(c) $5,537,000 in fiscal year 2001 is appropriated from the natural resources fund to the commissioner of natural resources for payment of a grant to the metropolitan council for metropolitan area regional parks and trails maintenance and operations. This is a one-time appropriation and is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (3).

(d) $738,000 in fiscal year 2001 is appropriated from the natural resources fund to the commissioner of natural resources for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. This is a one-time appropriation and is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (4).

(e) $492,000 in fiscal year 2001 is appropriated from the natural resources fund to the commissioner of natural resources for grants of $164,000 each to the Minnesota zoological garden, the city of St. Paul for the Como Zoo and Conservatory, and the city of Duluth for the Duluth Zoo. This is a one-time appropriation and is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (5).

Sec. 24. **EFFECTIVE DATE.**

Section 1 is effective July 1, 2001. Sections 5 to 14 are effective March 1, 2001.

Presented to the governor May 11, 2000

Signed by the governor May 15, 2000, 10:49 a.m.

CHAPTER 464—H.F.No. 3557

An act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, unintended results, and technical errors in state government, human services, and prekindergarten-grade 12 education code appropriations acts; appropriating money; amending Minnesota Statutes 1998, sections 125A.21, subdivision 1; and 256B.501, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 16A.129, subdivision 3; 124D.65, subdivision 4; 126C.052; 126C.10, subdivisions 2 and 23; 126C.12, subdivision 1; and 256B.77, subdivision 10; Laws 1999, chapters 241, articles 1, section 70; and 4, section 29; 245, articles 1, section 3, subdivision 2; and 4, section 121; 250, article 1, sections 11 and 14, subdivision 3; repealing Laws 1999, chapter 241, article 10, section 5; and 250, article 1, section 15, subdivision 4.

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

ARTICLE 1

STATE GOVERNMENT

Section 1. Minnesota Statutes 1999 Supplement, section 16A.129, subdivision 3, is amended to read:

Subd. 3. **CASH ADVANCES.** When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may use general fund cash reserves to meet cash demands. If funds are transferred from the general fund to meet cash flow needs, the cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. ~~The fund to which general fund cash was advanced must pay interest on the cash advance at a rate comparable to the rate earned by the state on invested treasurer's cash, as determined monthly by the commissioner. An amount necessary to pay the interest is appropriated from the nongeneral fund to which the cash advance was made.~~ Any interest earned on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made. The commissioner may advance general fund cash reserves to nongeneral fund accounts where the receipts from other governmental units cannot be collected within the budget period.

Sec. 2. Laws 1999, chapter 250, article 1, section 11, is amended to read:

Sec. 11. OFFICE OF STRATEGIC AND LONG-RANGE PLANNING	6,891,000	4,417,000

$100,000 the first year is to integrate the office's information technology and is available until June 30, 2003. The director shall report on the progress of the unit to the chairs of the legislative committees responsible for this budget item by January 15, 2000, 2001, and 2002.

$1,600,000 the first year is for a generic environmental impact statement on animal agriculture.

$200,000 the first year is to perform program evaluations of agencies in the executive branch.

The program evaluation division will report to the legislature by December 1, 2000, ways to reduce state government expenditures by five to ten percent.

$100,000 the first year is to provide administrative support to community-based planning efforts.

$150,000 the first year is for a grant of $50,000 to the southwest regional development commission for the continuation of the pilot program and two additional grants of $50,000 each to regional development commissions or, in regions not served by regional development commissions, to regional organizations selected by the director of strategic and long-range planning, to support planning work on behalf of local units of government. The planning work shall include, but need not be limited to:

(1) development of local zoning ordinances;

(2) land use plans;

(3) community or economic development plans;

(4) transportation and transit plans;

(5) solid waste management plans;

(6) wastewater management plans;

(7) workforce development plans;

(8) housing development plans and/or market analysis;

(9) rural health service plans;

(10) natural resources management plans; or

(11) development of geographical information systems database to serve a region's needs, including hardware and software purchases and related labor costs.

$200,000 the first year is to prepare the generic environmental impact statement on urban development required by section 108. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

$24,000 the first year is for the southwest Minnesota wind monitoring project.

