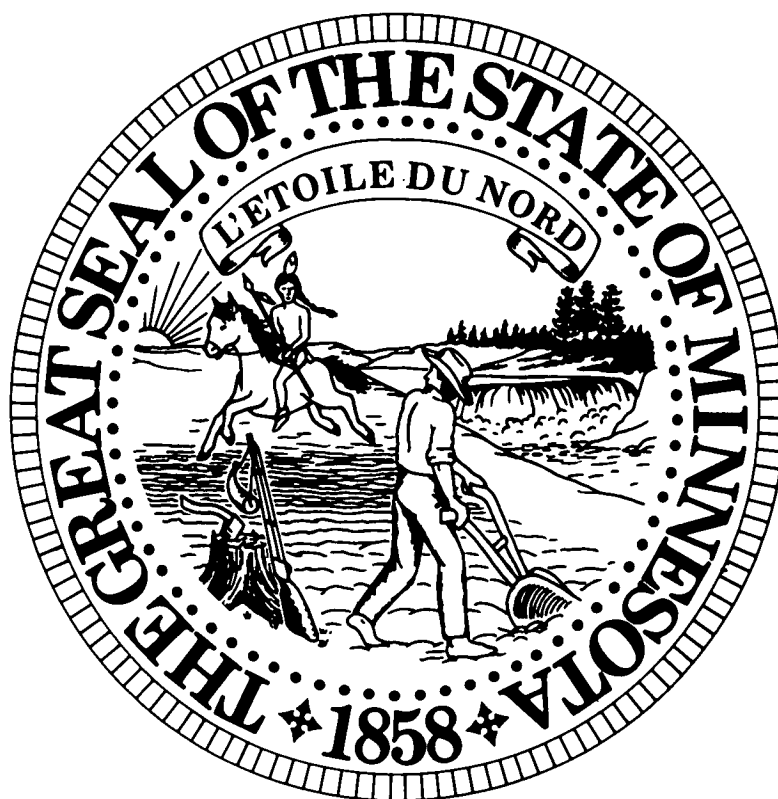


2182

2

The Minnesota
**State
Register**

Department of Administration—Print Communications Division



Rules edition
Published every Monday
(Tuesday if Monday is a holiday)

Monday 3 August 1992
Volume 17, Number 5
Pages 173-256

State Register

Judicial Notice Shall Be Taken of Material Published in the *State Register*

The *State Register* is the official publication of the State of Minnesota, containing executive and commissioners' orders, proposed and adopted rules, official and revenue notices, state and non-state contracts, contract awards, grants, a monthly calendar of cases to be heard by the state supreme court, and announcements.

A *Contracts Supplement* is published every Thursday and contains additional state contracts and advertised bids, and the most complete source of state contract awards available in one source.

Printing Schedule and Submission Deadlines

Vol. 17 Issue Number	*Submission deadline for Adopted and Proposed Rules, Commissioners' Orders**	*Submission deadline for Executive Orders, Contracts, and Official Notices**	Issue Date
5	Monday 20 July	Monday 27 July	Monday 3 August
6	Monday 27 July	Monday 3 August	Monday 10 August
7	Monday 3 August	Monday 10 August	Monday 17 August
8	Monday 10 August	Monday 17 August	Monday 24 August

*Deadline extensions may be possible at the editor's discretion; however, none will be made beyond the second Wednesday (12 calendar days) preceding the issue date for rules, proposed rules and executive orders, or beyond the Wednesday (5 calendar days) preceding the issue date for official notices. Requests for deadline extensions should be made only in valid emergency situations.

**Notices of public hearings on proposed rules and notices of intent to adopt rules without a public hearing are published in the Proposed Rules section and must be submitted two weeks prior to the issue date.

Instructions for submission of documents may be obtained from the *State Register* editorial offices, 504 Rice Street, St. Paul, Minnesota 55103, (612) 296-0929.

The *State Register* is published every Monday (Tuesday when Monday is a holiday) by the State of Minnesota, Department of Administration, Print Communications Division, 117 University Avenue, St. Paul, Minnesota 55155, pursuant to *Minnesota Statutes* § 14.46. A *State Register Contracts Supplement* is published every Thursday. The Monday edition is the vehicle for conveying all information about state agency rulemaking, including official notices; hearing notices; proposed, adopted and emergency rules. It also contains executive orders of the governor; commissioners' orders; state contracts and advertised bids; professional, technical and consulting contracts; non-state public contracts; state grants; decisions of the supreme court; a monthly calendar of scheduled cases before the supreme court; and other announcements. The Thursday edition contains additional state contracts and advertised bids, and the most complete listing of contract awards available in one source.

In accordance with expressed legislative intent that the *State Register* be self-supporting, the following subscription rates have been established: the Monday edition costs \$150.00 per year and includes an index issue published in August (single issues are available at the address listed above for \$3.50 per copy); the combined Monday and Thursday editions cost \$195.00 (subscriptions are not available for just the *Contracts Supplement*); trial subscriptions are available for \$60.00, include both the Monday and Thursday edition, last for 13 weeks, and may be converted to a full subscription anytime by making up the price difference. No refunds will be made in the event of subscription cancellation.

Both editions are delivered postpaid to points in the United States, second class postage paid for the Monday edition at St. Paul, MN, first class for the Thursday edition. Publication Number 326630 (ISSN 0146-7751).

Subscribers who do not receive a copy of an issue should notify the *State Register* circulation manager immediately at (612) 296-0931. Copies of back issues may not be available more than two weeks after publication.

Arne H. Carlson, Governor
Dana B. Badgerow, Commissioner
Department of Administration

Kathi Lynch, Director
Print Communications Division
Paul Hoffman, Acting Editor

Katherine J. Artishon, Assistant Editor
Debbie George, Circulation Manager
Bonita Karels, Staff Assistant

FOR LEGISLATIVE NEWS

Publications containing news and information from the Minnesota Senate and House of Representatives are available free to concerned citizens and the news media. To be placed on the mailing list, write or call the offices listed below:

SENATE

Briefly-Preview—Senate news and committee calendar; published weekly during legislative sessions.

Perspectives—Publication about the Senate.

Session Review—Summarizes actions of the Minnesota Senate.

Contact: Senate Public Information Office
Room 231 State Capitol, St. Paul, MN 55155
(612) 296-0504

HOUSE

Session Weekly—House committees, committee assignments of individual representatives; news on committee meetings and action. House action and bill introductions

This Week—weekly interim bulletin of the House.

Session Summary—Summarizes all bills that both the Minnesota House of Representatives and Minnesota Senate passed during their regular and special sessions.

Contact: House Information Office
Room 175 State Office Building, St. Paul, MN 55155
(612) 296-2146

Contents

Minnesota Rules: Amendments & Additions

Issues 1-5 inclusive (issues #1-53 appeared in #53) 176

Proposed Rules

Commerce Department

Insurance holding company systems 178
Real estate appraiser licensing and education 192

Public Safety Department

Furniture flammability 219

Revenue Department

Net income apportionment of television and radio
broadcasters 225

Adopted Rules

Labor and Industry Department

Occupational safety and health 228

Pollution Control Agency

Aquaculture facilities 230

Withdrawn Rules

Public Safety Department

Furniture flammability 235

Executive Orders

Executive Department

Executive Order 92-11: Designating the Minnesota
Department of Education as the lead agency in
developing comprehensive interagency early
intervention services for young children with
disabilities and their families in accordance with
PL 99-457 236

Official Notices

Commerce Department

Maximum lawful interest rate for mortgages and
contracts for deed for the month of August 1992 237

Minnesota Comprehensive Health Association

Enrollee appeal committee meeting 237
Research committee meeting 237

Ethical Practices Board

Advisory opinion requests #122 and #123 re:
Lobbyist principal 237

Health Reinsurance Association Board

Meetings for board and subcommittees 238

Human Services Department

Vacancy announced on medicaid drug formulary
committee 238

Metropolitan Council

Preliminary schedule for revising the Metropolitan
development and investment framework chapter for
the *Metropolitan Development Guide* 238

Secretary of State

Vacancies in multi-member agencies 239

Teachers Retirement Association

Meeting notice 241

Transportation Department

Outside opinions sought regarding proposed rules
governing assessment of administrative penalties
for violations of the special transportation service
operating standards 241
Outside opinions regarding amendment of rules
governing motor carrier tariffs and accounting 242
Outside opinions sought regarding proposed rules
governing registration of hazardous materials
transporters 242

Veterinary Medicine Board

Outside opinions sought regarding proposed rule
amendments governing housing of animals and
suspension of license and proposed new rules
regarding unprofessional conduct and establishing
minimum standards of practice 243

State Grants

Corrections Department

Funds available for services to sexual assault victims 243

Education Department

Funds available for model language program 244

Minnesota Housing Finance Agency

Funds available for multi-family blighted property
removal program 244

Human Services Department

Funds available to resettle refugee families 245

Professional, Technical & Consulting Contracts

Administration Department

Outside information sought regarding remanufacture
laser cartridges 246

Finance Department

Proposals sought for software and professional
consulting services 246

Human Services Department

Proposals sought for chemical dependency programs
for pregnant women and women with children 246

Public Safety Department

Proposals sought for a "NIDA certified laboratory to
test specimens for alcohol/drugs" 247
Proposals sought for a medical review officer to
verify laboratory test results 247

Non-State Public Contracts

Minnesota Historical Society

Bids sought for custom wood benches 248

Minnesota Self-Insurers' Security Fund

Certified public accountant services sought 248

State Contracts & Advertised Bids

Administration Department

Materials Management Division: Commodities and
requisitions open for bid 249

Print Communications Division: Typesetting,
keylining, photo prep and seps, printing, binding,
labeling and mailing contracts open for bid 252

Minnesota Rules: Amendments and Additions

NOTICE: How to Follow State Agency Rulemaking in the State Register

The *State Register* is the official source, and only complete listing, for all state agency rulemaking in its various stages. State agencies are required to publish notice of their rulemaking action in the *State Register*. Published every Monday, the *State Register* makes it easy to follow and participate in the important rulemaking process. Approximately 75 state agencies have the authority to issue rules. Each agency is assigned specific *Minnesota Rule* chapter numbers. Every odd-numbered year the *Minnesota Rules* are published. This is a ten-volume bound collection of all adopted rules in effect at the time. Supplements are published to update this set of rules. Proposed and adopted emergency rules do not appear in this set because of their short-term nature, but are published in the *State Register*.

If an agency seeks outside opinion before issuing new rules or rule amendments, it must publish a NOTICE OF INTENT TO SOLICIT OUTSIDE OPINION in the *Official Notices* section of the *State Register*. When rules are first drafted, state agencies publish them as **Proposed Rules**, along with a notice of hearing, or notice of intent to adopt rules without a hearing in the case of noncontroversial rules. This notice asks for comment on the rules as proposed. Proposed emergency rules and withdrawn proposed rules are also published in the *State Register*. After proposed rules have gone through the comment period, and have been rewritten into their final form, they again appear in the *State Register* as **Adopted Rules**. These final adopted rules are not printed in their entirety in the *State Register*, only the changes made since their publication as Proposed Rules. To see the full rule, as adopted and in effect, a person simply needs two issues of the *State Register*, the issue the rule appeared in as proposed, and later as adopted. For a more detailed description of the rulemaking process, see the *Minnesota Guidebook to State Agency Services*.

The *State Register* features partial and cumulative listings of rules in this section on the following schedule: issues 1-13 inclusive; issues 14-25 inclusive; issue 26, cumulative for issues 1-26; issues 27-38 inclusive; issue 39, cumulative for 1-39; issues 40-51 inclusive; and issue 52, cumulative for 1-52. An annual subject matter index for rules appears in August. For copies of the *State Register*, a subscription, the annual index, the *Minnesota Rules* or the *Minnesota Guidebook to State Agency Services*, contact the Print Communications Division, 117 University Avenue, St. Paul, MN 55155 (612) 297-3000 or toll-free in Minnesota 1-800-9747.

Issues 1-5 inclusive Vol. 17

Minnesota State Agricultural Society—Minnesota State Fair

S.F. 1.16 (adopted) 62

Agriculture Department

1502.0027 (proposed) 133

1509.0010; .0020; .0030; .0040; .0050 (proposed) 138

Commerce Department

2720.0100; .0350; .0400; .0500; .0600; .1100; .1200;
.1300; .1500; .1600; .1700; .2000; .9910; .9920; .9930;
.9940 (proposed) 178

2720.0100 s.3,4 (proposed repealer) 192

2808.0100; .1000; .1100; .1200; .1300; .1400; .1500;
.1600; .1700; .2000; .2100; .2200; .3000; .3100; .3200;
.3300; .4000; .4100; .4200; .5000; .5100; .5200; .5300;
.5400; .5500; .5600; .6000; .7000; .7100; .7200; .7300;
.7400 (proposed) 192

2808.3000 s.3a; 2808.3000 s.7 (proposed repealer) 218

Dentistry Board

3100.2000 (proposed) 37

Electricity Board

3800.3520; .3620 (adopted) 139

Environmental Quality Board

4410.0200; .4300; .8000; 4420.0010; .0015;
.0020; .0025; .0030; .0035; .0040; .0045; .0050; .0055;
.0060; .0070 (adopted) 139

Technical Colleges Board

3700.0470 (proposed) 5

3515.5500 s.9 (proposed repealer) 6

Health Department

4615.0300; .0400; .0500; .0600; .0700; .0750; .0755;
.0760 (proposed) 85

4615.0755 (repealer) 88

4640.0200; 4655.0300; 4665.0400; 4735.0200 (withdrawn) 146

4643.0010; .0015; .0020; .0030; .0040 (proposed) 134

4665.9000; .9010; .9020; .9030; .9040; .9050; .9060;
.9070; .9080; .9090; .9100 (adopted) 6

4665.1320 (repealed) 7

Public Safety Department

7510.5500; .5520; .5530; .5540; .5550; .5560; .5570 (proposed) 219

Labor and Industry Department

5205.0010 (adopted) 228

Pollution Control Agency

7050.0216 (adopted) 230

Public Safety Department

7510.5500; .5510; .5520; .5530; .5540; .5550; .5560; .5570
(withdrawn) 235

Minnesota Racing Commission

7869.0100; 7870.0180; .0190; .0200; .0210; .0220; .0221;
.0240; .0250; .0260; .0270; .0280; .0290; .0300; .0310;
.0320; .0330; .0340; .0350; .0360; .0370; .0380; .0390;
.0400; .0410; .0420; .0430; .0450; .0470; .0500; .0510;
7871.0005; .0010; .0020; .0030; .0080; .0100; .0110;
.0115; .0120; .0130; .0140; .0160; 7873.0110; .0120;
.0190; .0198; .0400; 7874.0100; 7875.0100; .0200;
7877.0100; .0110; .0155; 7878.0100; .0110; .0160;
7879.0100; 7897.0100; .0130 (adopted) 7

7869.0100 19, 33a, and 65a; 7870.0500 s.6,7,8,9, and 10
and 22; 7871.0010 s.2; 7871.0020 s.1; 7871.0070; .0090;
.0150; 7873.0120 s.2; 7873.0300 (repealed) 8

State Retirement System

7905.0900; .1400; .1700; .1900; .2300 (adopted) 8

Revenue Department

8017.6000 (adopted) 95

8017.7000 (proposed) 225

Secretary of State

8200.6300; 8205.1000; 8210.0200; .0250; .3000;
.3015; .9910; .9916; .9917; .9918; .9920; .9930; .9935;
8220.1150; .1650; 8230.0250; .3950; .4050; .4350;
8235.0200; .0800; 8240.1300; .1650; .1655;
8250.0350; .0360 (adopted) 8

Water and Soil Resources Board

8410.0010; .0020; .0030; .0040; .0050; .0060; .0070;
.0080; .0090; .0100; .0110; .0120; .0130; .0140; .0150;
.0160; .0170; .0180 (adopted) 146

Transportation Regulation Board

8920.0100; .0150; .0200; .0300; .0400; .0500; .0600;
.0700; .0800; .0900; .1000; .1100; .1200; .1300; .1400;
.1500; .1550; .1600; .1700; .1800; .1900; .2000; .2100;
.2200; .2300; .2400; .2500; .2600; .2700; .2800; .2900;
.3000; .3100; .3200; .3300; .3400; .3500; .3600; .3700;
.3800; .3900; .4000 (adopted) 95

Human Services Department

9520.0900; .0902; .0903; .0904; .0905; .0906; .0907;
.0908; .0909; .0910; .0912; .0914; .0916; .0917; .0918;
.0919; .0920; .0922; .0923; .0924; .0926 (proposed) 38
9505.0476; .0477; .0478; .0479; .0480; .0481; .0482; .0483;
.0484; .0485; .0486; .0487; .0488; .0489; .0490; and .0491
s.1,2,3,4,5,6,9,10 (proposed repealer) 51

9505.0175; .0260; .0322; .0323 (proposed) 51
9505.0260 s. 4; .0323 s. 22; .0476; .0477; .0478; .0479;
.0480; .0481; .0482; .0483; .0484; .0485; .0486; .0487;
.0488; .0489; .0490; .0491 s.1,2,3,4,5,6,9, and
10 (proposed repealer) 58
9505.0324 (proposed) 58
9535.1700; .1705; .1710; .1715; .1720; .1725; .1730; .1735;
.1740; .1745; .1750; .1755; .1760 (proposed) 88
9535.0100; .0200; .0300; .0400; .0500; .0600; .0700; .0800;
.0900; .1000; .1100; .1200; .1300; .1400; .1500; .1600
(proposed repealer) 95

For Real Estate Professionals:

REAL ESTATE RULES 1991

Chapters 2800, 2805, and 2810 from the Minnesota Rules. *Essential* for both students and established brokers and salespersons. It contains all education and licensing requirements. Code No. 3-99. \$6.00

REAL ESTATE LAWS 1990

Includes all the changes made by the 1990 State Legislature. Complete and up-to-date. Code No. 2-92. \$8.00.



TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. **Prices are subject to change.** FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.



Morel: Minnesota's mushroom

The Mushroom Hunter's Field Guide. An all-color guide by Alexander Smith and Nancy Smith Weber with clear and orderly facts, explicit pictures and scientific accuracy. Stock #9-10, \$16.95.

Edible Mushrooms, a classic guide to safe mushrooms, describes 60 species in detail, with photographs (many in color) to show each in its natural habitat. Advice to amateur mushroom hunters. Paperbound, 118 pp. Code #19-11, \$12.95.

Malfred Ferndock's Morel Cookbook, brim full of morel lore, interesting and tall tales, recounts of the hunt, and many savory recipes. Spiral bound, 117 pgs., black & white photos and drawings. Code #19-83, \$8.50.

Northland Wildflowers, the perfect mushroomers companion. An excellent guide for identification and enjoyment of wildflowers, with 308 color photographs and descriptions of 300 species. Paperbound. 236 pp. Code #19-9, \$16.95.

TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. **Prices are subject to change.** FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Proposed Rules

Pursuant to Minn. Stat. §§ 14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing, as long as the agency determines that the rules will be noncontroversial in nature. The agency must first publish a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. The notice must advise the public:

1. that they have 30 days in which to submit comment on the proposed rules;
2. that no public hearing will be held unless 25 or more persons make a written request for a hearing within the 30-day comment period;
3. of the manner in which persons shall request a hearing on the proposed rules; and
4. that the rule may be modified if the modifications are supported by the data and views submitted.

If, during the 30-day comment period, 25 or more persons submit to the agency a written request for a hearing of the proposed rules, the agency must proceed under the provisions of §§ 14.14-14.20, which state that if an agency decides to hold a public hearing, it must publish a notice of intent in the *State Register*.

Pursuant to Minn. Stat. §§ 14.29 and 14.30, agencies may propose emergency rules under certain circumstances. Proposed emergency rules are published in the *State Register* and, for at least 25 days thereafter, interested persons may submit data and views in writing to the proposing agency.

Department of Commerce

Proposed Permanent Rules Relating to Insurance Holding Company Systems

Notice of Intent to Adopt a Rule Without a Public Hearing

NOTICE IS HEREBY GIVEN that the Department of Commerce intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in *Minnesota Statutes*, Sections 14.22 to 14.28. The statutory authority to adopt the rule is *Minnesota Statute* Section § 45.023 and Section § 60D.23.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the department will proceed pursuant to *Minnesota Statutes* Section 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted on or before September 3, 1992 to:

Donna M. Watz
Staff Attorney
Minnesota Department of Commerce
133 East Seventh Street
St. Paul, Minnesota 55101
(612) 297-1118

The proposed rule may be modified if the modifications are supported by data and views submitted to the agency and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available upon request from Donna M. Watz, Staff Attorney, at the above-mentioned address.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Donna M. Watz, Staff Attorney at the above-referenced address.

Dated: 13 July 1992

Bert J. McKasy
Commissioner of Commerce

Rules as Proposed
2720.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in these rules For the purposes of this chapter, the terms defined herein ~~shall in this part~~ have the meanings ascribed to given them; and the terms defined in Laws of Minnesota 1971, chapter 288, section 1 shall have the meanings ascribed to them therein, unless the context of usage clearly indicates otherwise. ~~Other nomenclature or terminology is according to the meanings given in the laws of this state relating to insurance or according to insurance industry usage, if not defined in the laws of this state.~~

Subp. 2. **Acquisition filing statement.** "Acquisition filing statement" means the statement that must be filed prior to the acquisition of control or an attempt to acquire control, as specified in Minnesota Statutes, section 2 of the act 60D.17.

Subp. 3. [See repealer.]

Subp. 4. [See repealer.]

Subp. 5. **Executive officer.** "Executive officer" means any individual charged with active management and control in an executive capacity of a person, whether incorporated or unincorporated, including a ~~president, vice president~~ a chief executive officer, chief operating officer, chief financial officer, treasurer, secretary, controller, and any other individual performing functions corresponding to those performed by the foregoing officers under any title.

[For text of subp 6, see M.R.]

Subp. 7. **Registration statement.** "Registration statement" means the statement that must be filed pursuant to Minnesota Statutes, section 3 of the act 60D.19.

Subp. 8. **Ultimate holding company controlling person.** "Ultimate ~~holding company~~ controlling person" means that ~~company~~ person within an insurance holding company system that is not controlled by any other ~~company~~ person; provided, however, that if the commissioner so determines, the ultimate ~~holding company~~ in a particular insurance holding company system ~~controlling person~~ shall be the ~~company that the commissioner determines to be the affiliated person concerning about~~ which the disclosures required hereunder would be most meaningful and would best serve to effectuate the purposes of the act Minnesota Statutes, chapter 60D.

2720.0350 SEVERABILITY CLAUSE.

If any provision of this chapter or the application of it to any person or circumstance is held invalid, the determination shall not affect other provisions or applications of these rules which can be given effect without the invalid provision or application and to that end, the provisions of these rules are severable.

2720.0400 APPROVAL OF ACQUISITION OF CONTROL.

The commissioner may order a public hearing prior to approval of an acquisition of control, but ~~such~~ the hearing is not mandatory prior to approval except as provided in Minnesota Statutes, chapter 60D.

2720.0500 EXTRAORDINARY DIVIDENDS AND OTHER DISTRIBUTIONS.

Subpart 1. Format for request. Requests for approval of extraordinary dividends or any other extraordinary distribution to shareholders shall include the following:

A. the amount of the proposed dividend;

B. the date established for payment of the dividend;

~~B. C.~~ a statement as to whether the dividend is to be in cash or other property and, if in property, a description thereof, its cost, and its fair market value, together with an explanation of the basis for valuation;

~~C. D.~~ a copy of the calculations determining that the proposed dividend is extraordinary. The work paper must include the following information:

(1) the amounts and dates and form of payment of all dividends or distributions, (including regular dividends) but excluding distributions of the insurer's own securities, paid within the period of 12 consecutive months ending on the date fixed for payment of the proposed dividend for which approval is sought and commencing on the day after the same day of the same month in the last preceding year;

(2) surplus as regards policyholders, or total capital and surplus, as of the preceding December 31;

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

(3) if the insurer is a life insurer, the net gain from operations for the 12-month period ending on the preceding December 31;

(4) if the insurer is not a life insurer, the net income less realized capital gains for the 12-month period ending on the preceding December 31 and the two preceding 12-month periods; and

(5) if the insurer is not a life insurer, the dividends paid to stockholders excluding distributions of the insurer's own securities in the preceding two calendar years;

~~D. E.~~ a balance sheet and statement of income for the period intervening from the last annual statement filed with the commissioner and the end of the month preceding the month in which the request for dividend approval is submitted; and

~~E. F.~~ a brief statement as to the effect of the proposed dividend upon the insurer's surplus and the reasonableness of surplus in relation to the insurer's outstanding liabilities and the adequacy of surplus relative to the insurer's financial needs.

Subp. 2. Report of distributions. Subject to Minnesota Statutes, section 60D.20, subdivision 2, each registered insurer shall report to the commissioner all dividends and other distributions to shareholders within 15 business days following the declaration of them, including the same information required by subpart 1, item D, subitems (4) and (5).

2720.0600 ADEQUACY OF SURPLUS.

The factors set forth ~~in the act, under~~ Minnesota Statutes, section 4 60D.20, subdivision 2 4, are not intended to be an exhaustive list. In determining the adequacy and reasonableness of an insurer's surplus no single factor shall be controlling. The commissioner, instead, will consider the net effect of all of these factors plus other factors bearing on the financial condition of the insurer. In comparing the surplus maintained by other insurers, the commissioner will consider the extent to which each of these factors varies from company to company, and in determining the quality and liquidity of investments in subsidiaries the commissioner will consider the individual subsidiary and may discount or disallow its valuation to the extent that the individual investments so warrant.

2720.1100 FORMS.

~~Part~~ The forms described in parts 2720.9910, form A, acquisition filing statement and part 2720.9920, form B, registration statement, to 2720.9940 are merely intended to be guides in the preparation of the statements required by the act Minnesota Statutes, chapter 60D, and are not intended to be blank forms to be filled in. The statements filed shall contain the numbers and captions of all items, but the text of the items may be omitted provided the answers thereto are ~~so~~ prepared in such a manner as to indicate to the reader the scope and coverage of the items without the necessity of ~~his~~ referring to the text of the items or the instructions thereto. All instructions, whether appearing under the items of the form or elsewhere thereon, are to be omitted. Unless expressly provided otherwise, if any item is inapplicable or the answer thereto is in the negative, an appropriate statement to that effect shall be made.

Two complete copies of each form or statement, including exhibits and all other papers and documents filed as a part ~~thereof~~ of the form or the statement, shall be filed with the commissioner by personal delivery or mail addressed to: the Commissioner of Commerce, State of Minnesota, Metro Square Building, Saint Paul, Minnesota 55101. A copy of form C, part 2720.9930, shall be filed in each state in which an insurer is authorized to do business if the commissioner of that state has notified the insurer of its request in writing, in which case, the insurer has 30 days from receipt of the notice to file the form. At least one of the copies shall be manually signed in the manner prescribed on the form. Unsigned copies shall be conformed. If the signature of any person is affixed pursuant to a power of attorney or other similar authority, a copy of such power of attorney or other authority shall be filed with the statement.

