennial review of groundwater education with local units of government is coordinated with the Minnesota environmental education advisory board and the nonpoint source education and information strategy of the pollution control agency.

(c) Grants for innovative groundwater education strategies to local units of government identified in this section may be awarded by the board of water and soil resources.

Sec. 11. Minnesota Statutes 1998, section 103H.175, subdivision 3, is amended to read:

Subd. 3. **REPORT.** In each even-numbered year, the pollution control agency, in cooperation with other agencies participating in the monitoring of water resources, shall provide a draft report on the status of groundwater monitoring to the environmental quality board for review and then to the ~~legislative water commission~~ house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture as part of the report in section 103A.204.

Sec. 12. Minnesota Statutes 1998, section 103H.275, is amended to read:

103H.275 MANAGEMENT OF POLLUTANTS WHERE GROUNDWATER IS POLLUTED.

Subdivision 1. **AREAS WHERE GROUNDWATER POLLUTION IS DETECTED.** (a) If groundwater pollution is detected, a state agency or political subdivision that regulates an activity causing or potentially causing a contribution to the pollution identified shall promote implementation of best management practices to prevent or minimize the source of pollution to the extent practicable.

(b) The pollution control agency, or for agricultural chemicals and practices, the commissioner of agriculture may adopt water source protection requirements under subdivision 2 that are consistent with the goal of section 103H.001 and are commensurate with the groundwater pollution if the implementation of best management practices has proven to be ineffective.

(c) The water resources protection requirements must be:

(1) designed to prevent and minimize the pollution to the extent practicable;

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(2) designed to prevent the pollution from exceeding the health risk limits; and

(3) submitted to the ~~legislative water commission~~ house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture.

Subd. 2. ADOPTION OF WATER RESOURCE PROTECTION REQUIREMENTS. (a) The pollution control agency, or for agricultural chemicals and practices, the commissioner of agriculture shall adopt by rule water resource protection requirements that are consistent with the goal of section 103H.001 to prevent and minimize the pollution to the extent practicable. The proposed rule must be submitted to the ~~legislative water commission for review~~ house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture before adoption. The water resource protection requirements must be based on the use and effectiveness of best management practices, the product use and practices contributing to the pollution detected, economic factors, availability, technical feasibility, implementability, and effectiveness. The water resource protection requirements may be adopted for one or more pollutants or a similar class of pollutants. A water resource protection requirement may not be adopted before January 1, 1991.

(b) Before the water resource protection requirements are adopted, the pollution control agency or the commissioner of agriculture for agricultural chemicals and practices must notify affected persons and businesses for comments and input in developing the water resource protection requirements.

(c) Unless the water resource protection requirements are to cover the entire state, the water resource protection requirements are only effective in areas designated by the commissioner of the pollution control agency by order or for agricultural chemicals and practices in areas designated by the commissioner of agriculture by order. The procedures for issuing the order and the effective date of the order must be included in the water resource protection requirements rule.

(d) The water resource protection requirements rule must contain procedures for notice to be given to persons affected by the rule and order of the commissioner. The procedures may include notice by publication, personal service, and other appropriate methods to inform affected persons of the rule and commissioner's order.

(e) A person who is subject to a water resource protection requirement may apply to the pollution control agency, or for agricultural chemicals and practices the commissioner of agriculture, and suggest an alternative protection requirement. Within 60 days after receipt, the agency or commissioner of agriculture must approve or deny the request. If the pollution control agency or commissioner of agriculture approves the request, an order must be issued approving the alternative protection requirement.

(f) A person who violates a water resource protection requirement relating to pollutants, other than agricultural chemicals, is subject to the penalties for violating a rule adopted under chapter 116. A person who violates a water resource protection requirement relating to agricultural chemicals and practices is subject to the penalties for violating a rule adopted under chapter 18D.

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Sec. 13. Minnesota Statutes 1998, section 115B.20, subdivision 6, is amended to read:

Subd. 6. **REPORT TO LEGISLATURE.** Each year, the commissioner of agriculture and the agency shall submit to the senate finance committee, the house ways and means committee, the environment and natural resources committees of the senate and house of representatives, the finance division of the senate committee on environment and natural resources, and the house of representatives committee on environment and natural resources finance, and the environmental quality board, and the legislative water commission a report detailing the activities for which money from the account has been spent during the previous fiscal year.

Presented to the governor April 19, 1999

Signed by the governor April 22, 1999, 9:31 a.m.

CHAPTER 87—H.F.No. 872

An act relating to contracts; regulating building and construction contracts; providing for the enforceability of certain agreements indemnifying against environmental liability; amending Minnesota Statutes 1998, section 337.02.

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

Section 1. Minnesota Statutes 1998, section 337.02, is amended to read:

337.02 UNENFORCEABILITY OF CERTAIN AGREEMENTS.

An indemnification agreement contained in, or executed in connection with, a building and construction contract is unenforceable except to the extent that: (1) the underlying injury or damage is attributable to the negligent or otherwise wrongful act or omission, including breach of a specific contractual duty, of the promisor or the promisor's independent contractors, agents, employees, or delegates; or (2) an owner, a responsible party, or a governmental entity agrees to indemnify a contractor directly or through another contractor with respect to strict liability under environmental laws.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment and applies to agreements entered into on or after that date.

Presented to the governor April 20, 1999

Signed by the governor April 23, 1999, 11:39 a.m.

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