<u>$100,000 the first year is for a grant to the city of Mankato to complete the Mankato area growth management and planning study, phase 2. The appropriation is available until June 30, 2002. The appropriation must be matched by an in-kind donation of $100,000 in administrative, technical, and higher educational internship support and supervision. The value of the in-kind donations must be determined by the commissioner of finance.</u>

<u>The city shall serve as fiscal agent to complete the study under the 1997 regional planning joint powers agreement among the cities of Mankato, North Mankato, and Eagle Lake; the counties of Nicollet and Blue Earth; and the towns of Mankato, South Bend, Lime, Decoria, and Belgrade, without limitation on the rights of the parties to that agreement to add or remove members. The study is intended as an alternative to community-based planning. The study is intended to develop information and analysis to provide guidance on such issues as:</u>

<u>(1) the development of joint planning agreements to implement a unified growth</u>

management strategy;

(2) joint service ventures, such as planning or zoning administration in urban fringe areas;

(3) orderly growth and annexation agreements between cities and townships;

(4) feedlot regulations in urban fringe areas and future growth corridors;

(5) service strategies for unsewered subdivisions;

(6) other joint ventures for city, county, and township service delivery in fringe areas;

(7) feasibility of a rural township taxing district; and

(8) alternatives to the current community-based planning legislation that would add flexibility and improve the planning process.

The city of Mankato shall report the results of the study to the legislature by January 15, 2002.

Sec. 3. Laws 1999, chapter 250, article 1, section 14, subdivision 3, is amended to read:

Subd. 3. Information and Management Services		
	16,643,000	9,932,000

~~$100,000 the first year is for a grant to the city of Mankato to complete the Mankato area growth management and planning study, phase 2. The appropriation is available until June 30, 2002. The appropriation must be matched by an in-kind donation of $100,000 in administrative, technical, and higher educational internship support and~~

~~supervision. The value of the in-kind donations must be determined by the commissioner of finance.~~

~~The city shall serve as fiscal agent to complete the study under the 1997 regional planning joint powers agreement among the cities of Mankato, North Mankato, and Eagle Lake; the counties of Nicollet and Blue Earth; and the towns of Mankato, South Bend, Lime, Decoria, and Belgrade, without limitation on the rights of the parties to that agreement to add or remove members. The study is intended as an alternative to community-based planning. The study is intended to develop information and analysis to provide guidance on such issues as:~~

~~(1) the development of joint planning agreements to implement a unified growth management strategy;~~

~~(2) joint service ventures, such as planning or zoning administration in urban fringe areas;~~

~~(3) orderly growth and annexation agreements between cities and townships;~~

~~(4) feedlot regulations in urban fringe areas and future growth corridors;~~

~~(5) service strategies for unsewered subdivisions;~~

~~(6) other joint ventures for city, county, and township service delivery in fringe areas;~~

~~(7) feasibility of a rural township taxing district; and~~

~~(8) alternatives to the current community-based planning legislation that would add~~

~~flexibility and improve the planning process.~~

~~The city of Mankato shall report the results of the study to the legislature by January 15, 2002.~~

$6,839,000 the first year is a one-time appropriation to upgrade the human resources and payroll system and is available until June 30, 2003. The commissioner shall report on the progress of this project to the chairs of the legislative committees responsible for this budget item by January 15, 2000, 2001, and 2002.

The commissioner of finance shall work with the commissioners of employee relations and administration and shall develop as part of the human resource and payroll systems upgrade, and submit to the chairs of the senate governmental operations budget division and the house state government finance committee by January 15, 2000, a long-range plan for the statewide business systems: human resources, payroll, accounting, and procurement. The plan must detail each system's original development costs, its expected life cycle, the estimated cost of upgrading software to newer versions during its life cycle, its operating costs to date, and the factors that are expected to drive future operating costs within the departments of finance, administration, and employee relations. The plan must also include an evaluation of and recommendations on whether, for the statewide business systems, the state should use software that is developed and maintained in house; proprietary software, either modified or unmodified; a private vendor; or a particular combination of these options.

The commissioner of finance, in consultation with senate and house fiscal staff and the commissioner of administration, shall develop recommendations for inclusion in the governor's fiscal year 2002-2003 budget document on the presentation of internal service funds. The commissioner of finance shall submit the recommendations to the chairs of the senate governmental operations budget division and the house state government finance committee by January 15, 2000.

The department shall prepare a separate budget book for the biennium beginning July 1, 2001, containing all of the administration's technology initiatives. The book must also include a complete inventory of state-owned and leased technology, along with a projected replacement schedule. The inventory must include information on how the technology fits into the state's master plan.