Statements should be prepared on paper 8-1/2 inches by 11 inches ~~or 8-1/2 inches by 13 inches~~ in size and preferably bound at the top or the top left-hand corner. Exhibits and financial statements, unless specifically prepared for the filing, may be submitted in their original size. All copies of any statement, financial statements, or exhibits shall be clear, easily readable, and suitable for photocopying. Debits in credit categories and credits in debit categories shall be designated so as to be clearly distinguishable as such on photocopies. Statements shall be in the English language and monetary values shall be stated in United States currency. If any exhibit or other paper or document filed with the statement is in a foreign language, it shall be accompanied by a translation into the English language, and any monetary value normally shown in a foreign currency ~~normally~~ shall be converted into United States currency.

2720.1200 INCORPORATIONS BY REFERENCE, SUMMARIES, AND OMISSIONS.

Information required by any item of ~~form A, part the forms described in parts 2720.9910, or form B, part 2720.9920, to 2720.9940~~ may be incorporated by reference in answer or partial answer to any other item. Information contained in any financial statement, annual report, proxy statement, statement filed with a governmental authority, or any other document may be incorporated by reference in answer or partial answer to any item of ~~either form these forms~~, provided such the document or paper is filed as an exhibit to the statement. Excerpts of documents may be filed as exhibits if the documents are extensive. Documents already on file with the commissioner which were filed within three years need not be attached as exhibits. References to information contained in exhibits or in documents already on file shall clearly identify the material, the date of filing, and shall specifically indicate that such material is to be incorporated by reference in the answer to the item. ~~Matter~~ Information shall not be incorporated by reference in any case where ~~such the~~ incorporation would render the statement incomplete, unclear, or confusing.

Where an item requires a summary or outline of the provisions of any document, only a brief statement shall be made as to the most important provisions of the document. In addition to such statement, the summary or outline may incorporate by reference particular parts of any exhibit or document on file with the commissioner and may be qualified in its entirety by such reference. ~~In any case where two or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, the dates of execution, or other details, a copy of only one of such documents need be filed with a schedule identifying the omitted documents and setting forth the material details in which such documents differ from the documents a copy of which is filed.~~

2720.1300 INFORMATION UNKNOWN OR UNAVAILABLE.

[For text of subpart 1, see M.R.]

Subp. 2. **Extension of time.** If it is impractical to furnish any required information, document, or report at the time it is required to be filed, ~~there may be filed with the commissioner as a separate document an application may be filed~~ identifying the information, document, or report in question; stating why the filing thereof at the time required is impractical; and requesting an extension of time to a specified date for filing the information, document, or report to a specified date. The application request for extension of time shall be deemed granted unless the commissioner, within ~~ten~~ 30 days after receipt thereof, ~~shall enter of the request, enters~~ an order denying the application request for extension of time.

2720.1400 ADDITIONAL INFORMATION AND EXHIBITS.

In addition to the information expressly required to be included in the statements ~~by these rules, there shall be added such under parts 2720.9910 to 2720.9940, further material information, if any, shall be added~~ as may be necessary to ~~make the information contained therein not clarify and eliminate any misleading information in the documents filed.~~ The person filing may also file ~~such~~ exhibits as ~~it may desire~~ in addition to those expressly required by the statement. ~~Such Additional~~ exhibits shall be ~~so marked as to~~ indicate clearly the subject matters to which they refer.

2720.1500 AMENDMENTS.

Any amendment ~~for either form shall to the forms or statements required under parts 2720.9910 to 2720.9940 must~~ include on the top of the cover page the phrase: "Amendment No. _____ to" and ~~shall must~~ indicate the date of the amendment and not the date of the original filing.

2720.1600 ACQUISITION FILING STATEMENT.

Subpart 1. **Statement required.** A person required to file a statement ~~pursuant to the act under Minnesota Statutes, section 2 60D.17, shall must~~ furnish the ~~required information as provided in required by these rules and in, specifically including the information on form A, part 2720.9910 in particular.~~

Subp. 2. **Amendments.** The applicant ~~shall promptly must, within one business day of the change, advise the commissioner of any changes in the information so furnished arising subsequent to which occur after the date upon which such the information was furnished but prior to before the commissioner's disposition of the application.~~

Subp. 3. **Securities Acquisition of other than domestic insurer insurers.** If the ~~voting securities person~~ being acquired ~~have been issued by a person other than the is deemed to be a "domestic insurer," solely because of Minnesota Statutes, section 60D.18, the name of the "domestic insurer" on the cover page should be indicated as follows: "ABC Insurance Company, a subsidiary of XYZ Holding Company"; and all references to "the insurer" contained in form A, part 2720.9910, shall refer to both the domestic subsidiary insurer and the person whose voting securities are being acquired.~~

2720.1700 ANNUAL REGISTRATION OF INSURERS; STATEMENT; FILING.

Subpart 1. **Statement required.** An insurer required to file ~~a an annual registration statement pursuant to the act Minnesota Statutes, section 3 60D.19, and these rules this chapter shall furnish the required information as provided in these rules and in part 2720.9910 in particular on form B, part 2720.9920.~~

Subp. 2. Summary of registration. An insurer required to file an annual registration statement pursuant to Minnesota Statutes, section 60D.19, is also required to furnish information required on form C, part 2720.9930. An insurer must file a completed copy of form C in each state in which the insurer is authorized to do business, if requested by the commissioner of that state.

Subp. 2- 3. Amendments. An amendment to ~~the statement required in subpart 1 shall form B must~~ be filed within 15 days after the end of any month in which the following occurs: there is a change in the control of the registrant, in which case the entire statement

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

shall be made current; or there is a material change in the information required by part 2720.9920, item 5 or 6 provided in the annual registration statement.

An amendment to the statement Amendments shall be filed within 120 days after the end of each fiscal year of the ultimate holding company. Such amendment shall make current all information in the statement in the form B, part 2720.9920 format with only those items which are being amended reported. Each amendment shall include at the top of the cover page "Amendment No. _____ to Form B" and shall indicate the date of the change, not the date of the original filings.

Subp. 3-4. **Alternative and consolidated registrations.** Alternatives and consolidated registrations:

A. Any authorized insurer may file a registration statement on behalf of any affiliated insurer or insurers required to register under the act Minnesota Statutes, section 3 60D.19. A registration statement may include information not required by Minnesota Statutes, chapter 60D, regarding any insurer in the insurance holding company system even if such the insurer is not authorized to do business in this state. In lieu of filing a registration statement as prescribed in form B, part 2720.9920, the authorized insurer may file a copy of the registration statement or similar report that it is required to file in its state of domicile; provided the statement or report contains substantially similar information required to be furnished by part 2720.9920 and the filing insurer is the principal insurance company in the insurance holding company system.

[For text of items B and C, see M.R.]

D. Any insurer may take advantage of the provisions of the act Minnesota Statutes, section 3 60D.19, subdivision 6 8 or 7 9, without obtaining the prior approval of the commissioner. The commissioner, however, reserves the right to require individual filings if he deems such the commissioner considers the filings necessary in the interest of clarity, ease of administration, or the public good.

E. The state of entry of an alien insurer shall be deemed to be its domiciliary state for the purposes of Minnesota Statutes, section 3 of the act 60D.19.

2720.2000 TRANSACTIONS SUBJECT TO PRIOR NOTICE.

An insurer required to give notice of a proposed transaction pursuant to Minnesota Statutes, section 60D.20, shall furnish the required information on form D, part 2720.9940.

2720.9910 FORM A; ACQUISITION FILING STATEMENT.

FORM A

STATEMENT REGARDING THE ACQUISITION OF CONTROL OF A DOMESTIC INSURER

Name of Domestic Insurer

BY

Name of Acquiring Person (Applicant)

Filed with the Insurance Minnesota Department of _____ (State of domicile of insurer being acquired)
Commerce

Dated: _____, 19 _____

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

FORM A

ITEM 1. INSURER AND METHOD OF ACQUISITION

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) State the name and address of the applicant seeking to acquire control over the insurer.

(b) If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

(c) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. No affiliate need be identified if its total assets are equal to less than one-half of one percent of the total assets of the ultimate ~~holding company~~ controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. — corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceedings ~~looking toward~~ involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

State the following with respect to (1) the applicant if ~~he~~ the applicant is an individual or (2) all persons who are directors, executive officers or owners of ten percent or more of the voting securities of the applicant if the applicant is not an individual:

(a) Name and business address;

(b) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;

(c) Material occupations, positions, offices or employment during the last five years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith.

(d) ~~Whether or not such person~~ the individual ~~has ever been convicted in a~~ or is currently charged with any criminal proceeding (excluding offense other than minor traffic violations) during the last past ten years and, if so, give the date, (if so, explain); whether the individual or any company for which the individual was then acting as an officer or director has been the subject of any inquiry or investigation by any state agency, administrative body, or law enforcement unit and the results of these proceedings (this includes inquiries or investigations which may have begun after the individual ceased acting as an officer or director but which pertain to the time period during which the individual was acting as an officer or director); and whether the individual has ever been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty, or breach of contract. If any of the provisions of this subdivision apply to the individual or company described in the filing, please give a detailed explanation, including dates, nature of conviction the investigation or proceeding, name names and location of court courts, and penalty penalties imposed or other disposition of the case.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

(a) Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds, or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

(b) Explain the criteria used in determining the nature and amount of such consideration.

(c) If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity to remain confidential, he must specifically request that the identity be kept confidential.

ITEM 5. FUTURE PLANS ~~FOR OF~~ INSURER

Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate such insurer, to sell its assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OR THE INSURER

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any persons listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom such contracts, arrangements or understandings have been entered into.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in such description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefor. State whether any such shares so purchased are hypothecated.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender, and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements and exhibits shall be attached to this statement as an appendix, but list under this item all the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the persons identified in Item 2 (c) for the preceding five fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis, or, unless the Commissioner otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(c) File as exhibits copies of, or a statement fully describing, all tender offers for, requests or invitations for, tenders of, exchange orders for and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto; and proposed employment, consultation, advisory or management contracts concerning the insurer; annual reports to the stockholders of the insurer and the applicant for the last two fiscal years; and any additional documents or papers required by form A or parts 2720.1100 and 2720.1300.

ITEM 13. SIGNATURE AND CERTIFICATION

Signature and certification of the following form:

SIGNATURE

Pursuant to the requirements of Minnesota Statutes, section 2 of the act 60D.17, and ~~part parts~~ parts 2720.1100 and 2720.1600, subpart



Proposed Rules

ITEM 1. IDENTITY AND CONTROL OF REGISTRANT

Furnish the exact name of each insurer registering or being registered (hereinafter called "the Registrant"), the home office address and principal executive offices of each; the date on which each Registrant became part of the insurance holding company system; and the method(s) by which control of each Registrant was acquired and is maintained.

ITEM 2. ORGANIZATIONAL CHART

Furnish a chart or listing clearly presenting the identities of and interrelationships among all affiliated persons within the insurance holding company system. No affiliate need be shown if its total assets are equal to less than one-half of one percent of the total assets of the ultimate ~~holding company~~ controlling person within the insurance holding company system, unless it has assets valued at or exceeding \$250,000. The chart or listing should show the percentage of each class of voting securities of each affiliate which is owned, directly or indirectly, by another affiliate. If control of any person within the system is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. — trust, partnership, corporation) and the state or other jurisdiction of domicile.

ITEM 3. THE ULTIMATE ~~HOLDING COMPANY~~ CONTROLLING PERSON

As to the ultimate ~~holding company~~ controlling person in the insurance holding company system furnish the following information;

- (a) name;
- (b) home office address;
- (c) principal executive office address;
- (d) the organization structure of the ~~company~~ person, i.e., corporation, partnership, individual, or trust; etc.;
- (e) the principal business of the ~~company~~ person;
- (f) the name and address of any person who holds or owns ten percent or more of any class of voting security, the class of such security, the number of shares held of record or known to be beneficially owned, and the percentage of class so held or owned; and
- (g) If court proceedings looking toward involving a reorganization or liquidation are pending, indicate the title and location of the court, the nature of proceedings, and the date when commenced.

ITEM 4. BIOGRAPHICAL INFORMATION

Furnish the following information for the directors and executive officers of the ultimate ~~holding company~~ controlling person: the individual's name and address; his; the principal occupation and all offices and positions held by this individual during the past five years; and any conviction of crimes; whether the individual has been convicted of or is currently charged with any criminal offense other than minor traffic violations during the past ten years- (if so, explain); whether the individual or any company for which the individual was then acting as an officer or director has been the subject of any inquiry or investigation by any state agency, administrative body, or law enforcement unit and the results of these proceedings (this includes inquiries or investigations which may have begun after the individual ceased acting as an officer or director but which pertain to the time period during which the individual was acting as an officer or director); and whether the individual has ever been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty, or breach of contract. If any of the provisions of this subdivision apply to the individual or company described in the filing, please give a detailed explanation, including dates, nature of the investigation or proceeding, names and location of courts, and penalties imposed or other disposition of the case.

ITEM 5. TRANSACTIONS, RELATIONSHIPS, AND AGREEMENTS

(a) Briefly describe the following agreements in force, relationships subsisting, and transactions currently outstanding or which have occurred during the last calendar year between the Registrant and its affiliates:

- (1) loans, other investments, or purchases, sales or exchanges of securities of the affiliates by the Registrant or of the Registrant by its affiliates;
- (2) purchases, sales, or exchanges of assets;
- (3) transactions not in the ordinary course of business;
- (4) guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the Registrant's assets to liability, other than insurance contracts entered into in the ordinary course of the Registrant's business;

(5) all management and service contracts and all cost-sharing arrangements; ~~other than cost allocation arrangements based upon generally accepted accounting principles; and~~

(6) reinsurance agreements ~~covering all or substantially all of one or more lines of insurance of the ceding company;~~

(7) dividends and other distributions to shareholders;

(8) consolidated tax allocation agreements; and

(9) any pledge of the registrant's stock and/or of the stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance company holding system.

No information need be disclosed if the commissioner determines that such information is not material for purposes of Minnesota Statutes, section 60D.19. Sales, purchases, exchanges, loans, or extensions of credit ~~or~~ investments, or guarantees involving one-half of one percent or less of the registrant's admitted assets as of the ~~31st day of preceding~~ December ~~next preceding~~ 31 shall not be deemed material.

The description shall be in a manner as to permit the proper evaluation thereof by the commissioner, and shall include at least the following: the nature and purpose of the transaction; the nature and amounts of any payments or transfers of assets between the parties; the identity of all parties to such transactions; and the relationship of the affiliated parties to the Registrant.

ITEM 6. LITIGATION OR ADMINISTRATIVE PROCEEDINGS

A brief description of any litigation or administrative proceedings of the following types, either then pending or concluded within the preceding fiscal year, to which the ultimate ~~holding company~~ controlling person or any of its directors or executive officers was a party or of which the property of any such person is or was the subject; give the names of the parties and the court or agency in which such litigation or proceeding is or was pending:

(a) Criminal prosecutions or administrative proceedings by any government agency or authority which may be relevant to the trustworthiness of any party thereto; and

(b) Proceedings which may have a material effect upon the solvency or capital structure of the ultimate holding company including, but not necessarily limited to, bankruptcy, receivership, or other corporate reorganizations.

ITEM 7. STATEMENT REGARDING PLAN OR SERIES OF TRANSACTIONS

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions, the purpose of which is to avoid statutory threshold amounts and the review that might otherwise occur.

ITEM 8. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements and exhibits should be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the ultimate ~~holding company~~ controlling person in the insurance holding company system as of the end of the person's latest fiscal year.

If at the time of the initial registration, the annual financial statements for the latest fiscal year are not available, annual statements for the previous fiscal year may be filed and similar financial information shall be filed for any subsequent period to the extent such information is available. Such financial statements may be prepared on either an individual basis, or unless the commissioner otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

Unless the commissioner otherwise permits, the annual financial statements shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the ultimate ~~holding company~~ controlling person and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the ultimate ~~holding company~~ controlling person is an insurer which is actively engaged in the business of insurance, the annual financial statements need not be certified, provided they are based on the annual statement of such insurer filed with the insurance department of the insurer's domiciliary state and are in accordance with requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(c) Exhibits shall include copies of the latest annual reports to shareholders of the ultimate ~~holding company~~ controlling person and

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

proxy material used by the ultimate ~~holding company~~ controlling person; and any additional documents or papers required by this part or part 2720.1100 or 2720.1300.

ITEM 9. FORM C REQUIRED

A Form C, Summary of Registration Statement, must be prepared and filed with this Form B.

SIGNATURES

Signatures and certification of the form as follows:

SIGNATURE

Pursuant to the requirements of Minnesota Statutes, section 3 of the act 60D.19, and part 2720.1700, subpart 1, the Registrant has caused this registration statement to be duly signed on its behalf in the City of _____ and State of _____, on the _____ day of _____, 19 ____.

(SEAL)

(Name of Registrant)

By _____

(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that ~~he the undersigned~~ has duly executed the attached registration statement dated _____, 19 _____, for and on behalf of _____ (Name of Company); that ~~he the undersigned~~ is the _____ (Title of Officer) of such company, and that ~~he the undersigned~~ has authority to execute and file such instrument. Deponent further says that ~~he the deponent~~ is familiar with such instrument and that the facts therein set forth are true to the best of ~~his the undersigned's~~ knowledge, information, and belief.

(Signature) _____

(Type or print name beneath) _____

Rules as proposed (all new material)

2720.9930 FORM C; REGISTRATION SUMMARY STATEMENT.

FORM C

SUMMARY OF REGISTRATION STATEMENT

Filed with the Insurance Department of the State of _____

By _____

Name of Registrant

On behalf of Following Insurance Companies

Name

Address

Date: _____, 19 ____

Proposed Rules

Name, Title, Address, and Telephone Number of Individual to Whom Notices and Correspondence Concerning This Statement Should Be Addressed:

Furnish a brief description of all items in the current annual registration statement which represent changes from the prior year's annual registration statement. The description shall be in a manner as to permit the proper evaluation thereof by the Commissioner, and shall include specific references to Item numbers in the annual registration statement and to the terms contained therein.

Changes occurring under Item 2 of Form B insofar as changes in the percentage of each class of voting securities held by each affiliate is concerned, need only be included where such changes are ones which result in ownership or holdings of ten percent or more of voting securities, loss or transfer of control, or acquisition or loss of partnership interest.

Changes occurring under Item 4 of Form B need only be included where: an individual is, for the first time, made a director or executive officer of the ultimate controlling person; a director or executive officer terminates responsibilities with the ultimate controlling person; or an individual is named president of the ultimate controlling person.

If a transaction disclosed on the prior year's annual registration statement has been changed, the nature of such change shall be included. If a transaction disclosed on the prior year's annual registration statement has been effectuated, furnish the mode of completion and any flow of funds between affiliates resulting from the transaction.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions whose purpose it is to avoid statutory threshold amounts and the review that might otherwise occur.

SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of *Minnesota Statutes*, section 60D.19, the registrant has caused this summary of registration statement to be duly signed on its behalf in the City of _____ and State of _____, on the _____ day of _____, 19 ____.

(SEAL) _____
(Name of Registrant)

By _____
(Name) (Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that the undersigned has duly executed the attached summary of registration statement dated _____, 19 _____, for and on behalf of _____ (Name of Company); that the undersigned is the _____ (Title of Officer) of such company, and that the undersigned is authorized to execute and file such instrument. Deponent further says that the deponent is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of the undersigned's knowledge, information, and belief.

(Signature) _____

(Type or print name beneath) _____

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

2720.9940 FORM D; TRANSACTION NOTICE.

FORM D

PRIOR NOTICE OF A TRANSACTION

Filed with the Insurance Department of the State of _____

By _____

Name of Registrant

On behalf of Following Insurance Companies

Name

Address

Date: _____, 19 ____

Name, Title, Address, and Telephone Number of Individual to Whom Notices and Correspondence Concerning This Statement Should Be Addressed:

ITEM 1. IDENTITY OF PARTIES TO TRANSACTION

Furnish the following information for each of the parties to the transaction:

- (a) name;
- (b) home office address;
- (c) principal executive office address;
- (d) the organizational structure, i.e. corporation, partnership, individual, or trust;
- (e) a description of the nature of the parties' business operations;

(f) relationship, if any, of other parties to the transaction to the insurer filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer seeking approval, or by the insurer filing the notice in the affiliated parties; and

(g) where the transaction is with a nonaffiliate, the names of the affiliates which will receive, in whole or in substantial part, the proceeds of the transaction.

ITEM 2. DESCRIPTION OF TRANSACTION

Furnish the following information for each transaction for which notice is being given:

- (a) a statement as to whether notice is being given under *Minnesota Statutes*, section 60D.20;
- (b) a statement of the nature of the transaction; and
- (c) the proposed effective date of the transaction.

ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES, OR INVESTMENTS

Furnish a brief description of the amount and source of funds, securities, property, or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, or investment, whether any provision exists for purchase by the insurer filing notice, by any party to the transaction, or by any affiliate of the insurer filing notice, a description of the terms of any securities being received, if any, and a description of any other agreements relating to the transaction such as contracts or agreements for services and consulting agreements. If the transaction involves other than cash, furnish a description of the consideration, its cost, and its fair market value, together with an explanation of the basis for evaluation.

If the transaction involves a loan, extension of credit, or a guarantee, furnish a description of the maximum amount which the insurer will be obligated to make available under the loan, extension of credit, or guarantee, the date on which the credit or guarantee will terminate, and any provisions for the accrual of or deferral of interest.

If the transaction involves an investment, guarantee, or other arrangement, state the time period during which the investment, guarantee, or other arrangement will remain in effect, together with any provisions for extensions or renewals of the investments, guarantees, or arrangements. Furnish a brief statement as to the effect of the transaction on the insurer's surplus.

No notice need be given if the maximum amount which can at any time be outstanding or for which the insurer can be legally obligated under the loan, extension of credit, or guarantee is less than: (a) in the case of a nonlife insurer, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders, or (b) in the case of a life insurer, three percent of the insurer's admitted assets, each as of the preceding December 31.

ITEM 4. LOANS OR EXTENSIONS OF CREDIT TO A NONAFFILIATE

If the transaction involves a loan or extension of credit to any person who is not an affiliate, furnish a brief description of the agreement or understanding whereby the proceeds of the proposed transaction, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase the assets of, or to make investments in any affiliate of the insurer making the loans or extensions of credit, and specify in what manner the proceeds are to be used to loan to, extend credit to, purchase assets of, or make investments in any affiliate. Describe the amount and source of funds, securities, property, or other consideration for the loan or extension of credit and, if the transaction is one involving consideration other than cash, a description of its cost and its fair market value, together with an explanation of the basis for evaluation. Furnish a brief statement as to the effect of the transaction on the insurer's surplus.

No notice need be given if the loan or extension of credit is one which equals less than, in the case of a nonlife insurer, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders or, with respect to life insurers, three percent of the insurer's admitted assets, each as of the preceding December 31.

ITEM 5. REINSURANCE

If the transaction is a reinsurance agreement or modification to the agreement, as described by *Minnesota Statutes*, section 60D.20, subdivision 1, paragraph (b), clause (3), furnish a description of the known and/or estimated amount of liability to be ceded and/or assumed in each calendar year, the period of time during which the agreement will be in effect, and a statement whether an agreement or understanding exists between the insurer and nonaffiliate to the effect that any portion of the assets constituting the consideration for the agreement will be transferred to one or more of the insurer's affiliates. Furnish a brief description of the consideration involved in the transaction, and a brief statement as to the effect of the transaction on the insurer's surplus.

No notice need be given for reinsurance agreements or modifications to the agreement if the reinsurance premium or a change in the insurer's liabilities in connection with the reinsurance agreement or modification to the agreement is less than five percent of the insurer's surplus as regards policyholders, as of the preceding December 31.

ITEM 6. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS, AND COST-SHARING ARRANGEMENTS

(a) For management and service agreements, furnish:

(1) a brief description of the managerial responsibilities, or services to be performed; and

(2) a brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for compensation and the terms under which payment or compensation is to be made.

(b) For cost-sharing arrangements, furnish:

(1) a brief description of the purpose of the agreement;

(2) a description of the period of time during which the agreement is to be in effect;

(3) a brief description of each party's expenses or costs covered by the agreement; and

(4) a brief description of the accounting basis to be used in calculating each party's costs under the agreement.

ITEM 7. SIGNATURE AND CERTIFICATION

Signature and certification are required as follows:

SIGNATURE

Pursuant to *Minnesota Statutes*, section 60D.20, _____ (Applicant) has caused this notice to be duly signed on its behalf in the City of _____ and State of _____, on the _____ day of _____, 19 ____.

Proposed Rules

(SEAL) _____

(Name of Applicant)

By _____

(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that the undersigned has duly executed the attached notice dated _____, 19 __, for and on behalf of _____ (Name of Applicant); that the undersigned is the _____ (Title of Officer) of the company, and that the undersigned is authorized to execute and file the instrument. Deponent further says that the deponent is familiar with the instrument and the contents of the instrument, and that the facts in the instrument set forth are true to the best of the undersigned's knowledge, information, and belief.

(Signature) _____

(Type or print name beneath) _____

REPEALER. *Minnesota Rules*, part 2720.0100, subparts 3 and 4, are repealed.

Department of Commerce

Proposed Permanent Rules Relating to Real Estate Appraiser Licensing and Education

Notice of Intent to Adopt a Rule Without a Public Hearing

NOTICE IS HEREBY GIVEN that the Department of Commerce intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in *Minnesota Statutes*, Sections 14.22 to 14.28. The statutory authority to adopt the rule is *Minnesota Statute* Sections 45.023, 82B.13, and 82B.19.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the department will proceed pursuant to *Minnesota Statutes* Section 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted on or before September 3, 1992 to:

Donna M. Watz
Staff Attorney
Minnesota Department of Commerce
133 East Seventh Street
St. Paul, Minnesota 55101
(612) 297-1118

The proposed rule may be modified if the modifications are supported by data and views submitted to the agency and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available upon request from Donna M. Watz, Staff Attorney, at the above-referenced address.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Donna M. Watz, Staff Attorney at the above-referenced address.

Dated: 13 July 1992

Bert J. McKasy
Commissioner of Commerce

Rules as Proposed (all new material)

2808.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Applicant.** "Applicant" means an individual who has applied to the commissioner of commerce pursuant to *Minnesota Statutes*, chapter 82B, for a license as a real estate appraiser.

Subp. 3. **Appraisal foundation or foundation.** "Appraisal foundation" or "foundation" means the appraisal foundation established on November 30, 1987, as a nonprofit corporation under the laws of Illinois.

Subp. 4. **Appraisal standards board.** "Appraisal standards board" means the independent board of the appraisal foundation responsible for promulgation of minimum appraisal standards for federally related transactions.

Subp. 5. **Appraiser qualifications board.** "Appraiser qualifications board" means the independent board of the appraiser foundation responsible for promulgation of qualification criteria for licensure of real estate appraisers authorized to conduct appraisals on federally related transactions, and for issuing or endorsing a uniform state real estate appraiser qualification examination.

Subp. 6. **Certified federal residential real property appraiser.** "Certified federal residential real property appraiser" means an individual licensed under *Minnesota Statutes*, section 82B.11, to perform appraisals on one- to four-family residential units or agricultural property regardless of transaction value or complexity.

Subp. 7. **Certified federal general real property appraiser.** "Certified federal general real property appraiser" means an individual licensed under *Minnesota Statutes*, section 82B.11, to perform appraisals on all types of real property.

Subp. 8. **Classroom hour.** "Classroom hour" means 60 minutes out of each 60-minute segment.

Subp. 9. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subp. 10. **Coordinator.** "Coordinator" means an individual who is responsible for monitoring real estate appraisal education offerings.

Subp. 11. **Federal appraisal subcommittee.** "Federal appraisal subcommittee" means the appraisal subcommittee of the Federal Financial Institutions Examinations Council as set forth under *United States Code*, title 12, sections 3301 et. seq.

Subp. 12. **Federal financial institutions regulatory agency.** "Federal financial institutions regulatory agency" means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, or the National Credit Union Administration.

Subp. 13. **Federal residential real property appraiser.** "Federal residential real property appraiser" means an individual licensed under *Minnesota Statutes*, section 82B.11, to perform appraisals on noncomplex one- to four-family residential units or agricultural property having a transactional value of less than \$1,000,000 and complex one- to four-family residential units or agricultural property having a transactional value of less than \$250,000.

Subp. 14. **Federally related transaction.** "Federally related transaction" means any real estate-related financial transaction that a federal financial institutions regulatory agency or the federal Resolution Trust Corporation engages in, contracts for, or regulates; and that requires the services of a licensed or certified real estate appraiser.

Subp. 15. **Foundation appraisal organization.** "Foundation appraisal organization" means a member private appraisal trade organization of the appraisal foundation including, but not limited to, the following: American Institute of Real Estate Appraisers, American Society of Appraisers, American Society of Farm Managers and Rural Appraisers, International Association of Assessing

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Officers, International Right of Way Association, National Association of Independent Fee Appraisers, National Society of Real Estate Appraisers, or Society of Real Estate Appraisers.

Subp. 16. **Instructor.** "Instructor" means an individual lecturing in a real estate appraisal education offering.

Subp. 17. **Person.** "Person" means a natural person, firm, institution, partnership, corporation, or association.

Subp. 18. **Real estate appraiser or real property appraiser.** "Real estate appraiser" or "real property appraiser" means a person who develops and communicates appraisals on real property and holds a current, valid license issued under *Minnesota Statutes*, chapter 82B.

Subp. 19. **Real estate-related financial transaction.** "Real estate-related financial transaction" means any transaction involving the sale, lease, purchase, investment in, or exchange of real property, including interests in property, or the financing thereof; the refinancing of real property or interests in real property; and the use of real property or interests in property as security for a loan or investments, including mortgage-backed securities.

Subp. 20. **Sponsor.** "Sponsor" means a person offering or providing real estate appraisal education.

Subp. 21. **State real property appraiser.** "State real property appraiser" means an individual licensed under *Minnesota Statutes*, section 82B.11, to perform appraisals on residential real property or agricultural acreage which does not require a net income capitalization analysis under the uniform standards of professional appraisal practice.

LICENSING

2808.1000 PAYMENT OF FEES.

Subpart 1. **Cash not accepted.** All fees shall be paid by check, draft, or other negotiable or nonnegotiable instrument or order of withdrawal that is drawn against funds held by a financial institution. Cash will not be accepted.

Subp. 2. **Overpayment of fees.** An overpayment of a fee paid pursuant to *Minnesota Statutes*, chapter 82B, shall be refunded within a reasonable time after a letter requesting the refund is received by the commissioner and signed by the person making the overpayment.

Refunds shall not be given other than for overpayment of fees. A request for a refund of an overpayment must be received by the commissioner within six months of the date of deposit or it will be forfeited.

Subp. 3. **Fees to federal appraisal subcommittee.** In addition to the fees required for licensure under *Minnesota Statutes*, section 82B.09, the commissioner shall collect and remit such other fees as are required by the federal appraisal subcommittee.

2808.1100 LICENSE.

Subpart 1. **Application for real estate appraiser license.** After successful completion of the appropriate prelicensing education requirements and real estate appraiser licensing examination, an individual shall have one year from the date of the examination to apply for a real estate appraiser license. Application shall be on forms prescribed by the commissioner.

Failure to apply for a license will require reexamination.

Subp. 2. **Cancellation of license.** A real estate appraiser's license shall be canceled by the commissioner for failure of a licensee to complete continuing education requirements. In this case, the license must be returned to the commissioner within ten days of receipt of notice of cancellation.

Subp. 3. **Reinstatement of license.** Within two years of a license cancellation, a person who was previously licensed may reinstate the license without examination by completing the required application, paying the required fee for a new license application, and reporting successful completion of all outstanding continuing education requirements for the period during which the license was canceled. The license shall be reinstated without reexamination by completing the required instruction, filing an application, and paying the fee for the license within two years of the cancellation date.

2808.1200 CHANGE OF INFORMATION; NOTICE TO COMMISSIONER.

A licensee must notify the commissioner in writing of any change in the information contained in the license application no later than ten days after the change.

2808.1300 NONRESIDENT APPOINTMENT OF COMMISSIONER FOR SERVICE OF PROCESS.

Subpart 1. **Requirement for appointment.** Each real estate license applicant who is a nonresident of the state shall appoint the commissioner to serve as attorney for the applicant upon whom may be served all legal process in any action or proceeding to which that person may be a party and which relates to or involves any transaction governed by *Minnesota Statutes*, chapter 82B.

Subp. 2. **Form for consent to service of process.** The form for appointment of the commissioner as attorney for service of process shall be as provided in this subpart.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

LICENSING UNIT

133 East Seventh Street

Saint Paul, Minnesota 55101

INDIVIDUAL APPOINTMENT OF ATTORNEY FOR

SERVICE OF PROCESS

KNOW ALL PERSONS BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, , a nonresident, does hereby appoint the Commissioner of Commerce of the State of Minnesota, successor or successors in office as his/her true and lawful attorney upon whom may be served all legal process in any action or proceeding in which he/she may be a party and which relates to or involves any transaction covered by *Minnesota Statutes*, chapter 82B, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon him/her and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, I have hereunto set my hand this day of , 19

STATE OF)

COUNTY OF) SS.

On this day of , 19 , personally appeared before me, a notary public in and for said County and State, , to me known to be the person described in and who executed the foregoing instrument and who, being by me first sworn, acknowledged that he/she executed the same as his/her free act and deed.

Notary Public, County

(NOTARIAL SEAL) My Commission expires

2808.1400 WITHDRAWAL OF LICENSE OR APPLICATION.

A licensee or license applicant may at any time file with the commissioner a request to withdraw from the status of licensee or to withdraw a pending license application. Withdrawal from the status of licensee or withdrawal of the license application becomes effective upon receipt by the commissioner unless a revocation, suspension, or denial proceeding is pending when the request to withdraw is filed or a proceeding to revoke, suspend, deny, or to impose conditions upon the withdrawal is instituted within 30 days after the request to withdraw is filed. If a proceeding is pending or instituted, withdrawal becomes effective at the time and upon the conditions the commissioner by order determines. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the commissioner shall institute a revocation or suspension proceeding within one year after withdrawal became effective and enter a revocation or suspension order as of the last date on which the license was in effect.

2808.1500 FAILURE TO RENEW LICENSE.

If a license lapses or becomes ineffective due to the licensee's failure to timely file a renewal application and the licensee continues to conduct business for which a license is required, the commissioner shall institute a revocation or suspension proceeding within two years after the license was last effective and enter a revocation or suspension order as of the last date on which the license was in effect.

2808.1600 REVOCATIONS.

If the commissioner finds that any licensee or applicant is no longer in existence or has ceased to do business as a real estate appraiser or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the commissioner may by order revoke the license or deny the application of that person.

2808.1700 COURSE COMPLETION CERTIFICATES FOR REAL ESTATE APPRAISER LICENSE.

Subpart 1. **Submitting to commissioner.** Applicants for a real estate appraiser license shall submit to the commissioner, along with their application for licensure, a copy of the course completion certificate for all required precursing education coursework applicable to the class of license sought.

Subp. 2. **Forms.** The real estate appraiser precursing education course completion certificate must be on forms provided by the commissioner.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Subp. 3. **Copies to be maintained.** Students are responsible for maintaining copies of course completion certificates.

EXAMINATION AND EXPERIENCE

2808.2000 PASSING GRADE FOR EXAMINATION.

A passing grade for a real estate appraiser licensing examination shall be a score of 75 percent or higher.

The commissioner shall not accept the scores of a person who has cheated on an examination. Cheating on a real estate appraiser examination shall be grounds for denying an application for an appraiser's license.

2808.2100 EXAMINATION REQUIREMENTS.

Subpart 1. **State real property appraiser examination.** To qualify for a license as a state real property appraiser, an applicant must pass a current uniform state residential real property appraiser (Level I) examination approved by the appraiser qualifications board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in *Minnesota Statutes*, section 82B.12, and part 2808.7000.

Subp. 2. **Federal residential real property appraiser examination.** To qualify for a license as a federal residential real property appraiser, an applicant must pass a current uniform state residential real estate appraiser (Level I) examination approved by the appraiser qualifications board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in *Minnesota Statutes*, section 82B.12, and part 2808.7000.

Subp. 3. **Certified federal residential real property appraiser examination.** To qualify for a license as a certified federal residential real property appraiser, an applicant must pass a current uniform state residential real estate appraiser (Level I) examination approved by the appraiser qualifications board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in *Minnesota Statutes*, section 82B.12, and part 2808.7000.

Subp. 4. **Certified federal general real property appraiser examination.** To qualify for a license as a certified federal general real property appraiser, an applicant must pass a current uniform state general real estate appraiser (Level II) examination approved by the appraiser qualifications board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in *Minnesota Statutes*, section 82B.12, and part 2808.7100.

2808.2200 EXPERIENCE REQUIREMENTS.

Subpart 1. **Verification of experience.** Each applicant for licensure as a real estate appraiser who is required to provide evidence of experience before licensing shall do so by affidavit on forms and in a manner prescribed by the commissioner.

Subp. 2. **Acceptable appraisal experience.** Acceptable appraisal experience includes, but is not limited to, fee and staff appraisal, ad valorem tax appraisal, review appraisal, appraisal analysis, real estate counseling, highest and best use analysis, feasibility analysis and study, and teaching appraisal courses. Teachers may request credit for either the classroom hour or experience requirement, but not both.

Subp. 3. **Education may not substitute.** Education, other than teaching, may not substitute for experience.

Subp. 4. **One year equivalent.** For purposes of this part, 1,000 cumulative hours constitutes one year of appraisal experience.

Subp. 5. **State real property appraiser.** To be eligible for licensure as a state real property appraiser, an applicant need not demonstrate evidence of experience in real estate appraising.

Subp. 6. **Federal residential real property appraiser.** To be eligible for licensure as a federal residential real property appraiser, an applicant must provide the commissioner with evidence of at least two years of experience in real estate appraising.

Subp. 7. **Certified federal residential real property appraiser.** To be eligible for licensure as a certified federal residential real property appraiser, an applicant must provide the commissioner with evidence of at least two years of experience in real estate appraising.

Subp. 8. **Certified federal general real property appraiser.** To be eligible for licensure as a certified federal general real property appraiser, an applicant must provide the commissioner with evidence of at least two years of experience in real estate appraising. At least 50 percent, or 1,000 hours, must be in nonresidential appraisal work.

PRELICENSING EDUCATION

2808.3000 PRELICENSURE EDUCATION REQUIREMENTS.

Subpart 1. **State real property appraiser.** To qualify for a license as a state real property appraiser, an applicant must provide evidence to the commissioner of successful completion of an approved course of prelicense education consisting of 60 classroom hours of instruction in appraisal principles and appraisal practices and 15 classroom hours of instruction in appraisal ethics and the uniform standards of professional appraisal practice. Applicants for licensure must demonstrate that their education involved coverage of all topics listed in part 2808.7200.

Subp. 2. **Federal residential real property appraiser.** To qualify for a license as a federal residential real property appraiser, an applicant must provide evidence to the commissioner of successful completion of an approved course of prelicense education consisting of 60 classroom hours of instruction in appraisal principles and appraisal practices and 15 classroom hours of instruction in appraisal ethics and the uniform standards of professional appraisal practice. Applicants for licensure must demonstrate that their education involved coverage of all topics listed in part 2808.7200.

Each applicant is required to successfully complete all required coursework prior to taking a licensing examination.

Subp. 3. **Certified federal residential real property appraiser.** To qualify for a license as a certified federal residential real property appraiser, an applicant must provide evidence to the commissioner of successful completion of an approved course of prelicensing education consisting of 165 classroom hours of instruction in appraisal principles and appraisal practices, and include, at least, 15 classroom hours of instruction in appraisal ethics and the uniform standards of professional appraisal practice. Applicants for licensure must demonstrate that their education involved particular emphasis on the appraisal of one- to four-family residential units and included coverage of all topics listed in part 2808.7300.

Each applicant is required to successfully complete all required coursework prior to taking a licensing examination.

Subp. 3a. **Education requirement prior to January 1, 1994.** Prior to January 1, 1994, an approved course of prelicensing education for licensure as a certified federal residential real property appraiser shall consist of 105 classroom hours of instruction in appraisal principles and appraisal practices, and include, at least, 15 classroom hours of instruction in appraisal ethics and the uniform standards of professional appraisal practice. Applicants for licensure must demonstrate that their education involved an emphasis on the appraisal of one- to four-family residential units and included coverage of the topics listed in part 2808.7300.

Each applicant is required to successfully complete all required coursework prior to taking a licensing examination.

Subp. 4. **Certified federal general real property appraiser.** To qualify for a license as a certified federal general real property appraiser, an applicant must provide evidence to the commissioner of successful completion of an approved course of prelicensing education consisting of 165 classroom hours of instruction in appraisal principles and appraisal practices, and include, at least, 15 hours of instruction in appraisal ethics and the uniform standard of professional appraisal practice. Applicants must demonstrate that their education involved an emphasis on the appraisal of nonresidential properties and included coverage of the topics listed in part 2808.7400.

Each applicant is required to successfully complete all required coursework prior to taking a licensing examination.

Subp. 5. **Approval of course offerings.** Sponsors must submit their courses to the commissioner for approval at least 30 days prior to the date on which the course is to be held. Each application for approval of the instructor unless the instructor has already been approved. Applications must be submitted on forms prescribed by the commissioner.

Subp. 6. **Approval of subsequent offerings.** If approval has been granted for the initial offering of a course, approval for subsequent offerings shall be granted without requiring a new application if a "Notice of Subsequent Offering" is filed with the commissioner at least 30 days in advance of the date the course is to be held.

Subp. 7. **Approval of courses not submitted for approval.** Licensees may receive credit for courses attended which have not been submitted for approval by a coordinator. Requests for approval of these courses must be submitted on forms prescribed by the commissioner.

Subp. 8. **Successful completion of prelicensing education.** Successful completion of prelicensing education requires full-time classroom attendance throughout the course, completion of required assignments or reading materials, and passage of a written examination designated by the sponsor that is sufficiently comprehensive to measure the student's knowledge of all aspects of the course.

Subp. 9. **Additional course content.** Prelicensing courses may include coverage of subject matter not prescribed in this part; however, the subject matter must be presented in addition to, and may not be substituted for, the course content or hours specified in this part.

Subp. 10. **Textbooks.** Each real estate appraiser prelicensing course must require the use of a text or other written materials. Texts and materials must be approved by the commissioner prior to initiation of the course. The commissioner may also require the use of additional materials as appropriate to assure thorough coverage of the topic areas prescribed in this part.

Subp. 11. **Prelicensing education courses; access.** All prelicensing education course offerings shall be open to any interested individual. Access may be restricted by the sponsor based on class size only, not by membership in any group or on any other basis.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Subp. 12. **Fees.** Fees for courses shall be reasonable and clearly identified to students.

Reasonable discounts of tuition may be offered on the basis approved by the department in the course approval.

If a course is postponed for any reason, students shall be given the choice of attending the course at a later date or having their tuition refunded in full. The fees must be refunded within ten days of postponement unless the student has notified the sponsor that the student has chosen to attend the later course.

If a course is canceled for any reason, all fees shall be promptly refunded within ten days of cancellation.

A sponsor may have a refund policy addressing cancellation by students or student failure to complete a course, so long as the policy is clear to potential students.

Subp. 13. **Adequate facilities to be used.** Each course of study shall be conducted in a classroom or other facility that is conducive to learning and is adequate to comfortably accommodate the faculty and the number of students enrolled. The sponsor may limit the number of students enrolled in a course. Approved courses shall not be held on the premises of a real estate brokerage, appraisal firm, franchise, or affiliate thereof.

Subp. 14. **Limitation on use toward continuing education.** Prelicensing education courses may not be taken for credit toward continuing education requirements unless the student is currently licensed as a real estate appraiser and has not taken the same prelicensing education course within the prior five-year period.

2808.3100 CERTIFICATION OF COURSE COMPLETION.

Subpart 1. **Forms.** Applicants for real estate appraiser licensure must provide evidence of successful completion of all required prelicensing instruction at the time of license application.

Certification of successful course completion of prelicensing education must be provided on forms prescribed by the commissioner.

Subp. 2. **Certification after completion.** A certificate of prelicensing education course completion issued prior to the last scheduled class meeting for the course will not be accepted by the commissioner.

Subp. 3. **Records maintained.** Sponsors of real estate appraiser prelicensing education courses must maintain copies of all applicants' grades and attendance records on file for five years from the beginning date of the courses.

Grade and attendance records must be made available to the commissioner upon request.

Subp. 4. **Examinations maintained.** Sponsors of real estate appraiser prelicensing education courses must maintain a master copy of each course examination, answer key, course date, and instructor's name on file for two years from the date of completion of the course.

Examination files must be made available to the commissioner upon request.

2808.3200 PRELICENSING EDUCATION COORDINATORS.

Each course of real estate appraisal licensing education must have at least one coordinator, approved by the commissioner, who is responsible for supervising the education program and assuring compliance with the statutes and rules governing the offering of real estate appraisal education courses.

Part 2808.4100 constitutes the general requirements for real estate appraiser prelicensing education coordinators.

2808.3300 PRELICENSING EDUCATION INSTRUCTORS.

Subpart 1. **General requirement.** Each course of real estate appraisal prelicensing education must be taught by an instructor, approved by the commissioner, who is qualified by education, training, or experience to assure competent instruction. Failure to have only approved instructors teach at an approved prelicensing education offering will result in loss of course approval. If, after approval of a course, the instructor named in the application for course approval is unable to teach the course and there is insufficient time to obtain approval of a substitute instructor, credit for the parts of a course taught by an unapproved instructor may be obtained if the requirements in items A and B are met.

A. Within 15 business days after the course is taught by an unapproved instructor, a request for approval of the instructor is filed with the department. The request must be made on forms prescribed by the commissioner.

B. Notice of the use of an unapproved instructor must be given to all enrollees as soon as that fact is known and again prior to the commencement of the course. The notice must state that an instructor for this course is not an approved instructor as required by the Department of Commerce. If approval is not obtained:

(1) no credit may be earned for the course;

(2) a full refund will be given if the enrollee decides not to attend the course; and

(3) if the enrollee does attend the course and does not earn credit for the course, a refund will be automatically made. The refund will be made when the department's determination is made as to the disapproval of the substitute instructor.

Subp. 2. **Instructor qualifications.** To qualify for approval by the commissioner, an instructor must meet the requirements in items A and B.

A. An instructor who teaches preclicensing education to persons seeking licensure as either state real property appraisers or federal residential real property appraisers must have completed 75 classroom hours of real estate appraiser education, have two years of full-time experience as a real estate appraiser within the preceding seven years, and be licensed as a real estate appraiser.

B. An instructor who teaches preclicensing education to persons seeking licensure as either certified residential real property appraisers or certified federal general real property appraisers must have completed 165 classroom hours of real estate appraiser education, have five years of full-time experience as a real estate appraiser within the previous seven years with at least 50 percent of the experience being in income property appraising, and be licensed as a certified residential real property appraiser or a certified federal general real property appraiser.

Subp. 3. **Responsibilities.** Approved instructors must:

- A. comply with all laws and rules pertaining to real estate appraiser preclicensing education;
- B. provide students with current and accurate information;
- C. maintain an atmosphere conducive to learning in a classroom; and
- D. provide assistance to the students and respond to questions relating to course material.

Subp. 4. **Waiver.** The commissioner may approve as an instructor an individual who through education, training, or experience possesses qualifications equivalent to those required by this part.

REAL ESTATE APPRAISER CONTINUING EDUCATION

2808.4000 GENERAL CONTINUING EDUCATION REQUIREMENTS.

Subpart 1. **Continuing education requirements.** To be eligible for continuous licensing, each real estate appraiser licensee is required to successfully complete 15 classroom hours of continuing education within the 12-month period immediately preceding license renewal.

Subp. 2. **Courses approved for continuing education credit.** Only courses which impart substantive and procedural knowledge relating to the real estate appraisal field will be approved for credit. The burden of demonstrating that courses impart substantive or procedural knowledge in the real estate appraisal field is on the person seeking approval or credit.

Credit will be granted for educational offerings that cover the real estate-related appraisal topics in part 2808.7400.

Subp. 3. **Courses not approved for continuing education.** Courses that include the following topics will not be approved for continuing education credit:

- A. courses designed to prepare students for a license examination, except as permitted by part 2808.3000, subpart 14;
- B. courses in mechanical office or business skills, including typing, speed-reading, or use of calculators or other machines or equipment;
- C. courses in sales promotion, including meetings held in conjunction with the general business of the licensee;
- D. courses in motivation, salesmanship, psychology, time management, or communication;
- E. courses related to office management or intended to improve the operation of the licensee's business;
- F. courses that can be completed by the student at home or outside the classroom without the supervision of an instructor approved by the Department of Commerce; or
- G. courses that do not otherwise offer substantive or procedural knowledge in the field of real estate appraisal as determined by the Department of Commerce.

Subp. 4. **Approval of course offerings.** Sponsors must submit their courses to the commissioner for approval at least 30 days before the date on which the course is to be held. Each application for approval of a course offering must be accompanied by the application for approval of the instructor unless the instructor has already been approved. Applications must be submitted on forms prescribed by the commissioner.

Subp. 5. **Approval of subsequent offerings.** If approval has been granted for the initial offering of a course, approval for subsequent

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

offerings shall be granted without requiring a new application if a "Notice of Subsequent Offering" is filed with the commissioner at least 30 days in advance of the date the course is to be held.

Subp. 6. **Approval of continuing education courses not submitted for approval.** Licensees may receive continuing education credit for courses attended which have not been submitted for approval by a coordinator. Requests for approval of these courses must be submitted on forms prescribed by the commissioner.

Subp. 7. **Credit hours.** Credit toward satisfaction of continuing education requirements will only be granted where course offerings are at least one-half hour in length. The number of hours approved will only include time spent on educational activities.

Continuing education courses must be attended in their entirety in order for a licensee to receive full credit. Sponsors may not issue certificates of completion to students who have not attended a continuing education course in its entirety. Proportional credit may not be given for partial attendance at a continuing education course. Certificates of completion, however, may be issued to students who have completed the entire course even if the student did so by attending more than one offering of the course.

Upon completion of approved courses, students shall receive credit for the number of hours approved for the course based on one hour of credit for each classroom hour of attendance.

The approved instructor for a continuing education course shall earn 1-1/2 hours of continuing education credit for each classroom hour of instruction of approved continuing education courses.

Neither students nor instructors may earn continuing education credit for attending or instructing at any subsequent offering of the same continuing education course for three years after attending or teaching the course.

Subp. 8. **Examinations.** Course examinations will not be required for continuing education courses unless the sponsor requires an examination.

Subp. 9. **Textbooks.** Textbooks are not required for real estate appraiser continuing education courses. If textbooks are not used, students must be provided with a syllabus containing, at a minimum, the course title, the times and dates of the course offering, the names and addresses or telephone numbers of the course coordinator and instructor, and a detailed outline of the subject matter to be covered. A textbook or syllabus must be available for the use of each student during the course. Any printed material disbursed to the students must be of a readable quality. Any textbook required must contain accurate and current information relating to the subject being taught.

Subp. 10. **Continuing education courses; access.** Continuing education course offerings must be open to any interested individuals. Access may be restricted by the sponsor based on class size only, not on membership in any group or on any other basis.

Subp. 11. **Fees.** Fees for courses shall be reasonable and clearly identified to students.

Reasonable discounts of tuition may be offered.

If a course is canceled for any reason, all fees shall be promptly refunded within ten days of cancellation.

If a course is postponed for any reason, students shall be given the choice of attending the course at a later date or having their tuition refunded in full. Fees must be refunded within ten days of postponement unless the student has notified the sponsor that the student has chosen to attend the later course.

A sponsor may have a refund policy addressing cancellation by students or a student's failure to complete a course, as long as that policy is clear to potential students.

Subp. 12. **Adequate facility to be used.** Each course of study shall be conducted in a classroom or other facility that is conducive to learning and adequate to comfortably accommodate the faculty and the number of students enrolled. The sponsor may limit the number of students enrolled in a course. Approved courses shall not be held on the premises of a real estate brokerage, appraisal firm, franchise, or an affiliate thereof.

Subp. 13. **National examination preparatory course.** Courses offered in preparation for a recognized national appraisal organization accreditation examination shall be assigned continuing education credit hours in the same manner as other courses.

Subp. 14. **Extensions.** Upon appropriate showing of a bona fide financial or medical hardship, the commissioner shall extend, for up to 90 days, the time period during which the continuing education must be successfully completed. Loss of income from either attendance at courses or cancellation of a license is not a bona fide financial hardship.

Requests for extensions must be submitted in writing no later than June 1 of the year due and shall include an explanation with verification of the hardship, plus verification of enrollment at an approved course of study.

Subp. 15. **Waiver of continuing education classroom requirement.** If a licensee provides satisfactory documentation to the commissioner that the licensee is unable, and will continue to be unable, to attend actual classroom course work because of a physical handicap, medical condition, or similar reason, classroom attendance at continuing education courses shall be waived for a period not to exceed one year.

The commissioner shall require that the individual read a sufficient number of real estate appraisal textbooks or listen to a sufficient number of real estate appraisal-related tapes as would be necessary for the licensee to satisfy the licensee's educational credit hour needs. The commissioner shall award the licensee credit hours for reading books or listening to tapes by determining how many credit hours would be granted to a classroom course involving the same material and giving the licensee the same number of credit hours.