Sec. 4. **REPEALER.**

Laws 1999, chapter 250, article 1, section 15, subdivision 4, is repealed.

ARTICLE 2

DEPARTMENT OF HUMAN SERVICES

Section 1. Minnesota Statutes 1998, section 125A.21, subdivision 1, is amended to read:

Subdivision 1. **OBLIGATION TO PAY.** Nothing in sections 125A.03 to 125A.24 and 125A.65 relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability, and the child's family. A school district shall pay the nonfederal share of medical assistance services provided according to section 256B.0625, subdivision 26. Eligible expenditures must not be made from federal funds or funds used to match other federal funds. Any federal disallowances are the responsibility of the school district. A school district may pay or reimburse copayments, coinsurance, deductibles, and other enrollee cost-sharing amounts, on behalf of the student or family, in connection with health and related services provided under an individual educational plan.

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

Sec. 2. Minnesota Statutes 1998, section 256B.501, is amended by adding a subdivision to read:

Subd. 13. **ICF/MR RATE INCREASES BEGINNING OCTOBER 1, 1999, AND OCTOBER 1, 2000.** (a) For the rate years beginning October 1, 1999, and October 1, 2000, the commissioner shall make available to each facility reimbursed under this section, section 256B.5011, and Laws 1993, First Special Session chapter 1, article 4, section 11, an adjustment to the total operating payment rate. For each facility, total operating costs shall be separated into costs that are compensation-related and all other costs. "Compensation-related costs" means the facility's allowable program operating cost category employee training expenses, and the facility's allowable salaries, payroll taxes, and fringe benefits. The term does not include these same salary-related costs for both administrative or central office employees.

For the purpose of determining the adjustment to be granted under this subdivision, the commissioner must use the most recent cost report that has been subject to desk audit.

(b) For the rate year beginning October 1, 1999, the commissioner shall make available a rate increase for compensation-related costs of 4.6 percent and a rate increase for all other operating costs of 3.2 percent.

(c) For the rate year beginning October 1, 2000, the commissioner shall make available a rate increase for compensation-related costs of 3.6 percent and a rate increase for all other operating costs of two percent.

(d) For each facility, the commissioner shall determine the payment rate adjustment using the categories specified in paragraph (a) multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the resulting amount by the facility's actual resident days.

(e) Any facility whose payment rates are governed by closure agreements, receivership agreements, or Minnesota Rules, part 9553.0075, are not eligible for an adjustment otherwise granted under this subdivision.

(f) A facility may apply for the compensation-related payment rate adjustment calculated under this subdivision. The application must be made to the commissioner and contain a plan by which the facility will distribute the compensation-related portion of the payment rate adjustment to employees of the facility. For facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in this subdivision. To be eligible, a facility must submit its plan for the compensation distribution by December 31 each year. A facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a facility's plan for compensation distribution is effective for its employees after October 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

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

(g) A copy of the approved distribution plan must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the facility to which all employees have access. If an employee does not receive the compensation adjustment described in their facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or phone number provided by the commissioner and included in the approved plan.

Sec. 3. Minnesota Statutes 1999 Supplement, section 256B.77, subdivision 10, is amended to read:

Subd. 10. **CAPITATION PAYMENT.** (a) The commissioner shall pay a capitation payment to the county authority and, when applicable under subdivision 6, paragraph (a), to the service delivery organization for each medical assistance eligible enrollee. The commissioner shall develop capitation payment rates for the initial contract period for each demonstration site in consultation with an independent actuary, to ensure that the cost of services under the demonstration project does not exceed the estimated cost for medical assistance services for the covered population under the fee-for-service system for the demonstration period. For each year of the demonstration project, the capitation payment rate shall be based on 96 percent of the projected per person costs that would otherwise have been paid under medical assistance fee-for-service during each of those years. Rates shall be adjusted within the limits of the available risk adjustment technology, as mandated by section 62Q.03. In addition, the commissioner shall implement appropriate risk and savings sharing provisions with county administrative entities and, when applicable under subdivision 6, paragraph (a), service delivery organizations within the projected budget limits. Capitation rates shall be adjusted, at least annually, to include any rate increases and payments for expanded or newly covered services for eligible individuals. The initial demonstration project rate shall include an amount in addition to the fee-for-service payments to adjust for underutilization of dental services. Any savings beyond those allowed for the county authority, county administrative entity, or service delivery organization shall be first used to meet the unmet needs of eligible individuals. Payments to providers participating in the project are exempt from the requirements of sections 256.966 and 256B.03, subdivision 2.