The licensee may apply each year for a new waiver upon the same terms and conditions as were necessary to secure the original waiver. The commissioner may request the documentation of the condition upon which the request for waiver is based as shall be necessary to satisfy the commissioner of the existence of the condition and that the condition does preclude attendance at continuing education courses.

2808.4100 CONTINUING EDUCATION COURSE COORDINATOR.

Subpart 1. **General requirement.** Each course of study shall have at least one coordinator, approved by the commissioner, who is responsible for supervising the program and assuring compliance with the statutes and rules governing the offering of real estate appraiser education courses. Assistants may be hired by the sponsor; however, the approved coordinator remains responsible for compliance with the laws.

Subp. 2. **Qualifications.** Course coordinators shall possess one of the following qualifications:

- A. a minimum of five years of experience during the immediately preceding five-year period as a full-time real estate appraiser;
- B. at least three years of practical experience during the immediately preceding five-year period in the administration of an education program; or
- C. a degree in education plus at least two years of practical real estate appraisal experience during the immediately preceding five-year period.

Subp. 3. **Applications; forms.** Applications for coordinator approval shall be submitted on forms prescribed by the commissioner.

Subp. 4. **Responsibilities.** The coordinator must:

- A. assure compliance with all laws and rules pertaining to real estate appraiser education;
- B. notify the commissioner of any material change in applications for course or instructor approval;
- C. assure that students are provided with current and accurate information;
- D. supervise and evaluate courses and instructors. The commissioner may request written evaluations of courses and/or instructors either by students or coordinators;
- E. investigate written complaints relating to course offerings and/or instructors, and forward a copy of the written complaints to the Department of Commerce;
- F. maintain accurate records relating to course offerings, instructors, and student attendance for a period of five years from the date the course was completed. If the coordinator leaves the employ of the sponsor, the records must be turned over to the replacement coordinator or an officer of the sponsor. If a sponsor ceases operation, the coordinator is responsible for maintaining the records or providing a custodian of the records acceptable to the commissioner. In order to be acceptable, custodians must agree to make copies of student records available to students at a reasonable fee. Under no circumstances will the commissioner act as custodian of the records;
- G. be available to instructors and students throughout the course offerings, and provide the name of the coordinator and a telephone number at which the coordinator can be reached; and
- H. provide students with a course completion certificate, on a form prescribed by the commissioner, within 30 days of completion of the course. However, a coordinator may require payment of the course tuition as a condition for receiving the course completion certificate.

2808.4200 CONTINUING EDUCATION INSTRUCTORS.

Subpart 1. **General requirements.** Each course of real estate appraiser continuing education must be taught by an instructor who is qualified by education, training, or experience to ensure competent instruction. Failure to have only approved instructors teach at an approved continuing education offering will result in loss of course approval.

If, after approval of a course, the instructor named in the application for course approval is unable to teach the course and there is

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

insufficient time to obtain approval of a substitute instructor, proportional credit will be given for those parts of the course taught by approved instructors.

Credit for the parts of a course taught by an unapproved instructor may be obtained if the requirements in items A and B are met.

A. Within 15 business days after the course is taught by an unapproved instructor, a request for approval of the instructor is filed with the department. The request must be made on forms prescribed by the commissioner.

B. Notice of the use of an unapproved instructor must be given to all enrollees as soon as that fact is known and again prior to the commencement of the course. The notice must state that an instructor for this course is not an approved instructor as required by the Department of Commerce. If approval is not obtained:

(1) no credits or fewer credit hours may be earned for the course than the course was originally approved for;

(2) a full refund will be given if the enrollee decides not to attend the course;

(3) if the enrollee does attend the course and does not earn the number of credit hours for which the course was originally approved, a refund will automatically be made in proportion to the reduction in credit hours earned. The refund will be paid when the department's determination is made as to the approval of the substitute instructor.

Subp. 2. **Instructor qualifications.** The provisions in items A to D apply to the approval and qualification of continuing education instructors. Continuing education instructors must have:

A. a degree in any area plus two years of practical experience in the subject area being taught;

B. five years of practical experience in the subject area being taught;

C. a college or graduate degree in the subject area being taught; or

D. held an appraiser's license for three years or have three years of practical experience in the subject area being taught. These individuals shall also have completed at least 60 hours of approved continuing education in the subject area being taught.

Subp. 3. **Responsibilities.** Approved instructors must:

A. comply with all laws and rules pertaining to real estate appraiser continuing education;

B. provide students with current and accurate information;

C. maintain an atmosphere conducive to learning in a classroom; and

D. provide assistance to the students and respond to questions relating to course material.

Subp. 4. **Waiver.** The commissioner may approve as an instructor an individual who through education, training, or experience possesses qualifications equivalent to those required by this part.

Subp. 5. **Guest lecturers.** Guest lecturers who do not meet the requirements of subpart 2 may be used to teach up to one-third of any course, provided the guest lecturer possesses training or experience directly related to the particular subject matter covered in the course. Coordinators have the responsibility for assuring that the requirements of this subpart are met.

GENERAL REQUIREMENTS FOR PRELICENSING AND CONTINUING EDUCATION

2808.5000 ADVERTISING OF COURSES.

Subpart 1. **Truth in advertising.** Advertising of course offerings must be truthful and not deceptive or misleading. Courses may not be advertised in any manner as being approved unless approval has been granted, in writing, by the commissioner.

Subp. 2. **Approval statement.** No advertisement, pamphlet, circular, or other similar materials pertaining to an approved course offering may be circulated or distributed in this state unless one of the following statements is prominently displayed on the cover of the materials used to advertise education courses:

A. for prelicense education courses, "This course has been approved by the Minnesota Commissioner of Commerce for (number) hours of real estate appraiser prelicensing education";

B. for continuing education courses, "This course has been approved by the Minnesota Commissioner of Commerce for (number) hours of real estate appraiser continuing education."

Subp. 3. **Course hours approved.** The number of hours for which a course has been approved or for which approval is pending shall be displayed as provided in subpart 2 on any advertisement for the course. If a course offering involves attendance for a period that is longer than the number of hours of credit approved, the advertisement must clearly state that credit will not be earned for the entire course.

Subp. 4. **Advertising pending approval.** Upon submission of a request for prelicensing or continuing education course approval, a sponsor may also request permission to use the term "approval pending" in course advertisements. Upon receipt of the request, the

commissioner will grant written permission for use of the term. When used, the words "approval pending" must be clearly visible in the advertisement.

Subp. 5. **Nonapproved courses to be distinguished.** Advertising of approved courses must be clearly distinguishable from the advertisement of other nonapproved courses and services.

2808.5100 MANDATORY NOTICE TO STUDENTS.

At the beginning of each approved real estate appraiser education offering, one of the following notices, as appropriate, shall be read to the students:

A. for preclicensing education courses, "This course has been approved by the Minnesota Commissioner of Commerce for (number) hours of real estate appraiser preclicensing education credit. If you have any comments about this offering, please provide them in writing to the Commissioner of Commerce, 133 East Seventh Street, Saint Paul, Minnesota 55101"; or

B. for continuing education courses, "This course has been approved by the Minnesota Commissioner of Commerce for (number) hours of real estate appraiser continuing education credit. If you have any comments about this offering, please provide them in writing to the Commissioner of Commerce, 133 East Seventh Street, Saint Paul, Minnesota 55101."

2808.5200 EDUCATION REPORTING REQUIREMENTS.

Subpart 1. **Requirement; forms.** Real estate appraiser education credit must be reported by the licensee on forms and in a manner prescribed by the commissioner.

Forms will not be accepted unless they reflect completion of all required hours. Licensees are encouraged to submit the appropriate forms as soon as they have completed the required hours of real estate appraiser education. Incomplete forms will be returned to the licensee.

Subp. 2. **Continuing education reporting deadlines.** Forms for reporting completion of continuing education requirements must be received by the commissioner no later than August 31 of the year due.

Forms submitted between June 15 and August 31 must be accompanied by the appropriate application and fees for license renewal. Forms that are personally submitted or postmarked no later than August 1 shall be considered timely received and the licensee shall be considered to be continuously licensed regardless of whether a renewed license is issued to the licensee before August 31. Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of September 1 are unlicensed until the time the license has been issued by the commissioner and is received.

Forms submitted by mail must be addressed to Minnesota Department of Commerce, Licensing Unit, 133 East Seventh Street, Saint Paul, Minnesota 55101.

Subp. 3. **New licensees; waiver of reporting requirement.** Persons licensed for the first time on or after June 1 in any year shall not be subject to the continuing education requirements of *Minnesota Statutes*, section 82B.19, subdivision 1, until the next annual reporting period begins.

2808.5300 FALSIFICATION OF REPORTS.

A licensee or applicant found to have falsified a real estate appraiser education report to the commissioner shall be considered to have violated *Minnesota Statutes*, section 82B.13 or 82B.19, and shall be subject to suspension or revocation of the licensee's real estate appraiser license or denial of the applicant's application for licensing.

2808.5400 GENERAL POWERS OF COMMISSIONER.

Subpart 1. **Action against approval.** The commissioner may deny, censure, suspend, or revoke the approval of a coordinator, instructor, or course if any is determined not to be in compliance with the statutes or rules governing the offering of real estate appraiser education courses. The commissioner may also refuse to approve courses by specific sponsors if it is determined that past offerings have not been in compliance with real estate appraiser education laws and rules.

Subp. 2. **Right to audit.** The commissioner has the right to audit an education course offering with or without notice to the sponsor.

2808.5500 MANAGEMENT RESPONSIBILITY OF SPONSORS.

Sponsors of real estate appraisal education courses are responsible for the actions of the coordinators and instructors.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

2808.5600 PROHIBITED PRACTICES FOR SPONSORS, COORDINATORS, AND INSTRUCTORS.

Subpart 1. **Prohibitions.** In connection with an approved course, sponsors, coordinators, and instructors shall not:

- A. recommend or promote the services or practices of a particular real estate appraiser or appraisal firm, real estate brokerage, franchise, coordinator, instructor, or sponsor;
- B. encourage or recruit individuals to engage the services of, or become associated with, a particular real estate appraiser, appraisal firm, real estate brokerage, or franchise;
- C. use materials, clothing, or other evidence of affiliation with a particular real estate appraiser, appraisal firm, real estate brokerage, or franchise;
- D. require students to participate in other programs or services offered by the sponsor, coordinator, or instructor;
- E. take a Minnesota real estate appraiser licensing examination without the prior approval of the commissioner;
- F. attempt, either directly or indirectly, to discover questions or answers on a real estate appraiser licensing examination; or
- G. disseminate to any other person specific questions, problems, or information known or believed to be included in licensing examinations.

Subp. 2. **Notification of misconduct.** Coordinators and instructors must notify the commissioner within ten days after the occurrence of any of the following:

- A. a felony or gross misdemeanor conviction of or disciplinary action taken against the real estate appraiser license or other occupational license held by the coordinator or instructor, which may be grounds for denying or revoking instructor or coordinator approval; and
- B. any change of information contained in an application for approval as a coordinator or instructor.

STANDARDS OF APPRAISER CONDUCT

2808.6000 STANDARDS OF CONDUCT.

Subpart 1. **Compliance with the uniform standards of professional appraisal practice.** In addition to an act compelled or prohibited by *Minnesota Statutes*, chapter 82B, or this chapter, an appraiser must act in accordance with the standards of professional appraisal practice as defined in *Minnesota Statutes*, section 82B.02, subdivision 12.

Subp. 2. **Additional requirements.** In addition to the requirements of the standards of professional appraisal practice as defined by *Minnesota Statutes*, section 82B.02, subdivision 12, an appraiser must:

- A. disclose who has employed the appraiser;
- B. disclose who the appraisal is rendered for, if not the person who employed the appraiser;
- C. disclose the purpose of the appraisal, including an explanation of the difference between the appraisal being given and an appraisal of fee simple market valuation;
- D. disclose any conflict of interest or situation which might reasonably be perceived to be a conflict of interest which shall include, but not be limited to, the following situations:
 - (1) whether the appraiser has any ownership interest in the subject property or contiguous properties;
 - (2) whether there is an ownership interest by a spouse, parent, or child of the appraiser in the property or contiguous properties; and
 - (3) whether the appraiser has a continuing business relationship with one of the parties, for example, any part-time or full-time employment of the appraiser, spouse, children living at home, or dependent children.

Failure to promptly give notification of a conflict shall be considered a violation of the standards of professional appraisal practice;

E. disclose the appraiser's relationship with the owner of the property or the person employing the appraiser when the relationship results in more than ten percent of the appraiser's income in gross billings during the past calendar year.

The disclosures required by items D and E must be made in a fashion that allows the parties timely opportunity to require withdrawal of the appraiser and provides for employment of another appraiser;

F. disclose that the appraisal is a reevaluation and identify the areas of difference between the two appraisals and the justification for the changes;

G. disclose any facts concerning the valuation needed for loan purposes or similar information that was provided to the appraiser before or during the appraisal;

H. disclose that the appraiser has not performed appraisals of the type requested or for the type of property to be appraised

as a regular part of the appraiser's business in the preceding five-year period, provided that if the appraiser asserts qualification by training or related experience to perform the appraisal, the appraiser shall set forth the training or experience and how it is applicable to the appraisal;

I. disclose the license classification of the appraiser and the types of appraisals that the appraiser is authorized to conduct under the licensure;

J. not knowingly make any of the following unacceptable appraisal practices:

(1) include inaccurate or misleading factual data about the subject neighborhood, site, improvements, or comparable sales;
(2) fail to comment on negative factors with respect to the subject neighborhood, subject property, or proximity of the subject property to adverse influences;

(3) unless otherwise disclosed in the appraisal report, use comparables in the valuation process that the appraiser has not at least personally inspected from the exterior by driving by them;

(4) select and use inappropriate comparable sales or fail to use comparables that are physically and by location the most similar to the subject property;

(5) use data, particularly comparable sales data, that was provided by parties who have a financial interest in the sale or financing of the subject property without the appraiser's verification of the information from a disinterested source. For example, it would be inappropriate for an appraiser to use comparable sales provided by the real estate broker who is handling the sale of the subject property, unless the appraiser verifies the accuracy of the data provided through another source and makes an independent investigation to determine that the comparables provided were the best ones available;

(6) use adjustment to the comparable sales that do not reflect the market's reaction to the differences between the subject property and the comparables, or fail to make adjustments when they are clearly indicated;

(7) develop a valuation conclusion that is based either partially or completely on race, color, or national origin of either the prospective owners or occupants of the properties in the vicinity of the subject property; or

(8) develop a valuation conclusion that is not supported by available market data;

K. provide a current resume, within six months of the date it is provided, to anyone who employs the appraiser, indicating all professional degrees and licenses held by the appraiser;

L. disclose any lack of experience or training that would affect the ability of the appraiser to perform the appraisal or could cause rejection of the appraisal by the party requiring the appraisal;

M. disclose any appraisal on the same property made by the appraiser in the last three years;

N. disclose all pertinent assumptions upon which a valuation based upon income from the property is derived such as expected occupancy rates, rental rates, construction of future improvements, roads, or highways;

O. prior to performing the appraisal, disclose whether the appraiser has previously been to the property;

P. prior to performing the appraisal, view the entire property, inside and out, as well as confirm the existence of any contiguous highways, buildings, or other factors that affect the valuation of the property;

Q. reject any request by the person who has employed the appraiser that is in conflict with the requirements of Minnesota law or this chapter and withdraw from the appraisal assignment if the employing party persists in the request; and

R. disclose any other fact or circumstance that could bring the reliability of the appraisal or the impartiality of the appraiser into question.

2808.7000 NATIONAL UNIFORM EXAMINATION CONTENT OUTLINE RESIDENTIAL REAL PROPERTY APPRAISER CLASSIFICATION (1-4 Units)

	% WEIGHT	LEVEL OF DIFFICULTY
I. INFLUENCES ON REAL ESTATE VALUE	3-4%	Conceptual
A. Physical and Environmental		
B. Economic		
C. Governmental and Legal		
D. Social		

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
II. LEGAL CONSIDERATIONS IN APPRAISAL A. Real estate vs. real property B. Real property vs. personal property C. Limitations on real estate ownership <ol style="list-style-type: none"> 1. Private <ol style="list-style-type: none"> a. Deed restrictions b. Leases c. Mortgages d. Easements e. Liens f. Encroachments 2. Public <ol style="list-style-type: none"> a. Police power <ol style="list-style-type: none"> (1) Zoning (2) Building and fire codes (3) Environmental regulations b. Taxation <ol style="list-style-type: none"> (1) Property tax (2) Special assessments c. Eminent domain d. Escheat D. Legal rights and interests <ol style="list-style-type: none"> 1. Fee simple estate 2. Life estate 3. Leasehold interest 4. Leased fee interest 5. Other legal interests <ol style="list-style-type: none"> a. Easement b. Encroachment E. Forms of property ownership <ol style="list-style-type: none"> 1. Individual 2. Tenancies and undivided interests 3. Special ownership forms <ol style="list-style-type: none"> a. Condominiums b. Cooperative c. Timesharing F. Legal descriptions <ol style="list-style-type: none"> 1. Metes and bounds 2. Government survey 3. Lot and block G. Transfer of title <ol style="list-style-type: none"> 1. Basic types of deeds 2. Recordation 	6-8%	Conceptual, Definitions
III. TYPES OF VALUE A. Market Value or Value in Exchange B. Price C. Cost D. Investment Value E. Value in Use F. Assessed Value G. Insurable Value	3-5%	Conceptual, Definitions
IV. ECONOMIC PRINCIPLES A. Anticipation B. Balance	7-9%	Conceptual, Definitions

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
C. Change		
D. Competition		
E. Conformity		
F. Contribution		
G. Increasing and Decreasing Returns		
H. Substitution		
I. Supply and Demand		
J. Surplus Productivity		
V. REAL ESTATE MARKETS AND ANALYSIS	5-7%	Conceptual
A. Characteristics of real estate markets		
1. Availability of information		
2. Changes in supply vs. demand		
3. Immobility of real estate		
4. Segmented markets		
5. Regulations		
B. Absorption analysis		
1. Demographic data		
2. Competition		
3. Absorption		
4. Forecasts		
C. Role of money and capital markets		
1. Competing investments		
2. Sources of capital		
D. Real estate financing		
1. Mortgage terms and concepts		
a. Mortgagor		
b. Mortgagee		
c. Principal and Interest		
2. Mortgage payment plans		
a. Fixed rate, level payment		
b. Adjustable rate		
c. Buydown		
d. Other		
3. Types of mortgages		
a. Conventional		
b. Insured		
VI. VALUATION PROCESS	4-6%	Conceptual
A. Definition of the problem		
1. Purpose and use of appraisal		
2. Interests to be appraised		
3. Type of value to be estimated		
4. Date of the value estimate		
5. Limiting conditions		
B. Collection and analysis of data		
1. National and regional trends		
2. Economic base		
3. Local area and neighborhood		
a. Employment		

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> b. Income c. Trends d. Access e. Locational convenience 4. Site and improvements C. Analysis of highest and best use D. Application and limitations of each approach to value <ul style="list-style-type: none"> 1. Sales comparison 2. Cost 3. Income capitalization E. Reconciliation and final value estimate F. The appraisal report 		
VII. PROPERTY DESCRIPTION	2-4%	Conceptual, Definitions
<ul style="list-style-type: none"> A. Site Description <ul style="list-style-type: none"> 1. Utilities 2. Access 3. Topography 4. Size B. Improvement description <ul style="list-style-type: none"> 1. Size 2. Condition 3. Utility C. Basic construction and design <ul style="list-style-type: none"> 1. Techniques and materials <ul style="list-style-type: none"> a. Foundations b. Framing c. Finish (exterior and interior) 2. Functional utility 		
VIII. HIGHEST AND BEST USE ANALYSIS	5-7%	Conceptual, Definitions, Analysis/ Application
<ul style="list-style-type: none"> A. Four tests <ul style="list-style-type: none"> 1. Physically possible 2. Legally permitted 3. Economically feasible 4. Maximally productive B. Vacant site or as if vacant C. As improved D. Interim use 		
IX. APPRAISAL STATISTICAL CONCEPTS	1-3%	Conceptual, Analysis/ Application
<ul style="list-style-type: none"> A. Mean B. Median C. Mode D. Range E. Standard deviation 		
X. SALES COMPARISON APPROACH	21-24%	Conceptual, Definitions, Analysis/ Application
<ul style="list-style-type: none"> A. Research and selection of comparables <ul style="list-style-type: none"> 1. Data sources 2. Verification 3. Units of comparison <ul style="list-style-type: none"> a. Data sources b. Size <ul style="list-style-type: none"> (1) Square foot (2) Acres (3) Other 		

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> c. Utility (examples only) <ul style="list-style-type: none"> (1) Rooms (2) Beds (3) Other B. Elements of comparison <ul style="list-style-type: none"> 1. Property rights conveyed <ul style="list-style-type: none"> a. Leased fee/leasehold b. Easements c. Others 2. Financing terms and cash equivalency <ul style="list-style-type: none"> a. Loan payment b. Loan balance 3. Conditions of sale <ul style="list-style-type: none"> a. Arms length sale b. Personalty 4. Market conditions at time of contract and closing 5. Location 6. Physical characteristics C. Adjustment process <ul style="list-style-type: none"> 1. Sequence of adjustments 2. Dollar adjustments 3. Percentage adjustments 4. Paired sales analysis D. Application of sales comparison approach 		
XI. SITE VALUE <ul style="list-style-type: none"> A. Sales comparison B. Land residual C. Allocation D. Extraction E. Plottage and Assemblage 	4-6%	Conceptual, Definitions, Analysis/ Application
XII. COST APPROACH <ul style="list-style-type: none"> A. Steps in cost approach <ul style="list-style-type: none"> 1. Reproduction vs. replacement cost <ul style="list-style-type: none"> a. Comparative unit method b. Unit-in-place method c. Quantity survey method d. Cost service index 2. Accrued depreciation <ul style="list-style-type: none"> a. Types of depreciation <ul style="list-style-type: none"> (1) Physical deterioration <ul style="list-style-type: none"> (a) Curable (b) Incurable (c) Short-lived (d) Long-lived (2) Functional obsolescence <ul style="list-style-type: none"> (a) Curable (b) Incurable 	8-10%	Conceptual, Definitions, Analysis/ Application

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> (3) External obsolescence <ul style="list-style-type: none"> (a) Locational (b) Economic b. Methods of estimating depreciation <ul style="list-style-type: none"> (1) Age-life method (2) Breakdown method and sequence of deductions (3) Market extraction of depreciation B. Application of the cost approach 		
XIII. INCOME APPROACH <ul style="list-style-type: none"> A. Estimation of income and expenses <ul style="list-style-type: none"> 1. Gross market income 2. Effective gross income <ul style="list-style-type: none"> a. Vacancy b. Collection loss 3. Operating expenses <ul style="list-style-type: none"> a. Fixed expenses b. Variable expenses c. Reserve for replacements 4. Net operating income B. Operating expense ratios C. Gross rent multiplier 	7-9%	Conceptual, Definitions, Analysis/ Application
XIV. VALUATION OF PARTIAL INTERESTS <ul style="list-style-type: none"> A. Life estates B. Undivided interest in commonly held property C. Easements D. Timeshares E. Cooperatives F. Leased fee estate G. Leasehold estate 	1-3%	Conceptual, Definitions
XV. APPRAISAL STANDARDS AND ETHICS	7-11%	Conceptual, Definitions

2808.7100 NATIONAL UNIFORM EXAMINATION CONTENT OUTLINE GENERAL REAL PROPERTY APPRAISER CLASSIFICATION

	% WEIGHT	LEVEL OF DIFFICULTY
I. INFLUENCES ON REAL ESTATE VALUE <ul style="list-style-type: none"> A. Physical and Environmental B. Economic C. Governmental and Legal D. Social 	2-3%	Conceptual
II. LEGAL CONSIDERATIONS IN APPRAISAL <ul style="list-style-type: none"> A. Real estate vs. real property B. Real property vs. personal property <ul style="list-style-type: none"> 1. Fixtures 2. Trade Fixtures 3. Machinery and equipment C. Limitations on real estate ownership <ul style="list-style-type: none"> 1. Private <ul style="list-style-type: none"> a. Deed restrictions b. Leases c. Mortgages d. Easements 	7-8%	Conceptual, Definitions

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> e. Liens f. Encroachments 		
2. Public		
<ul style="list-style-type: none"> a. Police power <ul style="list-style-type: none"> (1) Zoning (2) Building and fire codes (3) Environmental regulations b. Taxation <ul style="list-style-type: none"> (1) Property tax (2) Special assessments c. Eminent domain d. Escheat 		
D. Legal rights and interests		
<ul style="list-style-type: none"> 1. Fee simple estate 2. Life estate 3. Leasehold interest 4. Leased fee interest 5. Other legal interests <ul style="list-style-type: none"> a. Easement b. Encroachment 		
E. Forms of property ownership		
<ul style="list-style-type: none"> 1. Individual 2. Tenancies and undivided interests 3. Special ownership forms <ul style="list-style-type: none"> a. Condominiums b. Cooperative 		
F. Legal descriptions		
<ul style="list-style-type: none"> 1. Metes and bounds 2. Government survey 3. Lot and block 		
G. Transfer of title		
<ul style="list-style-type: none"> 1. Basic types of deeds 2. Recordation 		
III. TYPES OF VALUE	2-3%	Conceptual, Definitions
<ul style="list-style-type: none"> A. Market Value or Value in Exchange B. Price C. Cost D. Investment Value E. Value in Use F. Assessed Value G. Insurable Value H. Going Concern Value 		
IV. ECONOMIC PRINCIPLES	3-5%	Conceptual, Definitions
<ul style="list-style-type: none"> A. Anticipation B. Balance C. Change D. Competition E. Conformity 		

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
F. Contribution		
G. Increasing and Decreasing Returns		
H. Opportunity Cost		
I. Substitution		
J. Supply and Demand		
K. Surplus Productivity		
V. REAL ESTATE MARKETS AND ANALYSIS	5-7%	Conceptual, Analysis/ Application
A. Characteristics of real estate markets		
1. Availability of information		
2. Changes in supply vs. demand		
3. Immobility of real estate		
4. Segmented markets		
5. Regulations		
B. Absorption analysis		
1. Demographic data		
2. Competition		
3. Absorption		
4. Forecasts		
5. Existing space inventory		
6. Current and projected space surplus		
7. New space		
C. Role of money and capital markets		
1. Competing investments		
2. Sources of capital		
D. Real estate financing		
1. Mortgage terms and concepts		
a. Mortgagor		
b. Mortgagee		
c. Principal and Interest		
2. Mortgage payment plans		
a. Fixed rate, level payment		
b. Adjustable rate		
c. Buydown		
d. Other		
3. Types of mortgages		
a. Conventional		
b. Insured		
VI. VALUATION PROCESS	2-4%	Conceptual
A. Definition of the problem		
1. Purpose and use of appraisal		
2. Interests to be appraised		
3. Type of value to be estimated		
4. Date of the value estimate		
5. Limiting conditions		
B. Collection and analysis of data		
1. National and regional trends		
2. Economic base		
3. Local area and neighborhood		
a. Employment		
b. Income		
c. Trends		
d. Access		
e. Locational convenience		
4. Site and improvements		