(b) The commissioner shall monitor and evaluate annually the effect of the discount on consumers, the county authority, and providers of disability services. Findings shall be reported and recommendations made, as appropriate, to ensure that the discount effect does not adversely affect the ability of the county administrative entity or providers of services to provide appropriate services to eligible individuals, and does not result in cost shifting of eligible individuals to the county authority.

(c) For risk-sharing to occur under this subdivision, the aggregate fee-for-service cost of covered services provided by the county administrative entity under this section must exceed the aggregate sum of capitation payments made to the county administrative entity under this section. The county authority is required to maintain its current level of nonmedical assistance spending on enrollees. If the county authority spends less in nonmedical assistance dollars on enrollees than it spent the year prior to the contract year, the amount of underspending shall be deducted from the aggregate fee-for-service cost of covered services. The commissioner shall then compare the fee-for-service costs and capitation payments related to the services provided for the term of this contract. The commissioner shall base its calculation of the fee-for-service costs on application of the medical assistance fee schedule to services identified on the county administrative entity's encounter claims submitted to the commissioner. The aggregate fee-for-service cost shall not include any third-party recoveries or cost-avoided amounts.

If the commissioner finds that the aggregate fee-for-service cost is greater than the sum of the capitation payments, the commissioner shall settle according to the following schedule:

(1) For the first contract year for each project, the commissioner shall pay the county administrative entity 50 percent of the difference between the sum of the capitation payments and 100 percent of projected fee-for-service costs. For aggregate fee-for-service costs in excess of 100 percent of projected fee-for-service costs, the commissioner shall pay ~~250~~ <u>25</u> percent of the difference between the aggregate fee-for-service costs and the projected fee-for-service costs, up to 104 percent of the projected fee-for-service costs. The county administrative entity shall be responsible for all costs in excess of 104 percent of projected fee-for-service costs.

(2) For the second contract year for each project, the commissioner shall pay the county administrative entity 37.5 percent of the difference between the sum of the capitation payments and 100 percent of projected fee-for-service costs. The county administrative entity shall be responsible for all costs in excess of 100 percent of projected fee-for-service costs.

(3) For the third contract year for each project, the commissioner shall pay the county administrative entity 25 percent of the difference between the sum of the capitation payments and 100 percent of projected fee-for-service costs. The county administrative entity shall be responsible for all costs in excess of 100 percent of projected fee-for-service costs.

(4) For the fourth and subsequent contract years for each project, the county administrative entity shall be responsible for all costs in excess of the capitation payments.

(d) In addition to other payments under this subdivision, the commissioner may increase payments by up to 0.25 percent of the projected per person costs that would otherwise have been paid under medical assistance fee-for-service. The commissioner may make the increased payments to:

(1) offset rate increases for regional treatment services under subdivision 22 which are higher than was expected by the commissioner when the capitation was set at 96 percent; and

(2) implement incentives to encourage appropriate, high quality, efficient services.

Sec. 4. Laws 1999, chapter 245, article 1, section 3, subdivision 2, is amended to read:

Subd. 2. Health Systems and Special Populations		66,999,000	66,269,000

Summary by Fund

General	46,593,000	46,299,000
State Government Special Revenue	10,557,000	10,012,000
Health Care Access	9,849,000	9,958,000

MERC ADMINISTRATIVE COSTS. Of the general fund appropriation for the medical education and research fund, $150,000 in fiscal year 2000 and $150,000 in fiscal year 2001 is for the commissioner for administrative costs in implementing Minnesota Statutes, sections 62J.692 and 62J.693.

WIC TRANSFERS. The general fund appropriation for the women, infants, and children (WIC) food supplement program is available for either year of the biennium. Transfers of these funds between fiscal years must either be to maximize federal funds or to minimize fluctuations in the number of program participants.

MINNESOTA CHILDREN WITH SPECIAL HEALTH NEEDS CARRYOVER. General fund appropriations for treatment services in the services for Minnesota children with special health needs program are available for either year of the biennium.

SUICIDE PREVENTION STUDY. Of the general fund appropriation, $100,000 in fiscal year 2000 is for the commissioner to study suicide issues and develop a suicide prevention plan. The study must be conducted in consultation with local community health boards, mental health professionals, schools, and other interested parties. The plan must be reported to the legislature by January 15, 2000.