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> C. Analysis of highest and best use D. Application and limitations of each approach to value <ul style="list-style-type: none"> 1. Sales comparison 2. Cost 3. Income capitalization E. Reconciliation and final value estimate F. The appraisal report 		
VII. PROPERTY DESCRIPTION	2-4%	Conceptual, Definitions
<ul style="list-style-type: none"> A. Site Description <ul style="list-style-type: none"> 1. Utilities 2. Access 3. Topography 4. Size B. Improvement description <ul style="list-style-type: none"> 1. Size 2. Condition 3. Utility C. Basic construction and design <ul style="list-style-type: none"> 1. Techniques and materials <ul style="list-style-type: none"> a. Foundations b. Framing c. Finish (exterior and interior) d. Mechanical 2. Functional utility 		
VIII. HIGHEST AND BEST USE ANALYSIS	5-7%	Conceptual, Definitions, Analysis/ Application
<ul style="list-style-type: none"> A. Four tests <ul style="list-style-type: none"> 1. Physically possible 2. Legally permitted 3. Economically feasible 4. Maximally productive B. Vacant site or as if vacant C. As improved D. Interim use 		
IX. APPRAISAL MATH AND STATISTICS	3-5%	Conceptual, Analysis/ Application
<ul style="list-style-type: none"> A. Compound interest concepts <ul style="list-style-type: none"> 1. Future value of \$1 2. Present value of \$1 3. Future value of an annuity of \$1 per period 4. Present value of an annuity of \$1 per period 5. Sinking fund factor 6. Installment to amortize \$1 (loan constant) B. Statistical concepts used in appraisal <ul style="list-style-type: none"> 1. Mean 2. Median 3. Mode 		

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
<ul style="list-style-type: none"> 4. Range 5. Standard deviation 		
X. SALES COMPARISON APPROACH	10-12%	Conceptual, Definitions, Analysis/ Application
<ul style="list-style-type: none"> A. Research and selection of comparables <ul style="list-style-type: none"> 1. Data sources 2. Verification 3. Units of comparison <ul style="list-style-type: none"> a. Income <ul style="list-style-type: none"> (1) Potential gross income multiplier (2) Effective gross income multiplier (3) Overall rate b. Size <ul style="list-style-type: none"> (1) Square foot (2) Acres (3) Other c. Utility (examples only) <ul style="list-style-type: none"> (1) Motel and apartment units (2) Theater seats (3) Other B. Elements of comparison <ul style="list-style-type: none"> 1. Property rights conveyed <ul style="list-style-type: none"> a. Easements b. Leased fee/Leasehold c. Mineral rights d. Others 2. Financing terms and cash equivalency <ul style="list-style-type: none"> a. Loan payment b. Loan balance 3. Conditions of sale <ul style="list-style-type: none"> a. Arms length sale b. Personalty 4. Market conditions at time of contract and closing 5. Location 6. Physical characteristics 7. Tenant improvements C. Adjustment process <ul style="list-style-type: none"> 1. Sequence of adjustments 2. Dollar adjustments 3. Percentage adjustments 4. Paired sales analysis D. Application of sales comparison approach 		
XI. SITE VALUE	3-5%	Conceptual, Definitions, Analysis/ Application
<ul style="list-style-type: none"> A. Sales comparison B. Land residual C. Allocation D. Extraction E. Ground rent capitalization F. Subdivision analysis <ul style="list-style-type: none"> 1. Development cost: direct and indirect 2. Contractor's overhead and profit 3. Forecast absorption and gross sales 4. Entrepreneurial profit 5. Discounted value conclusion G. Plottage and Assemblage 		

	% WEIGHT	LEVEL OF DIFFICULTY
XII. COST APPROACH A. Steps in cost approach <ol style="list-style-type: none"> 1. Reproduction vs. replacement cost <ol style="list-style-type: none"> a. Comparative unit method b. Unit-in-place method c. Quantity survey method d. Cost service index 2. Accrued depreciation <ol style="list-style-type: none"> a. Types of depreciation <ol style="list-style-type: none"> (1) Physical deterioration <ol style="list-style-type: none"> (a) Curable (b) Incurable (c) Short-lived (d) Long-lived (2) Functional obsolescence <ol style="list-style-type: none"> (a) Curable (b) Incurable (3) External obsolescence <ol style="list-style-type: none"> (a) Locational (b) Economic b. Methods of estimating depreciation <ol style="list-style-type: none"> (1) Age-life method (2) Breakdown method and sequence of deductions (3) Market extraction of depreciation B. Application of the cost approach	9-12%	Conceptual, Definitions, Analysis/ Application
XIII. INCOME APPROACH A. Estimation of income and expenses <ol style="list-style-type: none"> 1. Gross market income 2. Effective gross income <ol style="list-style-type: none"> a. Vacancy b. Collection loss 3. Operating expenses <ol style="list-style-type: none"> a. Fixed expenses b. Variable expenses c. Reserve for replacements 4. Net operating income B. Operating statement ratios <ol style="list-style-type: none"> 1. Operating expense ratio 2. Net income ratio 3. Break-even ratio C. Direct capitalization <ol style="list-style-type: none"> 1. Relevance and limitations 2. Overall capitalization rate 3. Gross income multiplier and net income ratio 4. Band of investment (mortgage equity) techniques 5. Residual techniques <ol style="list-style-type: none"> a. Land (building value given) b. Building (land value given) c. Equity (mortgage value given) 	20-24%	Conceptual, Definitions, Analysis/ Application

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

	% WEIGHT	LEVEL OF DIFFICULTY
D. Cash flow estimates (before tax only) <ol style="list-style-type: none"> 1. Operating years <ol style="list-style-type: none"> a. Estimating NOI with a change in NOI b. Estimating NOI using lease information c. Cash flow (NOI less mortgage payment) 2. Reversion <ol style="list-style-type: none"> a. Estimating resale with a change in value b. Estimating resale with a terminal capitalization rate c. Cash flow (sale price less mortgage balance) d. Deductions for costs of sale and legal fees to arrive at a net reversion 		
E. Measures of cash flow <ol style="list-style-type: none"> 1. Equity dividend rate (cash on cash rate) 2. Debt coverage ratio 		
F. Discounted cash flow analysis (DCF) <ol style="list-style-type: none"> 1. Relevance and limitations 2. Potential gross income and expense estimate <ol style="list-style-type: none"> a. Market vs. contract rents b. Vacancy and lease commissions c. Tenant improvements and concessions 3. Discount rates and yield rates (definition and concept but no calculations of yield rate) 4. Discounting cash flows (from operations and reversion where all cash flows projected in dollar amounts and tables or calculators can be used) 		
XIV. VALUATION OF PARTIAL INTERESTS <ol style="list-style-type: none"> A. Interests created by a lease <ol style="list-style-type: none"> 1. Leased fee 2. Leasehold 3. Subleasehold 4. Renewal options 5. Tenant improvements 6. Concessions B. Lease Provisions <ol style="list-style-type: none"> 1. Overage rent 2. Expense stops 3. Net leases 4. Minimum rent 5. Percentage rent 6. CPI adjustments 7. Excess rent C. Valuation considerations <ol style="list-style-type: none"> 1. Identifying the cash flows, to the different interests, including turnover ratios 2. Discount rate selection for different interests 3. Relationship between the values of the interests D. Other partial interests <ol style="list-style-type: none"> 1. Life estates 2. Undivided interest in commonly held property 3. Easements 4. Timeshares 5. Cooperatives 	4-6%	Conceptual, Definitions, Analysis/ Application
XV. APPRAISAL STANDARDS AND ETHICS	7-11%	Conceptual, Definitions

2808.7200 CERTIFIED STATE AND FEDERAL REAL PROPERTY APPRAISER INITIAL EDUCATION.

Various appraisal courses may be credited toward the 75 classroom hour education requirement. Applicants must demonstrate that their education involved coverage of all topics listed below with particular emphasis on the appraisal of one to four unit residential properties:

- A. influences on real estate value;
- B. legal considerations in appraisal;
- C. types of value;
- D. economic principles;
- E. real estate markets and analysis;
- F. valuation process;
- G. property description;
- H. highest and best use analysis;
- I. appraisal statistical concepts;
- J. sales comparison approach;
- K. site value;
- L. cost approach;
- M. income approach;
 - (1) gross rent multiplier analysis;
 - (2) estimation of income and expenses; and
 - (3) operating expense ratios;
- N. valuation of partial interests; and
- O. appraisal standards and ethics.

2808.7300 CERTIFIED FEDERAL RESIDENTIAL REAL PROPERTY APPRAISER INITIAL EDUCATION.

Various appraisal courses may be credited toward the 165 classroom hour education requirement. Applicants must demonstrate that their education involved coverage of all topics listed below with particular emphasis on the appraisal of one to four unit residential properties:

- A. influences on real estate value;
- B. legal considerations in appraisal;
- C. types of value;
- D. economic principles;
- E. real estate markets and analysis;
- F. valuation process;
- G. property description;
- H. highest and best use analysis;
- I. appraisal statistical concepts;
- J. sales comparison approach;
- K. site value;
- L. cost approach;

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

- M. income approach;
 - (1) gross rent multiplier analysis;
 - (2) estimation of income and expenses;
 - (3) operating expense ratios; and
 - (4) direct capitalization;
- N. valuation of partial interests;
- O. appraisal standards and ethics; and
- P. narrative report writing.

2808.7400 CERTIFIED FEDERAL GENERAL REAL PROPERTY APPRAISER INITIAL EDUCATION.

Various appraisal courses may be credited toward the 165 classroom hour education requirement. Applicants must demonstrate that their education included coverage of all topics listed below with particular emphasis on the appraisal of one to four unit residential properties:

- A. influences on real estate value;
- B. legal considerations in appraisal;
- C. types of value;
- D. economic principles;
- E. real estate markets and analysis;
- F. valuation process;
- G. property description;
- H. highest and best use analysis;
- I. appraisal math and statistics;
- J. sales comparison approach;
- K. site value;
- L. cost approach;
- M. income approach;
 - (1) estimation of income and expenses;
 - (2) operating statement ratios;
 - (3) direct capitalization;
 - (4) cash flow estimates;
 - (5) measures of cash flow; and
 - (6) discounted cash flow analysis;
- N. valuation of partial interests;
- O. appraisal standards and ethics; and
- P. narrative report writing.

REPEALER. *Minnesota Rules*, part 2808.3000, subpart 3a, is repealed on January 1, 1994. *Minnesota Rules*, part 2808.3000, subpart 7, is repealed on December 1, 1995.

Department of Public Safety

Proposed Permanent Rules Relating to Furniture Flammability

Notice of Intent to Adopt Rules Without a Public Hearing and Notice of Intent to Adopt Rules With a Public Hearing If Twenty-Five or More Persons Request a Hearing

NOTICE IS HEREBY GIVEN that the State Fire Marshal intends to adopt the above-entitled rules without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a hearing in *Minnesota Statutes*, sections 14.22 to 14.28. The State Fire Marshal's statutory authority to adopt the proposed rules is *Minnesota Statutes*, section 299F.844.

All persons have 30 days, until 4:30 p.m., September 2, 1992, in which to submit comment in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rules within the 30-day comment period. Any requests or comments must be received by the State Fire Marshal Division no later than 4:30 p.m. on September 2, 1992. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing must include his or her name and address, and is encouraged to identify the portion of the proposed rules addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed pursuant to *Minnesota Statutes*, sections 14.131 to 14.20. **PLEASE NOTE: That if twenty-five or more persons submit written requests for a public hearing within the 30-day comment period, a hearing will be held on Monday, September 21, 1992, unless a sufficient number withdraw their request in writing. The hearing will be in accordance with the notice of public hearing on these same rules published in this *State Register* and mailed to persons registered with the Department of Public Safety.** To verify whether a hearing will be held, please call the State Fire Marshal Division on or after September 3, 1992, between the hours of 8:00 a.m. and 4:30 p.m. at (612) 643-3082.

Comments or written requests for a public hearing must be submitted to: Patrick Sheehan, State Fire Marshal Division, 450 North Syndicate Street #285, St. Paul, Minnesota 55104, (612) 643-3082.

PLEASE NOTE that the rules were originally published and proposed for adoption in the May 4, 1992, *State Register*. In response to this Notice, the State Fire Marshal received suggestions for modifications to the proposed rules and more than 25 requests for a hearing. The State Fire Marshal will make one of the suggested modifications. Consequently, the rules as proposed in the May 4, 1992, *State Register* are being withdrawn, as noticed in the August 3, 1992, *State Register*. In addition, the modified rules are proposed for adoption and republished in the August 3, 1992, *State Register* following this Notice. **FURTHER NOTE** that the State Fire Marshal will not hold a hearing in response to the requests for a hearing on the withdrawn rules. A hearing will not be held unless 25 or more requests for a hearing are received in response to this Notice. All written material submitted to the State Fire Marshal regarding the withdrawn rules will, however, be included in the record of this rulemaking.

The proposed rules may be modified if the modifications are supported by data and views submitted to the agency and do not result in a substantial change in the proposed rules as noticed.

A free copy of these rules is available upon request from Patrick Sheehan at the address and telephone number listed above.

The rules set out flammability and labeling requirements for seating furniture used in public occupancies. Public occupancies include such places as jails and prisons, hospitals and health care facilities, nursing homes, child day care centers, public auditoriums and stadiums, and public assembly areas of hotels and motels. Seating furniture used in public occupancies will be required to meet the flammability standards of California Technical Bulletin 133, a nationally recognized standard for measuring the flammability of seating furniture. The rules provide an exemption for furniture in sprinklered buildings if the furniture meets the flammability standards of California Technical Bulletins 116 and 117. The rules will apply to furniture manufactured after March 1, 1993.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rules and identifies the data and information relied upon to support the proposed rules has been prepared and is available upon request from Patrick Sheehan at the address and telephone number listed above.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

In preparing these rules, the State Fire Marshal has considered the requirements of *Minnesota Statutes*, section 14.115, in regard to the impact of the proposed rules on small businesses. The adoption of the rules will affect small businesses that are public occupancies and small businesses that manufacture or reupholster seating furniture for use in public occupancies. The cost of manufacturing seating furniture for use in public occupancies will go up which will raise the price for such furniture. The State Fire Marshal's evaluation of the applicability of the methods contained in *Minnesota Statutes*, section 14.115, subdivision 2, for reducing the impact of the proposed rules is addressed further in the **STATEMENT OF NEED AND REASONABLENESS**.

Minnesota Statutes, section 14.11, subdivision 1, does not apply because adoption of these rules will not result in additional spending by local public bodies in excess of \$100,000 per year for the first two years following adoption of the rules. Many local public bodies operate public occupancies such as nursing homes, hospitals, and jails. Initially, seating furniture that complies with the fire safety standards of the Furniture Fire Safety Act (Act) and these rules will likely be 5% to 40% more expensive than furniture that does not. The State Fire Marshal believes, however, that expenditures by local public bodies will increase little if at all due to the fire safety standards mandated by the Act and implemented by the proposed rules. The standards do not mandate the purchase of furniture, only that new furniture meet the standards. In most cases, local public bodies will not increase expenditures for furniture, but will buy fewer pieces of furniture with a fixed budget amount. It is important to note that the rules merely implement the Act and any spending increases associated with the rules will arise primarily from the requirements of the Act. Further, the small business considerations used in developing the rules will also reduce the impact of the Act on local public bodies. The fiscal impact of the Act and the rules on local public bodies is explained further in the **STATEMENT OF NEED AND REASONABLENESS**.

Minnesota Statutes, section 14.11, subdivision 2, does not apply because adoption of the rules will not have an impact on agricultural land. *Minnesota Statutes*, section 16A.128, subdivisions 1a and 2a, do not apply because the rules do not fix fees.

If no hearing is required, upon adoption of the rules, the rules and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rules, must submit the written request to Patrick Sheehan at the address and telephone number listed above.

Dated: 13 July 1992

Thomas R. Brace
State Fire Marshal

Notice of Hearing and Notice of Intent to Cancel Hearing If Fewer Than Twenty-Five Persons Request a Hearing in Response to Notice of Intent to Adopt Rules Without a Public Hearing

NOTICE IS HEREBY GIVEN that a public hearing on the above-entitled matter will be held in Room 5, State Office Building, 100 Constitution Avenue, St. Paul, Minnesota, on Monday, September 21, 1992, commencing at 9:00 a.m. and continuing until all interested or affected persons have an opportunity to participate. The proposed rules may be modified as a result of the hearing process. Therefore, if you are affected in any manner by the proposed rules, you are urged to participate in the rules hearing process.

PLEASE NOTE, HOWEVER: that the hearing will be cancelled if fewer than twenty-five persons request a hearing in response to the notice of intent to adopt these same rules without a public hearing published in this *State Register* and mailed to persons registered with the Department of Public Safety. To verify whether a hearing will be held, please call the State Fire Marshal Division on or after September 3, 1992, between the hours of 8:00 a.m. and 4:30 p.m. at (612) 643-3082.

Following the State Fire Marshal's presentation at the hearing, all interested or affected persons will have an opportunity to participate. Such persons may present their views either orally at the hearing or in writing at any time prior to the close of the hearing record. All evidence presented should be pertinent to the matter at hand. Written material not submitted at the time of the hearing which is to be included in the hearing record may be mailed to Barbara L. Neilson, Administrative Law Judge, Office of Administrative Hearings, 100 Washington Square, Suite 1700, Minneapolis, Minnesota 55401-2155, telephone (612) 341-7604, either before the hearing or within five working days after the public hearing ends. The Administrative Law Judge may, at the hearing, order the record be kept open for a longer period not to exceed 20 calendar days. The comments received during the comment period shall be available for review at the Office of Administrative Hearings.

Following the close of the comment period, the agency and all interested persons have five business days to respond in writing to any new information submitted during the comment period. During the five-day period, the agency may indicate in writing whether there are amendments suggested by other persons which the agency is willing to adopt. No additional evidence may be submitted during the five-day period. Any written material or responses must be received at the Office of Administrative Hearings no later than 4:30 p.m. on the final day. The written responses shall be added to the rulemaking record. Upon the close of the record, the Administrative Law Judge will write a report as provided in *Minnesota Statutes*, sections 14.15 to 14.50. The rule hearing is governed by *Minnesota Statutes*, sections 14.14 to 14.20, and by *Minnesota Rules*, parts 1400.0200 to 1400.1200. Questions about procedure may be directed to the Administrative Law Judge.

A free copy of these rules is available upon request from Patrick Sheehan at the address and telephone number listed above. Additional copies will be available at the hearing. If you have any questions on the content of the rules, contact Patrick Sheehan at the address or telephone number listed above.

The rules set out flammability and labeling requirements for seating furniture used in public occupancies. Public occupancies include such places as jails and prisons, hospitals and health care facilities, nursing homes, child day care centers, public auditoriums and stadiums, and public assembly areas of hotels and motels. Seating furniture used in public occupancies will be required to meet the flammability standards of California Technical Bulletin 133, a nationally recognized standard for measuring the flammability of seating furniture. The rules provide an exemption for furniture in sprinklered buildings if the furniture meets the flammability standards of California Technical Bulletins 116 and 117. The rules will apply to furniture manufactured after March 1, 1993.

The State Fire Marshal's statutory authority to adopt the proposed rules is *Minnesota Statutes*, section 299F.844.

NOTICE IS HEREBY GIVEN that a **STATEMENT OF NEED AND REASONABLENESS** is now available for review at the State Fire Marshal Division and at the Office of Administrative Hearings. This **STATEMENT OF NEED AND REASONABLENESS** includes a summary of all the evidence and argument which the State Fire Marshal anticipates presenting at the hearing justifying both the need for and the reasonableness of the proposed rules. Copies of the **STATEMENT OF NEED AND REASONABLENESS** may be reviewed at the State Fire Marshal Division or the Office of Administrative Hearings and copies may be obtained from the Office of Administrative Hearings at the cost of reproduction.

In preparing these rules, the State Fire Marshal has considered the requirements of *Minnesota Statutes*, section 14.115, in regard to the impact of the proposed rules on small businesses. The adoption of the rules will affect small businesses that are public occupancies and small businesses that manufacture or reupholster seating furniture for use in public occupancies. The cost of manufacturing seating furniture for use in public occupancies will go up which will raise the price for such furniture. The State Fire Marshal's evaluation of the applicability of the methods contained in *Minnesota Statutes*, section 14.115, subdivision 2, for reducing the impact of the proposed rules is addressed further in the **STATEMENT OF NEED AND REASONABLENESS**.

Minnesota Statutes, section 14.11, subdivision 1, does not apply because adoption of these rules will not result in additional spending by local public bodies in excess of \$100,000 per year for the first two years following adoption of the rules. Many local public bodies operate public occupancies such as nursing homes, hospitals, and jails. Initially, seating furniture that complies with the fire safety standards of the Furniture Fire Safety Act (Act) and these rules will likely be 5% to 40% more expensive than furniture that does not. The State Fire Marshal believes, however, that expenditures by local public bodies will increase little if at all due to the fire safety standards mandated by the Act and implemented by the proposed rules. The standards do not mandate the purchase of furniture, only that new furniture meet the standards. In most cases, local public bodies will not increase expenditures for furniture, but will buy fewer pieces of furniture with a fixed budget amount. It is important to note that the rules merely implement the Act and any spending increases associated with the rules will arise primarily from the requirements of the Act. Further, the small business considerations used in developing the rules will also reduce the impact of the Act on local public bodies. The fiscal impact of the Act and the rules on local public bodies is explained further in the **STATEMENT OF NEED AND REASONABLENESS**.

Minnesota Statutes, section 14.11, subdivision 2, does not apply because adoption of the rules will not have an impact on agricultural land. *Minnesota Statutes*, section 16A.128, subdivisions 1a and 2a, do not apply because the rules do not fix fees.

Notice: Any person may request notification of the date on which the Administrative Law Judge's report will be available, after which date the agency may not take any final action on the rules for a period of five working days. If you desire to be so notified, you may so indicate at the hearing. After the hearing, you may request notification by sending a written request to the Administrative Law Judge. Any person may request notification of the date on which the rules were adopted and filed with the Secretary of State. The notice must be mailed on the same day that the rules are filed. If you want to be so notified you may so indicate at the hearing or send a request in writing to the State Fire Marshal Division at any time prior to the filing of the rules with the Secretary of State.

Lobbyists must register with the State Ethical Practices Board. Questions should be directed to the Ethical Practices Board, First Floor South, Centennial Building, 658 Cedar Street, St. Paul, Minnesota 55155, telephone (612) 296-5148 or 1-800-657-3889.

Dated: 13 July 1992

Thomas R. Brace
State Fire Marshal

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Rules as Proposed (all new material)

7510.5500 PURPOSE.

The purpose of parts 7510.5500 to 7510.5570 is to establish minimum flammability and labeling standards for seating furniture in public occupancies.

7510.5510 SCOPE.

The standards and requirements in parts 7510.5500 to 7510.5570 are intended to be consistent with *Minnesota Statutes*, sections 299F.840 to 299F.848, and apply to seating furniture manufactured on or after March 1, 1993, that is sold, used, or intended for use in public occupancies.

7510.5520 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 7510.5500 to 7510.5570 have the meanings given them in this part.

Subp. 2. **Child day care center.** "Child day care center" means a child day care facility required to be licensed by the Department of Human Services under parts 9503.0005 to 9503.0175 and classified as a Group E, Division 3, Occupancy under section 9.117 of the Minnesota Uniform Fire Code, as adopted in part 7510.3120.

Subp. 3. **Filling material.** "Filling material" has the meaning given it in *Minnesota Statutes*, section 299F.841, subdivision 4.

Subp. 4. **Group I Occupancies.** "Group I Occupancies" means institutional occupancies as set forth in section 9.117 of the Minnesota Uniform Fire Code, as adopted in part 7510.3120.

Subp. 5. **Hotel.** "Hotel" means a building containing six or more guest rooms intended or designed to be used, or which is used, rented, or hired out to be occupied, or which is occupied for sleeping purposes by guests, and includes buildings commonly known as motels and lodging houses, but does not include buildings commonly known as dormitories or apartments.

Subp. 6. **Manufacturer.** "Manufacturer" means a person or the person's employee or agent who makes or reupholsters an article of seating furniture in whole or in part.

Subp. 7. **Public assembly area of a hotel.** "Public assembly area of a hotel" means a lobby, restaurant, lounge, meeting or board room, pool area, or similar public space that is generally accessible to all guests or to the public.

Subp. 8. **Public auditorium.** "Public auditorium" means a building or portion of a building having a capacity of 50 or more persons in fixed seats and used or intended to be used by the general public for such purposes as stage and film presentations, concerts, recitals, lectures, audio-visual presentations, and similar educational, instructional, or entertainment purposes.

Subp. 9. **Public occupancies.** "Public occupancies" means:

- A. Group I Occupancies;
- B. child day care centers;
- C. public auditoriums and stadiums; and
- D. public assembly areas of hotels containing more than ten articles of seating furniture.

Subp. 10. **Public stadium.** "Public stadium" means a building, structure, or portion of a building or structure having a capacity of 50 or more persons in fixed seats and used or intended to be used by the general public for watching indoor or outdoor sporting events.

Subp. 11. **Reupholster.** "Reupholster" means to replace filling material or material encasing or covering filling material on an article of seating furniture.

Subp. 12. **Seating furniture.** "Seating furniture" has the meaning given it in *Minnesota Statutes*, section 299F.841, subdivision 3.

Subp. 13. **Sell.** "Sell" has the meaning given it in *Minnesota Statutes*, section 299F.841, subdivision 2.

Subp. 14. **Sufficient cause to believe.** "Sufficient cause to believe" means grounds put forth in good faith that are not arbitrary, irrational, unreasonable, or irrelevant and that make the proposition asserted more likely than not, provided the grounds are based on at least one of the following sources:

- A. written information from an identified person;
- B. facts or statements supplied by the owner or manufacturer of an article of seating furniture;
- C. facts or statements supplied by the owner or operator of a public occupancy;
- D. court documents, police records, or fire safety records; and
- E. facts of which the fire marshal or the fire marshal's employees have personal knowledge.

7510.5530 PERFORMANCE STANDARDS ADOPTED BY REFERENCE.

Seating furniture manufactured on or after March 1, 1993, that is sold, used, or intended for use in public occupancies must meet the test requirements set forth in Technical Bulletin 133 of the state of California, "Flammability Test Procedure for Seating Furniture for Use in Public Occupancies," published in January 1991 by the California Bureau of Home Furnishings and Thermal Insulation which is incorporated by reference, is not subject to frequent change, and is available at the State Law Library, 25 Constitution Avenue, Minnesota Judicial Center, Saint Paul, Minnesota 55155.

7510.5540 EXEMPT ARTICLES.

Subpart 1. **Statutory exemption.** Articles of seating furniture exempted by *Minnesota Statutes*, section 299F.842, from compliance with *Minnesota Statutes*, sections 299F.840 to 299F.848, are exempt from compliance with parts 7510.5500 to 7510.5570.

Subp. 2. **Sprinklered buildings.** An article of seating furniture is exempt from the requirements of part 7510.5530 if the following criteria are met:

A. the article is used in a public occupancy that is protected throughout by an automatic sprinkler system in conformance with the Minnesota Uniform Fire Code as set out in part 7510.3120 or the Minnesota Building Code as set out in part 1305.6910;

B. all filling materials contained in the article meet the test requirements set forth in Technical Bulletin 117 of the state of California, "Requirements, Test Procedures and Apparatus for Testing the Flame Retardance of Filling Materials Used in Upholstered Furniture," published in January 1980 by the California Bureau of Home Furnishings and Thermal Insulation which is incorporated by reference, is not subject to frequent change, and is available at the State Law Library, 25 Constitution Avenue, Minnesota Judicial Center, Saint Paul, Minnesota 55155; and

C. the article, if it is a finished article of upholstered furniture, meets the test requirements set forth in Technical Bulletin 116 of the state of California, "Test Procedures and Apparatus for Testing the Flame Retardance of Upholstered Furniture," published in January 1980 by the California Bureau of Home Furnishings and Thermal Insulation which is incorporated by reference, is not subject to frequent change, and is available at the State Law Library, 25 Constitution Avenue, Minnesota Judicial Center, Saint Paul, Minnesota 55155.

Subp. 3. **Reupholstered furniture.** An article of seating furniture that is reupholstered after March 1, 1993, may not be used in a public occupancy unless it meets the requirements of part 7510.5530 or unless it meets all of the following criteria:

A. the article was in use in a public occupancy before January 1, 1993;

B. the article has never met the requirements of part 7510.5530;

C. replacement filling material is fire retardant; and

D. all filling material is completely encased in material designed to slow the spread of fire, increase escape time, prevent rapid combustion, insulate internal materials, and restrict generated gases.

Subp. 4. **Health care, beauty, and barber furniture.** The owner or operator of a public occupancy may apply for an exemption from compliance with parts 7510.5500 to 7510.5570 for an article of furniture. The fire marshal shall grant an exemption if the article of furniture is necessary to provide health care, beauty, barber, or other important service to the occupants of the public occupancy, if a complying article of furniture is not commonly available on the market, and if the fire marshal determines that the noncomplying article of furniture will not unreasonably compromise fire safety.

7510.5550 LABELING REQUIREMENTS.

Subpart 1. **Standard label.** An article of seating furniture conforming to the requirements of part 7510.5530 shall have a label permanently attached to the surface of the article, in plain view, stating as a minimum the following:

"NOTICE

THIS ARTICLE IS MANUFACTURED FOR USE IN PUBLIC OCCUPANCIES AND MEETS THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOME FURNISHINGS TECHNICAL BULLETIN 133. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES."

The fire marshal shall permit another label upon request, if the person making the request shows that the label indicates compliance with Technical Bulletin 133 and the label is accepted by another jurisdiction as an indication of meeting the requirements of Technical Bulletin 133.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Subp. 2. **Label for furniture in sprinklered buildings.** An article of seating furniture that is exempt from the requirements of part 7510.5530 because it meets the requirements of part 7510.5540, subpart 2, must have a label permanently attached to the surface of the article, in plain view, stating as a minimum the following:

“NOTICE

THIS ARTICLE MEETS ALL FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOME FURNISHINGS BULLETINS 116 AND 117. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.”

The fire marshal shall permit another label upon request, if the person making the request shows that the label indicates compliance with Technical Bulletins 116 and 117 and the label is accepted by another jurisdiction as an indication of meeting the requirements of Technical Bulletins 116 and 117.

Subp. 3. **Label for reupholstered furniture.** A reupholstered article of seating furniture that meets the requirements of part 7510.5540, subpart 3, and that is exempt from the requirements of part 7510.5530 shall have a label permanently attached to the surface of the article, in plain view, stating as a minimum the following:

“NOTICE

THIS ARTICLE HAS BEEN REUPHOLSTERED FOR USE IN PUBLIC OCCUPANCIES AND MEETS THE FLAMMABILITY REQUIREMENTS OF MINNESOTA RULES, PART 7510.5540, SUBPART 3. THIS ARTICLE IS EXEMPT FROM THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOME FURNISHINGS TECHNICAL BULLETIN 133. HOWEVER, CARE SHOULD BE EXERCISED NEAR OPEN FLAME AND WITH BURNING CIGARETTES.”

Subp. 4. **Size of label.** Required labels must be a minimum of two inches by three inches in size. All wording must be in plainly legible capital letters not less than one-eighth inch in height.

7510.5560 TESTING; DOCUMENTATION.

Subpart 1. **Testing not required.** Parts 7510.5500 to 7510.5570 do not require a manufacturer to test every article of seating furniture manufactured. A manufacturer may establish classification systems appropriate to its specific products and may use representative tests of samples of furniture within those classifications to establish compliance with the fire safety requirements of parts 7510.5500 to 7510.5570.

Subp. 2. **Documentation required.** When a manufacturer labels an article of seating furniture under part 7510.5550, subpart 1, the manufacturer shall maintain a record documenting the basis upon which it determined that the article met the requirements of part 7510.5530. The documentation must include test data showing that at least one article of seating furniture in the same classification as the labeled article was tested in conformance with and met the requirements of Technical Bulletin 133. The documentation must also clearly demonstrate that the labeled article would meet Technical Bulletin 133 based on comparisons to the test data.

7510.5570 ENFORCEMENT.

Subpart 1. **Proof of compliance or removal.** When the state or local fire marshal has sufficient cause to believe that an article of seating furniture does not comply with parts 7510.5500 to 7510.5570 and that the article is used or intended for use in a public occupancy, the fire marshal shall order proof of compliance or removal of the article as may be necessary for the enforcement of parts 7510.5500 to 7510.5570 and for the safeguarding of life and property from fire.

Subp. 2. **Inspect, audit, and review.** When the state fire marshal has sufficient cause to believe that the testing of seating furniture does not comply with parts 7510.5500 to 7510.5570 and that the seating furniture is used or intended for use in a public occupancy, the fire marshal shall inspect or audit the testing and shall review records as necessary to ascertain compliance with parts 7510.5500 to 7510.5570. When requested by the state fire marshal, a manufacturer of seating furniture shall permit the state fire marshal to inspect or audit the testing of the manufacturer's seating furniture and to review the manufacturer's documentation that an article complies with Technical Bulletin 133.

Subp. 3. **Injunction.** When the state fire marshal has sufficient cause to believe that an article of seating furniture does not comply with parts 7510.5500 to 7510.5570 and that the article is being sold for use in a public occupancy, the state fire marshal shall institute a civil action to enjoin the seller from selling the article. When the state fire marshal is unable to verify whether an article of seating furniture complies with parts 7510.5500 to 7510.5570 because the manufacturer of the seating furniture did not permit inspection, audit, or review under subpart 2, the state fire marshal shall institute a civil action to enjoin the seller from selling the article.

Department of Revenue

Proposed Permanent Rules Relating to Net Income Apportionment of Television and Radio Broadcasters

Notice of Intent to Adopt a Rule Without a Public Hearing

NOTICE IS HEREBY GIVEN THAT the Minnesota Department of Revenue intends to adopt the above entitled rules without a public hearing following the procedures set forth in the Administrative Procedures Act for adopting rules without a public hearing in *Minnesota Statutes*, section 14.22 to 14.28. The statutory authority to adopt the proposed rules is *Minnesota Statutes*, section 270.06(13).

All persons have until 4:30 p.m. on September 2, 1992, in which to submit comment in support of or in opposition to the proposed rules or any subpart of the proposed rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rules until 4:30 p.m. on September 2, 1992. Any requests or comments must be received by the Department of Revenue no later than 4:30 p.m. on September 2, 1992. If 25 or more persons submit a written request for a public hearing by 4:30 p.m. on September 2, 1992, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing must include his or her name and address, and must identify the portion of the proposed rules addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed under *Minnesota Statutes*, sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to:

Jerome J. Sicora, Attorney
Appeals, Legal Services, and Criminal Investigations Division
10 River Park Plaza
Mail Station 2220
St. Paul, MN 55146-2220
(612) 296-1902 Extension 130

The proposed rules may be modified if the modifications were supported by data and views submitted to the Department of Revenue and do not result in a substantial change in the proposed rules as noticed. A copy of the proposed rule is attached to this notice. A free copy of the rules is available upon request from Jerome J. Sicora at the address and telephone number listed above.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rules and identifies the data and information relied upon to support the proposed rules has been prepared and is available upon request from Jerome J. Sicora at the address and telephone number listed above.

In preparing these rules, the Department has considered the requirements of *Minnesota Statutes*, section 14.115 in regard to the impact on the proposed rule on small business. The adoption of the rule will not adversely affect small businesses.

Minnesota Statutes, section 14.11, subd. 1 does not apply because adoption of the rules will not result in additional spending by local public bodies in excess of \$100,000 per year for the first two years following adoption of the rules. *Minnesota Statutes*, section 14.11, subd. 2, does not apply because adoption of the rules will not impact agricultural land. *Minnesota Statutes*, section 16A.128, subds. 1a and 2a do not apply because the rules do not fix fees.

If no hearing is required, upon adoption of the rules, the rules and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rules, must submit the written request to Jerome J. Sicora at the address and telephone number listed above.

Dated: 13 July 1992

Michael E. Boekhaus, Director
Appeals, Legal Services, and
Criminal Investigation Division

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Rules as Proposed (all new material)

8017.7000 APPORTIONMENT OF NET INCOME FROM TELEVISION AND RADIO BROADCASTING.

Subpart 1. **General information.** *Minnesota Statutes*, section 290.17, subdivision 3, provides that the net income from a trade or business carried on partly within and partly without this state must be apportioned between this state and other states. *Minnesota Statutes*, section 290.191, provides general rules for the apportionment of net income of a trade or business carried on partly within and partly without of this state. *Minnesota Statutes*, section 290.20, provides that if the methods prescribed by *Minnesota Statutes*, section 290.191, do not fairly reflect the net income allocable to this state, the commissioner of revenue may require the use of another method. The nature of television and radio broadcasting requires use of a method other than those prescribed by *Minnesota Statutes*, section 290.191.

Subp. 2. **Definitions.** The definitions in this subpart apply to this part.

A. "Film" or "film programming" means any and all performances, events, or productions telecast, live or otherwise, on television, including but not limited to news, sporting events, plays, stories or other literary, commercial, educational, or artistic works, in the format of a motion picture, a video tape, disc, or other medium.

Each episode of a series of films produced for television constitutes a separate film notwithstanding that the series relates to the same principal subject and is produced during one or more television seasons.

B. "Outer-jurisdictional property" means certain types of tangible personal property, such as orbiting satellites, undersea transmission cables and the like, that are owned or rented by the taxpayer and used in the business of telecasting or broadcasting, but which are not physically located in any particular state.

C. "Radio" or "radio programming" means any and all performances, events, or productions broadcast, live or otherwise, on radio, including but not limited to news, sporting events, plays, stories or other literary, commercial, educational, or artistic works, in the format of an audio tape, disc, or other medium.

Each episode of a series of radio programming produced for radio broadcast constitutes a separate radio programming notwithstanding that the series relates to the same principal subject and is produced during one or more tax periods.

D. "Release date" means the date on which a film is placed into service. A film is placed into service when it is first telecast to the primary audience for which the film was created. Thus, a film is placed in service when it is first publicly telecast for entertainment, educational, commercial, artistic, or other purpose. Each episode of a television series is placed in service when it is first telecast. A film is not placed in service merely because it is completed and therefore in a condition or state of readiness and availability for telecast, or merely because it is telecast to prospective sponsors or purchasers, or is shown in preview before a select audience.

E. "Rent" includes license fees or other payments or consideration provided in exchange for the broadcast or other use of television or radio programming.

F. A "subscriber" to a cable television system is the individual residence or other outlet which is the ultimate recipient of the transmission.

G. "Tangible personal property" used in the business, whether owned or rented, includes, but is not limited to, camera and sound equipment, sets, props, wardrobes, and other similar equipment or property, but does not include film or radio programming.

H. "Telecast" or "broadcast" (used interchangeably) means the transmission of television or radio programming by an electronic signal conducted by radiowaves or microwaves or by wires, lines, coaxial cables, wave guides, fiber optics, or other conduits of communications.

I. "United States" includes and is limited to the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions and territories thereof.

Subp. 3. **Apportionment of income, general.** Except as modified by this part, the property factor must be determined in accordance with *Minnesota Statutes*, section 290.191, subdivisions 2, clause (1), 9, and 10; the payroll factor in accordance with *Minnesota Statutes*, section 290.191, subdivisions 2, clause (3), and 12; and the sales factor in accordance with *Minnesota Statutes*, section 290.191, subdivisions 2, clause (1), and 5.

Subp. 4. **Property factor.**

A. In the case of rented studios, the net annual rental rate must include only the amount of the basic or flat rental charge by the studio for the use of a stage or other permanent equipment such as sound recording equipment and the like; except that additional equipment rented from other sources or from the studio not covered in the basic or flat rental charge and used for one week or longer (even though rented on a day-to-day basis) must be included. Lump-sum net rental payments for a period which encompasses more than a single income year must be assigned ratably over the rental period.

B. The value or cost attributable to any film or radio programming may not be included in the property factor at any time.

Subp. 5. Property factor denominator.

A. All real property and tangible personal property (other than outer-jurisdictional and film or radio programming property), whether owned or rented, which is used in the business must be included in the denominator of the property factor.

B. Audio or video cassettes, discs, or similar medium containing film or radio programming and intended for sale or rental by the taxpayer for home viewing or listening must be included in the property factor at their original cost. To the extent that the taxpayer licenses or otherwise permits others to manufacture or distribute such cassettes, discs, or other medium containing film or radio programming for home viewing or listening, the value of the cassettes, discs, or other medium must include the license, royalty, or other fees received by the taxpayer capitalized at a rate of eight times the gross receipts derived therefrom during the tax year.

C. Outer-jurisdictional, film, and radio programming property must be excluded from the denominator of the property factor.

Subp. 6. Property factor numerator.

A. With the exception of outer-jurisdictional and film or radio programming property, all real and tangible personal property owned or rented by the taxpayer and used in this state during the tax period must be included in the numerator of the property factor. If tangible personal property (other than outer-jurisdictional and film or radio programming property) is located or used in this state for part of the income year, it must be included in the numerator of the property factor at a value determined by applying the ratio which the number of days the property is located or used in this state bear to the total number of days the property was owned or rented by the taxpayer during the income year.

B. Outer-jurisdictional, film, and radio programming property must be excluded from the numerator of the property factor.

Example: XYZ Television Company has a total value of all of its property everywhere of \$500,000,000, including a satellite valued at \$50,000,000, that was used to telecast programming into this state and \$150,000,000 in film property of which \$1,000,000 worth was located in this state the entire year. The total value of real and tangible personal property, other than film programming property, located in this state for the entire income year was valued at \$2,000,000; and the movable and mobile property described in item A was determined to be of a value of \$4,000,000 and such movable and mobile property was used in this state for 100 days. The total value of property to be attributed to this state would be determined as follows:

Value of property permanently in state:	\$2,000,000
Value of mobile and movable property (100/365 or .2739 × \$4,000,000):	\$1,095,600
Total value of property to be used in the state's property factor numerator without apportionment of outer-jurisdictional and film property:	\$3,095,600
Total value of property to be used in the denominator (\$500,000,000-\$200,000,000)	\$300,000,000
Total property factor percent (\$3,095,600/\$300,000,000):	.0103

Subp. 7. Payroll factor denominator.

A. The denominator of the payroll factor must include all compensation, including residual and profit participation payments, paid to employees during the income year, including that paid to directors, actors, newscasters, and other talent in their status as employees.

B. Amounts paid or other consideration that is provided to another person, corporation, or other business entity for providing the services of directors, actors, newscasters, and other talent for a live television broadcast, or film or radio programming may be included in the payroll factor only upon a finding by the commissioner, supported by clear and convincing evidence, that:

- (1) the payments or other consideration were at least 25 percent of the total compensation paid to employees; and
- (2) failure to include the other payments or consideration would prevent the apportionment formula from fairly representing the extent of the taxpayer's business activity in this state.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Subp. 8. **Payroll factor numerator.** Compensation for all employees who are engaged on location in the production of a live television broadcast, film or radio programming, as well as any payments or other consideration for the providing of those talent services that are included in the payroll denominator pursuant to subpart 6, must be attributed as determined by application of *Minnesota Statutes*, section 290.191, subdivision 12. For the purposes of applying *Minnesota Statutes*, section 290.191, subdivision 12, the persons for whom compensation was included in the payroll denominator pursuant to subpart 7, are deemed to be employees of the taxpayer.

Subp. 9. **Sales factor denominator.** The denominator of the sales factor must include the total gross receipts derived by the taxpayer from transactions and activity in the regular course of its trade or business, except receipts excluded under *Minnesota Statutes*, section 290.191, subdivision 5, paragraph (a).

Subp. 10. **Sales factor numerator.** The numerator of the sales factor must include all gross receipts of the taxpayer from sources within this state, including the following:

A. Gross receipts, including advertising revenue, from live television, film, or radio programming in release to or by television and radio stations located in this state.

B. Gross receipts, including advertising revenue, from live television, films, or radio programming in release to or by a television station (independent or unaffiliated) or network of stations for broadcast must be attributed to this state in the ratio (hereafter "audience factor") that the audience for such station (or owned and affiliated stations in the case of networks) located in this state bears to the total audience for such station (or owned and affiliated stations in the case of networks) within the United States.

C. The audience factor for television or radio programming must be determined by the ratio that the taxpayer's in-state viewing (listening) audience bears to its total United States viewing (listening) audience. In the case of television, the audience factor must be determined by reference to the rating statistics as reflected in such sources as Arbitron, Nielsen, or other comparable resources or by the average circulation statistics published annually in the "Television and Cable Factbook," "Stations Volume" by Television Digest, Inc., Washington D.C., provided that the source selected is consistently used from year to year for that purpose. In the case of radio, the audience factor must be determined by reference to rating statistics as reflected in such sources as Arbitron, Birch/Scarborough Research, or other comparable resources, provided that the source selected is consistently used from year to year for that purpose.

D. Gross receipts from live telecasts and films in release to or by a cable television system must be attributed to this state in the ratio (hereafter "audience factor") that the subscribers for the cable television system located in this state bears to the total subscribers of such cable television system in the United States. If the number of subscribers cannot be accurately determined from the records maintained by the taxpayer, the audience factor ratio shall be determined on the basis of the applicable year's subscription statistics published in "Cable Vision," International Thompson Communications Inc., Denver, Colorado, if available, or, if not available, by other published market surveys.

E. Receipts from the sale, rental, licensing, or other disposition of audio or video cassettes, discs, or similar medium intended for home viewing or listening must be included in the sales factor as provided in *Minnesota Statutes*, section 290.191, subdivision 5.

Adopted Rules

The adoption of a rule becomes effective after the requirements of Minn. Stat. § 14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. § 14.33 and upon the approval of the Revisor of Statutes as specified in § 14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under § 14.18.

Department of Labor and Industry

Adopted Permanent Rules Relating to Occupational Safety and Health

The rules proposed and published at *State Register*, Volume 16, Number 49, pages 2606-2609, dated June 1, 1992 (16 SR 2606) are adopted as proposed. The rules are reprinted below.

Rules as Adopted**5205.0010 ADOPTION OF FEDERAL OCCUPATIONAL SAFETY AND HEALTH STANDARDS BY REFERENCE.**

[For text of subpart 1, see M.R.]

Subp. 2. **Part 1910.** Part 1910: Occupational Safety and Health Standards as published in Volume 43, No. 206 of the *Federal Register* on October 24, 1978, and corrected in Volume 43, No. 216 on November 7, 1978, which incorporates changes, additions, deletions, and corrections made up to November 7, 1978; and subsequent changes made prior to May 5, 1992:

[For text of items A to K, see M.R.]

L. *Federal Register*, Volume 54:

[For text of subitems (1) to (18), see M.R.]

(19) *Federal Register*, Vol. 54, No. 243, dated December 20, 1989: "Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite (1910.1001); Partial Response to Court Remand."

M. *Federal Register*, Volume 55:

[For text of subitems (1) to (18), see M.R.]

(19) *Federal Register*, Vol. 55, No. 237, dated December 10, 1990: "Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite (1910.1001); Extension of Partial Stay and Amendment of Final Rule."

[For text of subitems (20) to (22), see M.R.]

N. *Federal Register*, Volume 56:

[For text of subitems (1) to (7), see M.R.]

O. *Federal Register*, Volume 57:

(1) *Federal Register*, Vol. 57, No. 15, dated January 23, 1992: "Occupational Exposure to Formaldehyde; Extension of Administrative Stay."

(2) *Federal Register*, Vol. 57, No. 36, dated February 24, 1992: "Process Safety Management of Highly Hazardous Chemicals; Explosives and Blasting Agents; Final Rule."

(3) *Federal Register*, Vol. 57, No. 43, dated March 4, 1992: "Process Safety Management of Highly Hazardous Chemicals; Explosives and Blasting Agents; Corrections to Final Rule."

(4) *Federal Register*, Vol. 57, No. 44, dated March 5, 1992: "Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite; Extension of Partial Stay and Amendment of Final Rule."

(5) *Federal Register*, Vol. 57, No. 71, dated April 13, 1992: "Occupational Exposure to Bloodborne Pathogens; Approval of Information Collection Requirements."

(6) *Federal Register*, Vol. 57, No. 87, dated May 5, 1992: "Occupational Exposure to Formaldehyde; Extension of Administrative Stay."

[For text of subps 3 to 5, see M.R.]

Subp. 6. **Part 1926.** Part 1926: Construction Safety and Health Regulations as published in Part VII, Volume 44, No. 29 of the *Federal Register* on February 9, 1979, which incorporates changes, additions, deletions, and corrections made up to October 17, 1978, and includes General Industry Occupational Safety and Health Standards (29 CFR Part 1910) which have been identified as applicable to construction work; and subsequent changes made prior to December 1, 1991:

[For text of items A to E, see M.R.]

F. *Federal Register*, Volume 55:

[For text of subitems (1) to (4), see M.R.]

(5) *Federal Register*, Vol. 55, No. 237, dated December 10, 1990: "Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite (1926.58); Extension of Partial Stay and Amendment of Final Rule."

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Adopted Rules

G. *Federal Register*, Volume 56:

[For text of subitems (1) to (4), see M.R.]

H. *Federal Register*, Volume 57:

(1) *Federal Register*, Vol. 57, No. 44, dated March 5, 1992: "Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite; Extension of Partial Stay and Amendment of Final Rule."

[For text of subp 7, see M.R.]

Pollution Control Agency

Adopted Permanent Rules Relating to Aquaculture Facilities

The rules proposed and published at *State Register*, Volume 16, Number 25, pages 1495-1501, December 16, 1991 (16 SR 1495); and Volume 16, Number 34, page 1912, February 18, 1992 (16 SR 1912), are adopted with the following modifications:

Rules as Adopted

7050.0216 REQUIREMENTS FOR AQUACULTURE FACILITIES.

Subpart 1. **Definitions.** For the purposes of this part, the terms in items A to ~~K~~ J have the meanings given them.

A. "Aquaculture ~~therapeutic~~ therapeutics" means drugs, medications, or disease control chemicals that are approved for concentrated aquatic animal production facility use by the United States Food and Drug Administration or the United States Environmental Protection Agency.

B. "Aquatic animal production" means harvest of unprocessed aquatic animals, including mortalities, where the animals are fed fish food.

C. "Chemical additive" means an aquaculture therapeutic, growth-inducing compound, hormone, or algal control product that is added to a concentrated aquatic animal production facility.

D. "Cold water aquatic animals" means aquatic animals ~~included in, but not limited to,~~ the Salmonidae family of fish, such as trout and salmon.

E. "Concentrated aquatic animal production facility" means a hatchery, fish farm, or other facility that contains, grows, or holds aquatic animals as described in subitems (1) to ~~(3)~~ (4).

(1) Cold water aquatic animal facilities that produce more than 9,090 harvest weight kilograms (approximately 20,000 pounds) of aquatic animals per year or feed more than 2,272 kilograms (approximately 5,000 pounds) of food during the calendar month of maximum feeding.

(2) Warm and cool water aquatic animal facilities that produce more than 45,454 harvest weight kilograms (approximately 100,000 pounds) of aquatic animals per year.

(3) Case-by-case designation of concentrated aquatic animal production facilities. The commissioner may designate any warm, cool, or cold water aquatic animal production facility as a concentrated aquatic animal facility upon determining that it ~~is a significant contributor of pollution to the waters of the state~~ may cause a violation of an applicable state or federal water quality rule or regulation. In making this designation, the commissioner shall consider the following factors:

- (a) the location and quality of the receiving waters;
- (b) the holding, feeding, and production capacities of the facility; and
- (c) the quantity and nature of the pollutants reaching waters of the state; ~~and~~
- ~~(d) other relevant factors.~~

A permit application is not required from a concentrated aquatic animal production facility designated under this item until the commissioner has conducted an on-site inspection of the facility and has determined that the facility ~~should and could~~ is required to be regulated under the permit program. A permit will be required under this subitem only after the facility has been given notice of the commissioner's determination and an opportunity to request a hearing as provided in parts 7000.1000 and 7001.0130.

(4) Harvest weight is considered the weight of aquatic animal product which leaves a production facility, minus the weight of aquatic animal product which enters the same production facility.

F. "Continuous discharge" means a discharge that occurs without interruption throughout the operating hours of the facility, except for infrequent shutdowns for maintenance, process changes, or other similar activities.

G. "Existing beneficial uses" means the uses that have been made or may be reasonably anticipated to be made during the time of the proposed operations of waters of the state for domestic water supply, tourism and recreational industries, transportation, industrial consumption, wellhead protection, wildlife sustenance, wetland protection, fire protection, fire prevention, assimilation of municipal and industrial wastes and other wastes or other uses within this state, and, at the discretion of the agency, any uses in another state or interstate waters flowing through or originating in this state.

H. "Fish food" means materials including, ~~but not limited to, commercial processed feeds, grains and seeds, plants, forage fish, insects, crustaceans, worms,~~ plant wastes, meat, and dead fish or other dead animal parts, but not including living aquatic animals, for the ~~purpose~~ purposes of sustaining growth, ~~repair, repairing~~ vital processes, ~~and or~~ furnishing energy for aquatic animals present in the facility.