FAMILY PRACTICE RESIDENCY PROGRAM. Of the general fund appropriation, $300,000 in fiscal year 2000 is to the commissioner to make a grant to the city of Duluth for a family practice residency program for northeastern Minnesota.

UNCOMPENSATED CARE. The commissioner shall study and report to the legislature by January 15, 2000, with:

(1) statistical information on the amount of uncompensated health care provided in Minnesota, the types of care provided, the settings in which the care is provided, and, if known, the most common reasons why the care is uncompensated; and

(2) recommendations for reducing the level of uncompensated care, including, but not limited to, methods to enroll eligible persons in public health care programs through simplification of the application process and other efforts.

RURAL HOSPITAL CAPITAL IMPROVEMENT GRANT PROGRAM. (a) Of this appropriation, $2,800,000 for each fiscal year is from the health care access fund to the commissioner for the rural hospital capital improvement grant program described in Minnesota Statutes, section 144.148. This appropriation shall not become part of the base for the 2002-2003 biennium.

(b) The commissioner may provide up to $300,000 for the Westbrook health center for hospital and clinic improvements, upon receipt of information from the Westbrook health center indicating how it has fulfilled the requirements of Minnesota Statutes, section 144.148, and evidence that it has raised at least a dollar-for-dollar match from nonstate sources.

ACCESS TO SUMMARY MINIMUM DATA SET (MDS). The commissioner, in cooperation with the commissioner of administration, shall work to obtain access to Minimum Data Set (MDS) data that is electronically transmitted by nursing facilities to the health department. The MDS data shall be made available on a quarterly basis to industry trade associations for use in quality improvement efforts and comparative analysis. The MDS data shall be provided to the industry trade associations in the form of summary aggregate data, without patient identifiers, to ensure patient privacy. The commissioner may charge for the actual cost of production of these documents.

NURSING HOME MORATORIUM REPORT. In preparing the report required by Minnesota Statutes, section 144A.071, subdivision 5, the commissioner and the commissioner of human services shall analyze the adequacy of the supply of nursing home beds by measuring the ability of hospitals to promptly discharge patients to a nursing home within the hospital's primary service area. If it is determined that a shortage of beds exists, the report shall present a plan to correct the service deficits. The report shall also analyze the impact of assisted living services on the medical assistance utilization of nursing homes.

HEALTH CARE PURCHASING ALLIANCES. Of the health care access fund appropriation, $100,000 each year is to the commissioner for grants to two local organizations to develop health care purchasing alliances under Minnesota Statutes, section 62T.02, to negotiate the purchase of health care services from licensed entities. Of this amount, $50,000 each year is for a grant to the Southwest Regional Development Commissioner to coordinate purchasing alliance development in the southwest area of the state, and $50,000 each year is for a grant to the University of Minnesota extension services in Crookston to coordinate purchasing alliance development in the northwest area of the state. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

GENERAL FUND TOBACCO BASE REDUCTION. The general fund base level appropriation for tobacco prevention and control programs and activities shall be reduced by $1,100,000 each year of the biennium beginning July 1, 2001. Section 13, sunset of uncodified language, does not apply to this provision.

STANDARDS FOR SPECIAL CASE AUTOPSIES. Of this general fund appropriation, $20,000 for the biennium is for a grant to a professional association representing coroners and medical examiners in Minnesota to conduct case studies, and develop and disseminate guidelines, for autopsy practice in special cases. This is a one-time appropriation and shall not become part of base level funding for the 2002-2003 biennium.

Sec. 5. Laws 1999, chapter 245, article 4, section 121, is amended to read:

Sec. 121. **EFFECTIVE DATE.**

(a) Sections 3, <u>4,</u> 5, 45, <u>95,</u> and 97<u>, subdivision 3, paragraph (d),</u> are effective July 1, 2000.

(b) Section 56 is effective upon federal approval.

New language is indicated by <u>underline</u>, deletions by ~~strikeout.~~

Sec. 6. **EFFECTIVE DATE.**

Section 1 is effective July 1, 2000. Sections 2 to 4 are effective retroactive to July 1, 1999.