I. "In situ facility" means a concentrated aquatic animal production facility in which aquatic animals are reared in waters of the state. This includes net pens, net cages, floating raceways, barges, and other similarly constructed or fabricated public or private facilities.

J. "On-land facility" means a concentrated aquatic animal production facility not located within waters of the state in which aquatic animals are reared. This includes fish hatcheries, rearing ponds, spawning channels, and other similarly constructed or fabricated public or private facilities.

K. I. "Recirculating flow" means wastewater, within a concentrated aquatic animal production facility, which is collected from aquatic animal rearing units, treated, and then returned to aquatic animal rearing units for reuse.

L. "Warm and cool water aquatic animals" means all other aquatic animals not included in the Salmonidae family of fish and include, but are not limited to, the Amereiuiride, Centrarchidae, Cyprinidae, Percidae, and Ictaluridae families of fish, such as catfish, sunfish, minnows, and walleye.

Subp. 2. **Permit required.** No person may construct, operate, or maintain a concentrated aquatic animal production facility until the agency has issued a National Pollutant Discharge Elimination System and State Disposal System (NPDES/SDS) permit for the facility in accordance with chapter 7001. Production levels of multiple projects and multiple stages of a single project that are connected actions or phased actions will be considered in total under subpart 1, item E.

Subp. 3. **Treatment technology discharge requirements.** The discharge limitations in items A to D are established based on the 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.

A. Collection and treatment. All concentrated aquatic animal production facilities shall collect, remove, treat, and properly dispose of unconsumed fish food and fish wastes. ~~Mass discharge shall be determined by monitoring, testing, and reporting in accordance with subpart 6, item A.~~

B. On-land facilities. Any person discharging from an on-land facility shall comply with the following limitations after allowance for pollutant removal by a treatment works:

Substance or Characteristic	Limiting Concentration or Range
5-day carbonaceous biochemical oxygen demand*	25 milligrams per liter
Fecal coliform group organisms***	200 organisms per 100 milliliters
Total suspended solids*	30 milligrams per liter
Oil	Essentially free of visible oil
Phosphorus**	1 milligram per liter
pH range	6.0 to 9.0

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Adopted Rules

Toxic or corrosive pollutants

Concentrations of toxic or corrosive pollutants must not cause acute toxicity to humans or other animals, or plant life, directly damage real property, or exceed the final acute value unless the effluent satisfies the whole effluent toxicity test as follows: If a whole effluent toxicity test performed on the effluent results in less than 50 percent mortality of the test organisms, the effluent will not be considered acutely toxic unless the commissioner finds that the test species do not represent sensitive organisms in the affected surface water body or the whole effluent test was performed on a sample not representative of the effluent quality. The final acute value and whole effluent toxicity tests are defined in part 7050.0218, subpart 3, items O and FF, respectively.

* The arithmetic mean for concentrations of five-day carbonaceous biochemical oxygen demand for all discharges and of total suspended solids for continuous discharges shall not exceed the stated value in any calendar month. For noncontinuous discharges, the arithmetic mean for concentration of total suspended solids shall not exceed 45 milligrams per liter in any calendar month.

** Where the discharge of effluent is directly to or affects a lake or reservoir, phosphorus removal to one milligram per liter shall be required. In addition, removal of nutrients from all wastes shall be provided to the fullest practicable extent wherever sources of nutrients are considered to be actually or potentially detrimental to preservation or enhancement of the designated water uses. Discharges required to control nutrients by this subpart are subject to the variance provisions of part 7050.0190.

*** Disinfection of wastewater effluents to reduce the levels of fecal coliform organisms to the stated value is required from March 1 through October 31 for Class 2 waters and May 1 through October 31 for Class 7 waters, except that where the effluent is discharged 25 miles or less upstream of a water intake supplying a potable water system, the reduction to the stated value is required throughout the year. The stated value must not be exceeded in any calendar month as determined by the geometric mean of all samples collected in a given calendar month. The application of the fecal coliform group organism standards shall be limited to sewage or other effluents containing admixtures of sewage and shall not apply to industrial wastes except where the presence of sewage, fecal coliform organisms, or viable pathogenic organisms is known or reasonably certain. Analysis of samples for fecal coliform group organisms by either the multiple tube fermentation or the membrane filter technique is acceptable.

C. In situ facilities. A person discharging from an in situ facility shall comply with the following limitations after allowance for pollutant removal by a treatment works:

Substance or Characteristic	Limiting Concentration or Range
5-day carbonaceous biochemical oxygen demand*	25 milligrams per liter
Fecal coliform group organisms***	200 organisms per 100 milliliters
Total suspended solids*	30 milligrams per liter
Oil	Essentially free of visible oil
Phosphorus**	1 milligram per liter
pH range	6.0 to 9.0
Toxic or corrosive pollutants	Concentrations of toxic or corrosive pollutants must not cause acute toxicity to humans or other animals, or plant life, directly damage real property, or exceed the final acute value unless the effluent satisfies the whole effluent toxicity test as follows: If a whole effluent toxicity test performed on the effluent results in less than 50 percent mortality of the test organisms, the effluent will not be considered acutely toxic unless the commissioner finds that the test species do not represent sensitive organisms in the affected surface water body or the whole effluent test was performed on a sample not representative of the effluent quality. The final acute value and whole effluent toxicity tests are defined in part 7050.0218, subpart 3, items O and FF, respectively.

* The arithmetic mean for concentrations of five-day carbonaceous biochemical oxygen demand for all discharges and of total suspended solids for continuous discharges shall not exceed the stated value in any calendar month. For noncontinuous discharges, the arithmetic mean for concentration of total suspended solids shall not exceed 45 milligrams per liter in any calendar month.

** Where the discharge of effluent is directly to or affects a lake or reservoir, phosphorus removal to one milligram per liter shall be required. In addition, removal of nutrients from all wastes shall be provided to the fullest practicable extent wherever sources of

nutrients are considered to be actually or potentially detrimental to preservation or enhancement of the designated water uses. Discharges required to control nutrients by this subpart are subject to the variance provisions of part 7050.0190.

*** Disinfection of wastewater effluents to reduce the levels of fecal coliform organisms to the stated value is required from March 1 through October 31 for Class 2 waters and May 1 through October 31 for Class 7 waters, except that where the effluent is discharged 25 miles or less upstream of a water intake supplying a potable water system, the reduction to the stated value is required throughout the year. The stated value must not be exceeded in any calendar month as determined by the geometric mean of all samples collected in a given calendar month. The application of the fecal coliform group organism standards shall be limited to sewage or other effluents containing admixtures of sewage and shall not apply to industrial wastes except where the presence of sewage, fecal coliform organisms, or viable pathogenic organisms is known or reasonably certain. Analysis of samples for fecal coliform group organisms by either the multiple tube fermentation or the membrane filter technique is acceptable.

~~D. B. Discharge requirements. All concentrated aquatic animal production facilities that discharge industrial or other wastes to waters of the state shall comply with the requirements of part 7050.0212, subparts 1, 3, 4, 5, and 6.~~

C. Recirculating flow. The owner or operator of a recirculating flow in situ or on-land facility may propose to the commissioner alternate concentration limits than those required by item B or C apply for a variance from the requirements of item B in accordance with parts 7000.0700 and 7050.0190. The proposal variance application shall provide detailed information on the following:

- (1) treatment, collection, removal, and disposal of wastes after wastewater flow leaves aquatic animal rearing units and before the wastewater is returned for reuse to rearing units;
 - (2) the rate of wastewater discharge flow compared to the volume of water in the aquatic animal rearing units;
 - (3) reduction in the mass discharge of pollutants due to the design, operation, and maintenance of the recirculating system;
- and
- (4) reduction in water appropriation due to the design, operation, and maintenance of the recirculating system.

~~The commissioner may approve alternate concentration limits under this subpart based upon information related to subitems (1) to (4).~~

Subp. 4. **Additional requirements.** Except as expressly excluded in this part, the construction, operation, and maintenance of a concentrated aquatic animal production facility shall comply with the requirements of parts 7050.0110 to 7050.0214 and 7050.0217 to 7050.0220, if applicable.

Subp. 5. Interim reversible impacts.

A. Variance. Upon application of the responsible person or persons and in accordance with parts 7000.0700 and 7050.0190, the agency in its discretion may shall grant a variance from subpart 3, item A or B, if the agency also finds that:

- (1) the construction, operation, and maintenance of the facility will not impair the existing beneficial uses and the level of water quality necessary to protect the existing beneficial uses;
- (2) the economic or social development of concern will not occur due to the standards in subpart 3;
- (3) allowing lower water quality is necessary to accommodate important economic or social development in the area in which the receiving waters are located;
- (4) the baseline quality of the receiving waters has been established in accordance with item C;
- (5) a closure plan for the facility has been ~~approved~~ submitted in accordance with item E;
- (6) financial assurance for the facility has been established, ~~approved,~~ and maintained in accordance with item F; ~~and~~
- (7) the applicant has ~~obtained~~ submitted a permit application for the facility for which the variance is sought in compliance with subpart 2;
- (8) the applicant has submitted a completed variance application in accordance with item B; and
- (9) the receiving waters will be restored to baseline quality within three years of initiation of closure.

However, no variances may be granted that would result in noncompliance with applicable federal rules, regulations, or standards for water quality.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Adopted Rules

B. Variance application. In addition to the requirements of part 7000.0700, subpart 2, the written application must contain:

- (1) the baseline quality data of the receiving waters collected under ~~agency-approved~~ commissioner-approved protocol in accordance with item C;
- (2) the ~~agency-approved~~ closure plan in accordance with item E; and
- (3) an up-to-date closure cost estimate for the facility prepared under item E and evidence of the financial assurance required in item F.

C. Baseline quality. Baseline quality shall be established by no less than two consecutive years, or equivalent, of preoperational data on the receiving waters. The equivalent testing program shall require 12 sampling events for the parameters in item E collected during the months of May through October. Testing programs used to establish baseline quality shall be reviewed and approved by the commissioner before the start of testing. The commissioner shall supply the specific intra-year and inter-year variables.

D. Closure. If a variance is granted under item A, the ~~responsible person~~ permittee shall restore the receiving waters to baseline quality when:

- (1) aquatic animal production from the facility ceases;
- (2) any of the control pollutant limits in item G are exceeded;
- (3) the permit for the facility expires, and reissuance of the permit is not applied for or is applied for and denied;
- (4) the permit for the facility is revoked;
- (5) an agency order to cease operation is issued; or

(6) the required financial assurance under item F for closure, postclosure monitoring, or corrective actions is not maintained with the proper payment or substitute instrument.

E. Closure plan. The applicant shall submit a closure plan ~~for review and approval by the commissioner with the variance application.~~ The closure plan shall demonstrate financial assurance under item F for closure, postclosure monitoring, and corrective actions for restoration of the receiving waters to baseline quality, and shall ~~demonstrate the technological and environmental feasibility of restoration of the receiving waters to baseline quality~~ describe the methods and processes that will be implemented to restore the receiving waters to baseline quality within three years of initiation of closure. The demonstration must show that no additional restoration is needed beyond three years. Restoration to baseline quality ~~shall ensure that the most protective water quality of the following parameters are restored. For each of the water quality parameters, is required: dissolved oxygen, total phosphorus, and chlorophyll-a.~~ Restoration to the baseline quality level means that the mean postclosure baseline quality levels shall not be significantly different as determined with the appropriate statistical test from the means of the mean preoperational baseline quality levels level.

F. Financial assurance. The applicant shall submit to the commissioner for review and approval a closure, postclosure monitoring, and corrective action cost estimate, and evidence of financial assurance, prepared in accordance with parts 7035.2685 to 7035.2805.

G. Control pollutant limits. The following control pollutant limits are established to prevent irreversible pollution and to protect the existing beneficial uses, and apply to the receiving waters at all times:

Substance or Characteristic	Limiting Concentration or Range
Total organic carbon	5 milligrams per liter*
Nitrate nitrogen	10 milligrams per liter**
Chlorophyll-a	30 micrograms per liter***
Dissolved oxygen	Not less than 3 milligrams per liter in the bottom half of the hypolimnion and 5 milligrams per liter in the upper half of the hypolimnion****

* Annual mean.

** Instantaneous value. "Instantaneous value" means the concentration in one sample.

*** Monthly mean (May through September).

**** Instantaneous value. If the baseline monitoring shows that the preoperational oxygen concentration for the same time of the year is less than three milligrams per liter for the bottom half of the hypolimnion and five milligrams per liter for the upper half, there shall be no further reduction of the preoperational oxygen concentrations. If the baseline quality of a pollutant is greater than the control pollutant limit, or less in the case of dissolved oxygen, the baseline quality of the pollutant shall be used as the control pollutant limit.

Subp. 6. Special conditions.

A. Monitoring, testing, and reporting.

(1) ~~On-land facilities shall monitor, test, and report the flow rate and the pollutant concentrations of the discharge. The mass of a pollutant discharged shall be determined by multiplying the flow rate by the pollutant concentration.~~

(2) ~~In situ facilities shall monitor, test, and report dry mass and composition by percentage of all materials added to and removed from the waters in the facility. The mass of a pollutant discharged shall be determined as the difference between:~~

~~(a) the dry mass multiplied by the percentage composition of the materials added; and~~

~~(b) the dry mass multiplied by the percentage composition of the materials removed.~~

~~The materials to be monitored, tested, and reported include, but are not limited to, aquatic animal production, fish food used, waste fish food, filter backwash, sludges, sediments, and other accumulated solids.~~

~~(3) (1) In addition to the requirements for monitoring, testing, and reporting under part 7001.0150, subpart 2, item B, the permittee shall report the aquatic animal production and amount of fish food used.~~

~~(2) The commissioner may require the permittee to monitor receiving waters to determine natural background levels and baseline quality and to determine compliance with state and federal antidegradation and water quality standard requirements. The monitoring shall consider natural seasonal and year-to-year variations in background levels and baseline quality.~~

~~B. Collection and disposal of aquatic animal mortalities and blood. The permittee shall transport aquatic animal mortalities for rendering or disposal at a land-based facility. Aquatic animal mortalities shall not be disposed of in waters of the state. The permittee shall prevent blood produced through harvest of aquatic animals from entering waters of the state untreated. The blood generated shall be transported to a land-based rendering or disposal facility approved by the commissioner, or discharged to a publicly owned treatment works in accordance with the applicable publicly owned treatment works NPDES/SDS permit.~~

~~C. Record keeping. The permittee shall maintain an operation record book of daily operations and other occurrences that may affect water quality, including, but not limited to, addition of fish food, composition of fish food, aquatic animal transfers and harvests, cleaning, mortalities, major weather events, and power failures. The operation record book shall be available at all times for inspection and copying by the commissioner.~~

~~D. Annual report. Each year, the permittee shall submit an annual report to the commissioner. The report shall include:~~

~~(1) a general description of the operations conducted for the past calendar year;~~

~~(2) a summary of the monitoring data;~~

~~(3) the mass of aquatic animals currently at the facility;~~

~~(4) aquatic animal production at the facility for the past calendar year;~~

~~(5) methods, amounts, and locations of the removal and disposal of waste fish food, filter backwash, sludges, sediments, mortalities, and other accumulated solids generated at the facility; and~~

~~(6) proposed changes in operation and/or production for the coming year.~~

~~E. Water treatment and chemical additives. The discharge of water treatment and chemical additives shall not be in toxic amounts, cause adverse human health concerns, or violate water quality standards comply with parts 7050.0218 and 7050.0220.~~

Withdrawn Rules

Department of Public Safety

Fire Marshal Division

Notice of Withdrawal of Proposed Permanent Rules Relating to Furniture Flammability

NOTICE IS HEREBY GIVEN that the proposed permanent rules regarding furniture flammability, as proposed in the May 4, 1992, *State Register* on pages 2402 to 2405 (16 S.R. 2402) are withdrawn on July 13, 1992. The State Fire Marshal is withdrawing the proposed rules pursuant to *Minnesota Statutes*, section 14.05, subdivision 3.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Withdrawn Rules

These rules are being renoticed in a modified form elsewhere in the August 3, 1992, edition of the *State Register*.

PLEASE NOTE that the State Fire Marshal will not hold a hearing in response to the requests for a hearing on the withdrawn rules. A hearing will not be held unless 25 or more requests for a hearing are received in response to the Notice published in the August 3, 1992, *State Register*.

Persons having questions about this matter may contact Patrick Sheehan, State Fire Marshal Division, 450 North Syndicate Street #285, St. Paul, Minnesota 55104, telephone (612) 643-3082.

Dated: 13 July 1992

Thomas R. Brace
State Fire Marshal

Executive Orders

Executive Department

Executive Order 92-11: Designating the Minnesota Department of Education as the Lead Agency in Developing Comprehensive Interagency Early Intervention Services for Young Children With Disabilities and Their Families in Accordance with PL 99-457

I, ARNE H. CARLSON, GOVERNOR OF THE STATE OF MINNESOTA, by virtue of the authority vested in me by the Constitution and the applicable statutes, do hereby issue this Executive Order:

WHEREAS, the federal government has passed Public Law 99-457 to assist states in planning and developing statewide systems of early intervention services for all children with disabilities from birth through age two and their families; and


WHEREAS, Public Law 99-457 requires the appointment of a lead agency for the purpose of general administration of the program and coordination of the activities of the other state agencies;

NOW, THEREFORE, I hereby order that:

The Minnesota Department of Education, with the collaboration and support of the Departments of Human Services and Health, be designated to serve as the lead agency in the development and implementation of a comprehensive interagency service delivery system for children birth through age two with disabilities and their families in accordance with the requirements of Part H, Public Law 99-457.

Pursuant to *Minnesota Statutes* 1990, Section 4.035, subd. 2, this Order shall be effective fifteen (15) days after publication in the *State Register* and filing with the Secretary of State and shall remain in effect until rescinded by proper authority or it expires in accordance with *Minnesota Statutes* 1990, Section 4.035, subd. 3.

IN TESTIMONY WHEREOF, I have set my hand this twenty-fourth day of July, 1992.


Arne H. Carlson
Governor

Filed According to Law:

Joan Anderson Growe
Secretary of State

Dated: 27 July 1992

Official Notices

Pursuant to the provisions of Minnesota Statutes § 14.10, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject, either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Department of Commerce

Maximum Lawful Rate of Interest for Mortgages and Contracts for Deed for the Month of August 1992

NOTICE IS HEREBY GIVEN that pursuant to *Minnesota Statutes*, Section 47.20, Subdivision 4a, the maximum lawful rate of interest for conventional home mortgages and contracts for deed for the month of August 1992 is twelve and twenty-seven one-hundredths (12.27) percentage points.

This rate change is the first since September 1983, Chapter 587, 1992 Session Laws, amended *Minnesota Statutes*, Section 47.20, Subdivision 4a, to provide for monthly indexing as follows:

No conventional or cooperative apartment loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate in an amount equal to the Federal National Mortgage Association posted yields on 30-year mortgage commitments for delivery within 60 days on standard conventional fixed-rate mortgages published in the *Wall Street Journal* for the last business day of the second preceding month plus four percentage points.

Future changes in the maximum lawful rate of interest will be published monthly.

Dated: 24 July 1992

Bert J. McKasy
Commissioner of Commerce

Minnesota Comprehensive Health Association

Notice of Meeting of the Enrollee Appeal Committee

NOTICE IS HEREBY GIVEN that a meeting of the Minnesota Comprehensive Health Association (MCHA), Enrollee Appeal Committee will be held at 1:00 p.m. on Tuesday, August 11, 1992 at Prudential Insurance Company of America, 3701 South Wayzata Boulevard, Minneapolis, Minnesota, in the 8th floor small conference room next to the Board room.

Portions of this meeting may be closed to the public.

For additional information please call Lynn Gruber at (612) 593-9609.

Minnesota Comprehensive Health Association

Notice of Meeting of the Research Committee

NOTICE IS HEREBY GIVEN that a meeting of the Minnesota Comprehensive Health Association (MCHA), Research Committee will be held at 9:00 a.m. on Tuesday, August 11, 1992 at Group Health, Inc., 2829 University Avenue SE, Minneapolis, Minnesota, in the 6th floor conference room.

For additional information please call Lynn Gruber at (612) 593-9609.

Ethical Practices Board

Advisory Opinion Requests #122 and #123 re: Lobbyist Principal

On July 27, 1992, the Executive Director sent the requesters a letter informing them that the Board failed to approve an advisory opinion by the required four votes on the issue of whether political subdivisions are lobbyist principals for the purposes of *Minnesota Statutes* § 10A.04, subd. 6 (1990), and, therefore, it is up to each individual political subdivision to decide whether to complete and file the annual report of lobbyist principal. See requests on behalf of the Metropolitan Airports Commission and the Metropolitan Sports Facilities Commission, respectively, published at 16 S.R. 2212.

Health Reinsurance Association Board

Notice of Scheduled Meetings for Health Reinsurance Association Board and Subcommittees

Health Reinsurance Association Board Meetings (1st Floor—Large Hearing Room)

August 7	8:00 to 12:00
September 11	8:00 to 12:00
October 2	8:00 to 12:00
November 6	8:00 to 12:00
December 4	8:00 to 12:00

Plan of Operations Bylaws—Subcommittee Meetings (1st Floor—Large Hearing Room)

July 23	4:00
July 28	1:00
August 11	3:00
August 18	3:00

Rates—Subcommittee Meeting (3rd Floor—Banking Hearing Room)

July 28	8:00
August 6	1:30

Reinsurance Administration Subcommittee—Policy Forms (3rd Floor—Financial Exams Conference Room)

July 27	9:30
---------	------

All meetings will be held at the Minnesota Department of Commerce, 133 E, 7th Street, St. Paul, MN 55101. Anyone wishing further information regarding meetings should contact Pam Kolstad at 297-1118.

Department of Human Services

Health Care Management Division

Announcement of Vacancy on Medicaid Drug Formulary Committee

The Minnesota Department of Human Services is seeking applications from Minnesotans interested in serving on the Minnesota Medicaid Drug Formulary Committee. The purpose of the committee is to advise the Department on drug coverage for the Medical Assistance Program. The current opening on the 9-member committee is for a consumer representative. The member should represent Medical Assistance recipients' interests, as consumers, in recommending drug coverage to the Department.

Members currently serve 2-year terms and volunteer their time and services to the committee. The Department will reimburse members for expenses for mileage to and from committee meetings. Members will be awarded continuing education credits for attending committee meetings. For more information, please contact Eric Anderson, Health Care Management Division, at (612) 296-1723, or send a letter of interest and vita to Eric Anderson, Department of Human Services, 444 Lafayette Road, St. Paul, Minnesota 55155-3853. Applications will be accepted until September 1, 1992.

Metropolitan Council

Notice of Preliminary Schedule for Revising the Metropolitan Development and Investment Framework Chapter of the *Metropolitan Development Guide*

The Metropolitan Council has established a preliminary schedule to revise and update the Metropolitan Development and Investment Framework (MDIF) chapter of the *Metropolitan Development Guide*. The MDIF chapter provides direction for the future development patterns in the Metro Area and establishes guidelines for making decisions about major regional facilities, such as sewers and highways, that are needed to support the commercial, industrial and residential development of the region. Work will begin in 1992 and be completed by the end of 1993. Its purpose is to revise the MDIF to reflect the Council's goals for the region as set forth in its document *Metro 2015... Vision and Goals*; to incorporate new regional forecasts for population, households and employment through 2020; to

reflect the potential impact on the region's development patterns and metro systems of a potential new major airport; and to explore possible integration of a human services planning component into the MDIF. Changes may affect the standards for determining projects of metropolitan significance in the metropolitan significance rules. The following steps and dates are anticipated:

- | | |
|---|----------------|
| • Review current policies and identify issues/concerns | Sept. (92) |
| • Review development, population, income and employment trends | Oct. |
| • Identify and select preferred growth management alternative | Nov.-Jan. (93) |
| • Issues papers presentation and discussion | Jan.-July |
| • Public meeting on proposed growth management strategy and geographic policy areas | June |
| • Review and discussion on draft MDIF | Aug.-Sept. |
| • Public hearing on draft MDIF | Oct. |
| • Adoption of revised MDIF | Dec. |

Oversight of the MDIF revision will rest with the Council as a Committee of the Whole assisted by a working group consisting of Council members and staff. Additional input from the public will occur through meetings of the Council and at the public meeting and hearing. For more information on the proposed work, to submit data or views on the subject, or to verify dates and meetings, contact Anne Hurlburt, Manager, Comprehensive Planning and Local Assistance Division, 291-6501. Written data or views may be submitted to Anne Hurlburt at Mears Park Centre, 230 East Fifth St., St. Paul, MN 55101. To be on an interested persons mailing list to receive meeting notices and agendas, call Karen Patraw at 291-6363.

Office of the Secretary of State

Notice of Vacancies in Multi-Member Agencies

NOTICE IS HEREBY GIVEN to the public that vacancies have occurred in multi-member state agencies, pursuant to *Minnesota Statutes* 15.0597, subdivision 4. Application forms may be obtained from the Office of the Secretary of State, Open Appointments, 180 State Office Building, St. Paul, MN 55155-1299; (612) 297-5845, or in person at Room 174 of the State Office Building. More specific information about these vacancies may be obtained from the agencies listed below. These vacancies will remain open for application through August 25, 1992. Appointing Authorities may also choose to review applications received after that date. Applications are kept on file for a one year period.

INTERGOVERNMENTAL INFORMATION SYSTEMS ADVISORY COUNCIL (IISAC)

Dept. of Administration, Room 320, Centennial Office Bldg., 658 Cedar St., St. Paul 55155. 612-297-5530
Minnesota Statutes 16B.42

APPOINTING AUTHORITY: Commissioner of Administration. **COMPENSATION:** \$55 per diem plus expenses for public members.
VACANCY: One vacancy: member must represent 2nd or 3rd class cities outside the metro area.

The council promotes the use and exchange of information between state and local governments through a grant program and also acts as a liaison in the area of information systems. Twenty-five members (fourteen elected or appointed government officials, seven representatives of state agencies and four public members) include two each from counties outside of the metro area, 2nd and 3rd class cities within and outside of metro area, and 4th class cities; one member each from Metropolitan Council, outstate regional body, counties within metro area, 1st class cities, school districts within and outside metro area, state department officials, and four from the state community at large. Members are appointed for four year terms.

TELECOMMUNICATIONS ACCESS FOR COMMUNICATION-IMPAIRED PERSONS BOARD

Dept. of Administration, Centennial Office Bldg., 1st Floor, 658 Cedar St., St. Paul 55155. 612-296-0412 (Voice), 612-296-9863 (TDD)
Minnesota Statutes 237.50

APPOINTING AUTHORITY: Governor. **COMPENSATION:** \$55 per diem as of 8-1-92.

VACANCY: One vacancy: member must be communication-impaired consumer.