ARTICLE 3

EDUCATION CODE: PREKINDERGARTEN-GRADE 12

Section 1. Minnesota Statutes 1999 Supplement, section 124D.65, subdivision 4, is amended to read:

Subd. 4. **STATE TOTAL LEP REVENUE.** (a) The state total limited English proficiency programs revenue for fiscal year 2000 equals $27,454,000. ~~The state total limited English proficiency programs revenue for fiscal year 2001 equals $31,752,000.~~

(b) The state total limited English proficiency programs revenue for later fiscal years equals:

(1) the state total limited English proficiency programs revenue for the preceding fiscal year; times

(2) the program growth factor under section 125A.76 subdivision 1; times

(3) the ratio of the state total number of pupils with limited English proficiency for the current fiscal year to the state total number of pupils with limited English proficiency for the preceding fiscal year.

Sec. 2. Minnesota Statutes 1999 Supplement, section 126C.052, is amended to read:

126C.052 **CLASS SIZE, ALL-DAY KINDERGARTEN, AND SPECIAL EDUCATION STUDENT-TO-INSTRUCTOR RATIO RESERVE.**

A district is required to reserve $3 in fiscal year 2000 and $11 in fiscal year 2001 and later per adjusted marginal cost pupil unit for class size reduction, all-day kindergarten, or for reducing special education student-to-instructor ratios. The school board of each district must pass a resolution stating which one of these three programs will be funded with this reserve. The reserve amount under this section must be allocated to the education site as defined in section 123B.04, subdivision 1, according to a plan adopted by the school board.

Sec. 3. Minnesota Statutes 1999 Supplement, section 126C.10, subdivision 2, is amended to read:

Subd. 2. **BASIC REVENUE.** The basic revenue for each district equals the formula allowance times the ~~resident~~ adjusted marginal cost pupil units for the school year. The formula allowance for fiscal year 1998 is $3,581. The formula allowance for fiscal year 1999 is $3,530. The formula allowance for fiscal year 2000 is $3,740. The formula allowance for fiscal year 2001 and subsequent fiscal years is $3,875.

Sec. 4. Minnesota Statutes 1999 Supplement, section 126C.10, subdivision 23, is amended to read:

Subd. 23. **REFERENDUM OFFSET ADJUSTMENT.** A district that qualifies for the referendum allowance reduction under section 126C.17, subdivision 12, and whose referendum allowance under section 126C.17, subdivision 1, as adjusted under section 126C.17, subdivisions 2 and 12, does not exceed the referendum allowance limit under section 126C.17, subdivision 2, clause (2), shall receive a referendum offset adjustment. In fiscal year 2000 and thereafter, the referendum offset adjustment is equal to $25 per ~~resident~~ adjusted marginal cost pupil unit.

Sec. 5. Minnesota Statutes 1999 Supplement, section 126C.12, subdivision 1, is amended to read:

Subdivision 1. **REVENUE.** Of a district's general education revenue for fiscal year 2000 and thereafter each school district shall reserve an amount equal to the formula allowance multiplied by the following calculation:

(1) the sum of adjusted marginal cost ~~pupil units~~ pupils in average daily membership, according to section 126C.05, subdivision 5, in kindergarten times .057; plus

(2) the sum of adjusted marginal cost ~~pupil units~~ pupils in average daily membership, according to section 126C.05, subdivision 5, in grades 1 to 3 times .115; plus

(3) the sum of adjusted marginal cost ~~pupil units~~ pupils in average daily membership, according to section 126C.05, subdivision 5, in grades 4 to 6 times .06.

Sec. 6. Laws 1999, chapter 241, article 1, section 70, is amended to read:

Sec. 70. **EFFECTIVE DATES.**

Sections 13, 14, 26, 30, 37, and 39 are effective for revenue for fiscal year 2000 and later. Section 41 is effective for revenue for fiscal year 2001 and later. Sections 46, 47, and 55 to 60 are effective the day following final enactment. Section 61 is effective for taxes payable in 2000 and later.

Sec. 7. Laws 1999, chapter 241, article 4, section 29, is amended to read:

Sec. 29. **REPEALER.**

(a) Minnesota Statutes 1998, ~~sections 123A.44; 123A.441; 123A.442; 123A.443; 123A.444; 123A.445; 123A.446; 123B.57, subdivisions 4, 5, and 7; 123B.59, subdivision 7; 123B.63, subdivisions 1 and 2;~~ section 123B.66~~; 123B.67; 123B.68; and 123B.69, are~~, is repealed effective the day following final enactment.

(b) ~~Minnesota Statutes 1998, section 123B.58, is repealed effective July 1, 2004.~~

~~(c)~~ Minnesota Statutes 1998, section 123B.64, subdivision 4, is repealed effective for revenue for fiscal year 2000.

~~(d)~~ (c) Minnesota Statutes 1998, section 123B.64, subdivisions 1, 2, and 3, are repealed effective for revenue for fiscal year 2001.

~~(e)~~ (d) Minnesota Rules, parts 3500.3900; 3500.4000; 3500.4100; 3500.4200; and 3500.4300, are repealed.

Sec. 8. **DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.**

(a) The sums indicated in this section are appropriated from the general fund unless otherwise indicated to the department of children, families, and learning for the fiscal years designated.

$32,316,000	.....	2000
$29,785,000	.....	2001

(b) Any balance the first year does not cancel but is available in the second year.

(c) $21,000 each year is from the trunk highway fund.

(d) $673,000 in 2000 and $678,000 in 2001 is for the board of teaching.

(e) Notwithstanding Minnesota Statutes, section 15.53, subdivision 2, the commissioner of children, families, and learning may contract with a school district for a period no longer than five consecutive years to work in the development or implementation of the graduation rule. The commissioner may contract for services and expertise as necessary. The contracts are not subject to Minnesota Statutes, section 16C.05.

(f) $165,000 in 2000 is for the state board of education. Any functions of the state board of education that are not specifically transferred to another agency are transferred to the department of children, families, and learning under Minnesota Statutes, section 15.039. For the position that is classified, upon transferring the responsibilities, the current incumbent is appointed to the classified position without exam or probationary period.

(g) $2,000,000 in 2000 is for litigation costs and may only be used for those purposes. This is a one-time appropriation.

Sec. 9. **REPEALER WITHOUT EFFECT.**

The repeal of Minnesota Statutes 1998, sections 123A.44; 123A.441; 123A.442; 123A.443; 123A.444; 123A.445; 123A.446; 123B.57, subdivisions 4, 5, and 7; 123B.59, subdivision 7; 123B.63, subdivisions 1 and 2; 123B.67; 123B.68; and 123B.69, by Laws 1999, chapter 241, article 4, section 29, with an effective date of May 26, 1999, is without effect and Minnesota Statutes 1998, sections 123A.44; 123A.441; 123A.442; 123A.443; 123A.444; 123A.445; 123A.446; 123B.57, subdivisions 4, 5, and 7; 123B.59, subdivision 7; 123B.63, subdivisions 1 and 2; 123B.67; 123B.68; and 123B.69, remain in effect after May 25, 1999.

Sec. 10. **REPEALER.**

Laws 1999, chapter 241, article 10, section 5, is repealed retroactive to July 1, 1999.

Sec. 11. **EFFECTIVE DATE.**

Section 8 is effective retroactive to July 1, 1999. Sections 7, paragraph (a), and 9 are effective retroactive to May 26, 1999.

Presented to the governor May 11, 2000

Signed by the governor May 15, 2000, 10:48 a.m.

CHAPTER 465—S.F.No. 3028

An act relating to human services; specifying rights for reconsideration and review of determinations regarding maltreatment of vulnerable adults; modifying provisions governing the Southern Cities Community Health Clinic; amending Minnesota Statutes 1998, section 626.557, subdivisions 9c, 9d, and 12b; Minnesota Statutes 1999 Supplement, section 13.99, by adding a subdivision; Laws 1995, chapter 207, article 8, section 37; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Section 1. Minnesota Statutes 1999 Supplement, section 13.99, is amended by adding a subdivision to read:

Subd. 74d. **VULNERABLE ADULT MALTREATMENT REVIEW PANEL.** Data of the vulnerable adult maltreatment review panel are classified under section 2.

Sec. 2. **[256.021] VULNERABLE ADULT MALTREATMENT REVIEW PANEL.**

Subdivision 1. **CREATION.** (a) The commissioner of human services shall establish a review panel for purposes of reviewing lead agency determinations regarding maltreatment of a vulnerable adult in response to requests received under section 626.557, subdivision 9d, paragraph (b). The panel shall hold quarterly meetings for purposes of conducting reviews under this section.

(b) The review panel consists of:

(1) the commissioners of health and human services or their designees;

(2) the ombudsperson for older Minnesotans and ombudsperson for mental health and mental retardation, or their designees; and

(3) a member of the board on aging, appointed by the board.

Subd. 2. **REVIEW PROCEDURE.** (a) If a vulnerable adult or an interested person acting on behalf of the vulnerable adult requests a review under this section, the panel shall review the request at its next quarterly meeting. If the next quarterly