The board determines the priority of eligible applicants for initial distribution of communication devices and the circumstances requiring more than one device per household, and is to develop, implement, and maintain a statewide toll-free telephone relay service to enhance communication between persons using TDD and persons without such special devices. The twelve member board includes five communications-impaired persons, one communication disabilities professional, one person representing the state's largest local exchange company, one member of Minnesota telephone association, one person representing companies providing inter-LATA service, one person representing the organization the board contracts with to provide telecommunication relay service, and the commissioner of Administration and the commissioner of Human Services or their designees. Members must file with the Ethical Practices Board. Monthly meetings until March 1989 and quarterly thereafter until June 1993.

Official Notices

BOARD OF PEACE OFFICER STANDARDS AND TRAINING

Suite 200, 1600 University Ave., St. Paul 55104-3828. 612-643-3060

Minnesota Statutes 626.841

APPOINTING AUTHORITY: Governor. **COMPENSATION:** \$55 per diem.

VACANCY: One vacancy: member from the general public.

The board licenses peace officers and part-time peace officers, establishes minimum qualifications and standards of conduct, and regulates professional peace officer education and continuing education for peace officers. The board consists of fifteen members, including two sheriffs, four municipal peace officers (at least two chiefs of police), two former law enforcement officers, two elected city officials from cities of under 5,000 outside of the metropolitan area, two peace officers, one who is a member of the Minnesota Trooper's Association, and two public members. The superintendent of the Bureau of Criminal Apprehension is an ex-officio member. Quarterly meetings. Members must file with the Ethical Practices Board.

AMERICAN INDIAN ADVISORY COUNCIL ON CHEMICAL DEPENDENCY

444 Lafayette Rd., St. Paul 55155-3823. 612-296-8941

Minnesota Statutes 254A.035

APPOINTING AUTHORITY: Commissioner of Human Services. **COMPENSATION:** \$55 per diem plus expenses.

VACANCY: One vacancy: member to represent the American Indian programs and population of Duluth.

The council establishes policies and procedures for American Indian chemical dependency programs, and reviews and recommends proposals for funding. The council consists of seventeen members including one member from each of eleven reservations, two members from Minneapolis, two members from St. Paul, one member from Duluth, and one member from International Falls. Quarterly meetings.

ADVISORY COUNCIL ON THE MINNESOTA ACADEMY FOR THE DEAF AND THE BLIND

P.O. Box 308, Faribault 55021. 507-332-3363

Minnesota Statutes 128A.03

APPOINTING AUTHORITY: State Board of Education. **COMPENSATION:** \$55 per diem.

VACANCY: One vacancy: opening exists for a staff representative only.

The council advises the Board of Education on policies pertaining to the control, management, and administration of these academies. Up to fifteen members: shall be representative of the various geographic regions of the state and include parents or guardians of visually disabled or hearing impaired children, a staff representative of the applicable academy, two representatives from groups representing the interest of visually disabled or hearing impaired individuals. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.

BOARD OF ARCHITECTURE, ENGINEERING LAND SURVEYING & LANDSCAPE ARCHITECTURE

133 7th St. E., St. Paul 55101. 612-296-2388

Minnesota Statutes 326.04

APPOINTING AUTHORITY: Governor. **COMPENSATION:** \$55 per diem plus expenses.

VACANCY: Three new positions: two public members—must not have financial interest in any of the five professions regulated by the board; and one interior designer—must have been certified by National Council of Interior Designer Qualifications, and have a minimum of eight years of combined education and experience.

The board licenses and regulates architects, engineers, land surveyors and landscape architects. The board consists of twenty members including three licensed architects, five licensed engineers, one licensed landscape architect, two licensed land surveyors, one certified interior designer, and eight public members. Not more than one member may be from the same branch of the profession of engineering. Each professional member must have ten years experience in their profession and have been in responsible charge of work for at least five years. Meetings four times a year. Members must file with the Ethical Practices Board.

MN BOARD OF CHIROPRACTIC EXAMINERS PEER REVIEW COMMITTEE

2700 University Ave. W., Suite 20, St. Paul, MN 55114-1089. 612-642-0591

Minnesota Statutes 148.01 - 148.106

APPOINTING AUTHORITY: Executive Director, State Board of Chiropractic Examiners. **COMPENSATION:** \$55 per diem.

VACANCY: One vacancy: professional member—appointees would be expected to attend first meeting on Tuesday, October 13, 1992 at 12:30 p.m.

The committee makes determinations of whether or not certain chiropractors properly utilized services rendered or ordered appropriate treatment or service, and if the cost of treatment was unconscionable. The committee consists of seven members, including five chiropractors and two consumer members. Terms are varied.

COUNCIL ON DISABILITY

Metro Square Bldg., Suite 145, St. Paul 55101. 612-296-6785

Minnesota Statutes 256.481 - 256.482

APPOINTING AUTHORITY: Governor. **COMPENSATION:** \$55 per diem plus expenses.

VACANCY: One vacancy: must live in Region 11. The majority of members on the council shall be persons with a disability or parents of persons with a disability.

The council advises the governor, legislature, service-providing agencies, and the public on the needs and potentials of people with physical, mental, or emotional disabilities. The council consists of twenty-one members representing the general public and organizations which provide services for persons with disabilities: at least one member from each development region—a majority of members are persons with disabilities or parents or guardians of persons with disabilities (service consumers). The commissioners of the Departments of Education, Health, Human Services, Jobs and Training, Human Rights, and the directors of Vocational Rehabilitation and State Services for the Blind or their designees are ex-officio members. Bi-monthly meetings; meetings are scheduled January 16, March 19, and May 21, 1992.

JUVENILE JUSTICE ADVISORY COMMITTEE

Dept. of Jobs and Training, 690 American Center Bldg., 150 E. Kellogg Blvd., St. Paul 55101. 612-296-8601

Minnesota Statutes 268.29

APPOINTING AUTHORITY: Governor. **COMPENSATION:** Reimbursed for travel expenses.

VACANCY: Three new positions: two public members and one youth member under the age of 24. Persons from minority or ethnic communities are encouraged to apply.

The committee is the supervisory board for the Department of Jobs and Training with respect to preparation and administration of the state plan and award of grants. The committee consists of eighteen members: must have training, experience or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice. At least one-fifth of the membership must be under the age of twenty-four at the time of initial appointment and at least three must have been or will currently be under the jurisdiction of the juvenile justice system. The majority of members including the chair, must not be full time employees of the federal, state or local governments.

Teachers Retirement Association**Notice of Regular Meeting**

The Board of Trustees, Minnesota Teachers Retirement Association will hold a meeting on Wednesday, August 26, 1992, at 9:30 a.m., in Suite 500, Gallery Building, 17 W. Exchange St., St. Paul, MN to consider matters which may properly come before the Board.

Department of Transportation**Office of Motor Carrier Services****Notice of Solicitation of Outside Information or Opinions Regarding Proposed Permanent Rules Governing the Assessment of Administrative Penalties for Violations of the Special Transportation Service Operating Standards**

NOTICE IS HEREBY GIVEN that the State of Minnesota, Department of Transportation, is seeking information or opinions from sources the agency in preparing to propose the adoption of rules governing the assessment of administrative penalties. The adoption of the rules is authorized by *Minnesota Statutes*, section 174.30, subdivision 2, paragraph (e), which requires the agency to adopt standards for assessing administrative penalties for violations.

The State Department of Transportation requests information and opinions concerning the subject matter of the rules. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to:

Ward Briggs
Office of Motor Carrier Services
151 Livestock Exchange Building
100 Stockyard Road
South St. Paul, MN 55075

Official Notices

Oral statements will be received during regular business hours over the telephone at (612) 297-7656 and in person at the above address.

All statements of information and opinions shall be accepted until September 4, 1992. Any written material received by the State Department of Transportation shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event the rules are adopted.

Dated: 17 July 1992

James N. Denn, Commissioner
Department of Transportation

Department of Transportation

Office of Motor Carrier Services

Notice of Solicitation of Outside Information or Opinions Regarding the Amendment of the Rules Governing Motor Carrier Tariffs and Accounting

NOTICE IS HEREBY GIVEN that the State of Minnesota, Department of Transportation, is seeking information or opinions from sources outside the agency in preparing to propose the amendment of the rules governing motor carrier tariffs and accounting. The amendment of the rules is authorized by *Minnesota Statutes*, section 221.031, subdivision 1, which permits the agency to prescribe rules for the operation of motor carriers. Rules the agency proposes to amend are found in *Minnesota Rules*, chapter 7805.

The State Department of Transportation requests information and opinions concerning the subject matter of the rules. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to:

Ward Briggs
Office of Motor Carrier Services
151 Livestock Exchange Building
100 Stockyard Road
South St. Paul, MN 55075

Oral statements will be received during regular business hours over the telephone at (612) 297-7656 and in person at the above address.

All statements of information and opinions shall be accepted until September 4, 1992. Any written material received by the State Department of Transportation shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event the rules are adopted.

Dated: 17 July 1992

James N. Denn, Commissioner
Department of Transportation

Department of Transportation

Office of Motor Carrier Services

Notice of Solicitation of Outside Information or Opinions Regarding Proposed Rules Governing the Registration of Hazardous Materials Transporters

NOTICE IS HEREBY GIVEN that the State of Minnesota, Department of Transportation, is seeking information or opinions from sources outside the agency in preparing to propose the adoption of rules governing the registration of persons who transport hazardous materials. The adoption of the rules is authorized by *Minnesota Statutes*, section 221.0335. That section states that a person required to file a registration statement under section 106(c) of the federal Hazardous Materials Transportation Safety Act of 1990 may not transport a hazardous material unless the person files an annual hazardous materials registration statement with the commissioner and pays a fee. The fee may not exceed a person's annual registration fee under the federal act. Section 221.0335 requires the agency to adopt rules to implement that section, including administration of the registration program and establishing registration fees.

The State Department of Transportation requests information and opinions concerning the subject matter of the rules. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to:

Ward Briggs
Office of Motor Carrier Services
151 Livestock Exchange Building
100 Stockyard Road
South St. Paul, MN 55075

Oral statements will be received during regular business hours over the telephone at (612) 297-7656 and in person at the above address.

All statements of information and opinions shall be accepted until September 4, 1992. Any written material received by the State Department of Transportation shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event the rules are adopted.

Dated: 17 July 1992

James N. Denn, Commissioner
Department of Transportation

Board of Veterinary Medicine

Notice of Intent to Solicit Outside Information Regarding Proposed Rule Amendments Governing Housing of Animals and Suspension of License and Proposed New Rules Regarding Unprofessional Conduct and Establishing Minimum Standards of Practice

NOTICE IS HEREBY GIVEN that the Board of Veterinary Medicine is seeking information or comments from sources outside the Board of Veterinary Medicine in preparing to propose rule amendments governing housing of animals and suspension of licenses and preparing to propose new rules regarding unprofessional conduct and establishing minimum standards of practice. The adoption of the rules is authorized by *Minnesota Statutes* 156.01, Subd. 3 and 214.06 (1992).

The Board of Veterinary Medicine requests information and comments concerning the subject matter of the rules. Interested persons or groups may submit data or views on the subject in writing or orally. All statements should be submitted to:

Dr. Roland C. Olson
Minnesota Board of Veterinary Medicine
2700 University Ave. W., Room 102
St. Paul, MN 55114
(612) 642-0597

Oral comments and inquiries will be received by Dr. Olson between the hours of 8:30 a.m. and 12:30 p.m. Monday through Friday. All materials received by the Board of Veterinary Medicine through September 4, 1992, shall become part of the rulemaking record in the event that the rule is adopted.

State Grants

In addition to requests by state agencies for technical/professional services (published in the State Contracts section), the *State Register* also publishes notices about grant funds available through any agency or branch of state government. Although some grant programs specifically require printing in a statewide publication such as the *State Register*, there is no requirement for publication in the *State Register* itself.

Agencies are encouraged to publish grant notices, and to provide financial estimates as well as sufficient time for interested parties to respond.

Department of Corrections

Notice of Availability of Funds for Services to Sexual Assault Victims

The Minnesota Department of Corrections, Victims Services Unit, announces the availability of grant funds for services to sexual assault victims within unserved areas of Minnesota or for unserved populations.

One grant for \$30,000 in state funds is available to provide direct services to sexual assault victims. Services should include crisis intervention, community education, professional training and systems change to enhance overall response to victims. Funds are made available through the Minnesota State Legislature. The initial grant is for a nine month period. October 1, 1992 through June 30, 1993, and are intended to be continuing.

ELIGIBLE MORTGAGORS

Cities may make loans and grants to a wide variety of individuals and organizations involved with housing, a complete description of which is contained in the Multi-Family Blighted Property Removal Program Procedural Manual.

ELIGIBLE PROPERTIES

A City program of acquisition and/or demolition of blighted rental properties assisted with funds from this program must focus on either one parcel, or two or more contiguous parcels of real estate containing a total of at least 50 residential rental units.

BENEFIT TO LOW AND MODERATE INCOME

Cities must demonstrate in their application that demolished units will be replaced with units to be occupied primarily by low and moderate income persons, which is defined as households with incomes less than or equal to the county or area median income, as determined by the United States Department of Housing and Urban Development. One-for-one unit replacement is not required.

APPLICATION PROCESS

Only one application per neighborhood is permitted, but more than one application per city may be submitted.

Cities, or their designees, should request application packets from the following MHFA staff person:

Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55101
Attention: Reed Erickson (612) 296-8843
or toll free 1-800-652-9747, extension 6-8843

Application packets will contain a copy of this Request for Proposals, a Program Procedural Manual, and a Grant Application.

GRANT APPLICATIONS ARE DUE BY 4:30 PM ON October 26, 1992. The MHFA will review the applications and final selections should be made by the MHFA board no later than November 26, 1992. Applicants will be notified of whether they have been selected by December 4, 1992.

If you have any questions concerning this demonstration program or the application process, please contact the MHFA staff person named above.

This Request for Proposal (RFP) is subject to all applicable federal, state, and municipal laws, rules, and regulations. MHFA reserves the right to modify or withdraw this RFP at any time and is not able to reimburse any applicant for costs incurred in the preparation of submittal of applications.

Department of Human Services

Family Self-Sufficiency Administration Refugee and Immigrant Assistance Division

Request for Proposals to Resettle Refugee Families to Stearns, Watonwan and Winona Counties in Minnesota for Employment Opportunities

NOTICE IS HEREBY GIVEN that the Refugee and Immigrant Assistance Division, Family Self-Sufficiency Administration, Minnesota Department of Human Services, is seeking proposals to assist refugee families on public cash assistance achieve self-sufficiency through employment.

Funding is from the federal Refugee Grant to the State. The amount funding available under this notice is \$300,000.00.

To be considered for funding, proposals must be post-marked or hand-delivered to the Refugee and Immigrant Assistance Division by 4:20 p.m., CDT, August 31, 1992. We reserve the right not to act on this RFP.

Please direct all questions and request for copies of the full RFP to:

Minnesota Department of Human Services
Refugee and Immigrant Assistance Division
Human Services Building
444 Lafayette Road
St. Paul, Minnesota, 55155-3837
612-296-1383

Professional, Technical & Consulting Contracts

Department of Administration procedures require that notice of any consultant services contract or professional and technical services contract which has an estimated cost of over \$10,000 be printed in the *State Register*. These procedures also require that the following information be included in the notice: name of contact person, agency name and address, description of project and tasks, cost estimate, and final submission date of completed contract proposal. Certain quasi-state agencies are exempted from some of the provisions of this statute.

Department of Administration

Print Communications Division

Notice of Intent to Solicit Outside Information Regarding Remanufactured Laser Cartridges

NOTICE IS HEREBY GIVEN that the Print Communications Electronic Equipment Sales and Rental office is seeking information or comments from outside sources in preparing bid specifications for a remanufactured laser cartridge contract. Interested persons or groups may submit data or views in writing. All information should be sent to:

Print Communications Division
Electronic Equipment Sales and Rental
127 University Avenue
St. Paul, MN 55155

Deadline for submission: August 28, 1992. Only written documentation will be accepted and will become part of a research file. Specifications relating to hazardous waste reduction in components, remanufacturing process and packaging of special interest.

Manager
Electronic Equipment Sales and Rental
Print Communications Division
Department of Administration

Department of Finance

Request for Proposals for Software and Professional Consulting Services

The Minnesota Department of Finance is requesting proposals for a prime contractor to provide software packages/integration services to meet the State of Minnesota's needs in the following areas: accounting, procurement, human resources (payroll/personnel) and decision support systems. This RFP is seeking fixed price bids.

It is anticipated that this will result in a multi-year contract which may begin as early as December, 1992.

For further information, or to obtain a copy of the Request for Proposal, contact:

Sharon Radman
Statewide Systems Project
658 Cedar Street
St. Paul, MN 55155
Phone: (612) 296-9392

Note: Ms. Radman is the only employee authorized to answer questions regarding this RFP.

Proposals must be received at the above address no later than Noon on September 10, 1992.

Department of Human Services

Chemical Dependency Program Division

Request for Proposals (RFP) for Chemical Dependency Programs for Pregnant Women and Women with Children

The Chemical Dependency Program Division of the Minnesota Department of Human Services (hereinafter CDPD) is soliciting proposals for initiation of new or enhancement of exiting services to increase treatment slots and positive treatment outcomes for chemically dependent pregnant women and women with children. \$250,000 is available for one or more grantees. Eligible applicants are licensed halfway houses or primary alcohol and drug treatment programs knowledgeable in the areas of chemical dependency,

Professional, Technical & Consulting Contracts

child development, parenting skills, and housing who are willing to develop a new or expand an existing project for chemically dependent women in alcohol and drug treatment and aftercare where their children (ages 0-12) can be with them and be connected with services that provide pre/postnatal care. Proposals may be submitted for the development of new or continuation of existing residential or non-residential chemical dependency treatment services for women and their children (ages 0-12).

Funds may be used for operating costs, transportation, child development, subsidized housing and parenting education. It is anticipated that the work called for would begin by November 1, 1992 or upon such date as the grant agreement is executed as to encumbrance by the Commissioner of Finance, whichever occurs later. The funds contemplated for this RFP are state funds. State funds are available for use through June 30, 1993.

This Request for Proposals is contingent on the availability of funds. The State reserves the right to reject any and all proposals and to apply the funds to another purpose. The state will not reimburse for the costs of proposal preparation or participation in proposal consideration procedures. Eight copies of the proposal must be received by CDPD no later than 4:20 p.m. on Thursday, August 20, 1992, or have a legible postmark date no later than August 19, 1992. Proposals must follow the CDPD proposal format. Grant application forms are available on request from the Chemical Dependency Program Division (612/296-3991). Copies of the RFP are available on request from Pamela Young (612/296-4589). Proposals should be sent to:

Dorrie Hennagir, Grants Manager
Chemical Dependency Program Division
Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3823

Requests for information concerning program issues should be addressed to Pamela Young (612/296-4589) and budget/fund usage questions should be addressed to Dorrie Hennagir (612/296-4617).

Department of Public Safety

Minnesota State Patrol

Notice of Request for Proposals for a "NIDA Certified Laboratory to Test Specimens for Alcohol/Drugs"

In response to the Omnibus Transportation Testing Act of 1991, the State of Minnesota will administer a Federal Highway Administration funded demonstration project to randomly test commercial vehicle operators for alcohol and controlled substances. The project is currently in the planning process with implementation to begin as early as October 1992.

The objectives of the demonstration project are to determine the level of alcohol and controlled substance use in the motor carrier industry and test the feasibility of an ongoing nationwide program.

The purpose of this solicitation is to secure the services of a National Institute on Drug Abuse laboratory to test blood and urine specimens gathered during the demonstration project. These specimens will be tested for those drugs listed in Title 49 CFR Part 40 plus additional class one controlled substances. The State has determined that the cost of this project should not exceed \$226,000.

The deadline for submission of proposals is no later than 4:00 p.m. on August 20, 1992.

Prospective responders may request the complete Request for Proposal by writing or calling:

Lieutenant Brian D. Erickson
Project Director
Minnesota State Patrol
Commercial Vehicle Enforcement Section
100 Stockyard Road, Suite 252
South St. Paul, Minnesota 55075
(612) 296-5949

Department of Public Safety

Minnesota State Patrol

Notice of Request for Proposals for a Medical Review Officer to Verify Laboratory Test Results

In response to the Omnibus Transportation Testing Act of 1991, the State of Minnesota will administer a Federal Highway Admin-

Professional, Technical & Consulting Contracts

istration funded demonstration project to randomly test commercial vehicle operators for alcohol and controlled substances. The project is currently in the planning process with implementation to begin as early as October 1992.

The objectives of the demonstration project are to determine the level of alcohol and controlled substance use in the motor carrier industry and test the feasibility of an ongoing nationwide program.

The purpose of this solicitation is to secure the services of a Medical Review Officer whose function will be to review all laboratory test results. The primary responsibilities of the medical review officer include the receipt, verification, notification and reporting of test results. The State has determined that the cost of this project should not exceed \$72,384.

The deadline for submission of proposals is no later than 4:00 p.m. on August 20, 1992.

Prospective responders may request the complete Request for Proposal by writing or calling:

Lieutenant Brian D. Erickson
Project Director
Minnesota State Patrol
Commercial Vehicle Enforcement Section
100 Stockyard Road, Suite 252
South St. Paul, Minnesota 55075
(612) 296-5949

Non-State Public Contracts

The *State Register* also serves as a central marketplace for contracts let out on bid by the public sector. The *Register* meets state and federal guidelines for statewide circulation of public notices. Any tax-supported institution or government jurisdiction may advertise contracts and requests for proposals from the private sector.

It is recommended that contracts and RFPs include the following: 1) name of contact person; 2) institution name, address, and telephone number; 3) brief description of project and tasks; 4) cost estimate; and 5) final submission date of completed contract proposal. Allow at least three weeks from publication date (four weeks from date article is submitted for publication). Surveys show that subscribers are interested in hearing about contracts for estimates as low as \$1,000. Contact the editor for further details.

Minnesota Historical Society

Notice of Request for Bids for Custom Wood Benches

The Minnesota Historical Society is seeking bids from qualified firms and individuals to provide custom wood benches for use in the Minnesota History Center, pursuant to plans and specifications which will be provided by the Society.

The Request for Bids is available by calling or writing Gary W. Goldsmith, Contracting Officer, Minnesota Historical Society, 345 Kellogg Blvd. West, St. Paul, MN 55102. Telephone (612) 297-5863.

Bids must be received not later than August 13, 1992.

Details concerning submission requirements are included in the Request for Bids.

Minnesota Self-Insurer's Security Fund

Certified Public Accountant Services Sought

The Minnesota Self-Insurers' Security Fund has need for a certified public accountant. This certified public accountant will have, as his or her main duties, the reviewing of applications by Minnesota employers who apply to become self-insured under the Minnesota Workers' Compensation Act. This person will be required to report his/her findings to the Commissioner of Commerce, and also be prepared to give a summary opinion, excluding information which is protected by data privacy laws, to the Self-Insurance Advisory Committee which is established under *Minnesota Statutes*, Chapter 79A.

The person who is sought must currently be a certified public accountant who has been involved in public accounting for the past five years. At least 50% of the selected person's time must be spent performing audits and reviews. The person selected must be willing to give job assignments priority which results in completion of review or analysis of financial statements and issuance of a report within 15 days of notification. The analysis will result in the issuance of a negative assurance to the effect that nothing appears which

State Contracts and Advertised Bids

would preclude the applicant for self-insurance authority from paying workers' compensation claims during the next fiscal year. In addition, the person selected must review the application to make certain that compliance with certain state statutes, particularly, the financial requirements under *Minnesota Statutes*, Chapter 79A, are met.

The person selected should be prepared to review files at the Department of Commerce in St. Paul, and attend Self-Insurance Advisory Committee meetings and may be asked to attend Self-Insurers' Security Fund Board meetings if appropriate. The anticipated workload for review of files is as follows: 20 to 30 individual employers at 2 to 3 hours each; 2 to 3 new group self-insurers at 3 to 6 hours each; 40 to 50 additions to group self-insurers at 1 to 2 hours each. In addition, the first year will require a review of 80 existing self-insurers at 1 to 1½ hours each.

Wage will be left open, but the bid should be based on an hourly basis.

In the event of any conflicts; i.e., should a client of the person selected apply, the Security Fund will have need of a second certified public accountant to act in place of the person selected.

The response to this request for proposal should include a profile of the firm and the person within the firm who is designated as the certified public accountant. If the certified public accountant is an individual rather than a firm, the response should contain a profile of that individual.

Responses to this request for proposal or any questions should be sent in writing to:

Virginia K. Hogan
Director—Self-Insurance
Minnesota Department of Commerce
133 East Seventh Street
St. Paul, Minnesota 55101

Responses to request for proposal should be received no later than September 1, 1992.

State Contracts and Advertised Bids

Pursuant to the provisions of Minn. Stat. § 14.10, an agency must make reasonable effort to publicize the availability of any services contract or professional and technical services contract which has an estimated cost of over \$2,000.

Commodities contracts with an estimated value of \$15,000 or more are listed under the Materials Management Division, Department of Administration. All bids are open for 7-10 days before bidding deadline. For bid specifics, time lines, and other general information, contact the appropriate buyers whose initials appear in parentheses next to the commodity for bid, by calling (612) 296-6152.

Awards of contracts and advertised bids for commodities and printing, as well as awards of professional, technical and consulting contracts, appear in the midweek **STATE REGISTER Contracts Supplement**, published every Thursday. Call (612) 296-0931 for subscription information.

Materials Management Division—Department of Administration:

Contracts and Requisitions Open for Bid

Call 296-2600 for information on a specific bid, or to request a specific bid.

COMMODITY CODE KEY

A = Sealed Bid
B = Write for Price
C = Request for Proposal
D = Request for Information
E = \$0-\$1,500 Estimated Dollar Value
F = \$1,500-\$5,000 Estimated Dollar Value

G = \$5,000-\$15,000 Estimated Dollar Value
H = \$15,000-\$50,000 Sealed Bid
I = \$50,000 and Over Sealed Bid/Human Rights Compliance Required

J = Targeted Vendors Only
K = Local Service Needed
L = No Substitute
M = Installation Needed
N = Pre-Bid Conference
O = Insurance or Bonding Required

State Contracts and Advertised Bids

Commodity: Intrastate package freight contract

Contact: Ann Wefald 612-296-2546

Bid due date at 2pm: August 24

Agency: All state agencies & CPV members

Deliver to: Various

Requisition #: Request for Proposal

Commodity: B G—Toshiba phone system for St. Cloud

Contact: Teresa Manzella 612-296-7556

Bid due date at 4:30pm: August 7

Agency: Minnesota Correctional Facility

Deliver to: St. Cloud

Requisition #: B 78830-11252

Commodity: B E—Proline camcorder

Contact: Pam Anderson 612-296-1053

Bid due date at 4:30pm: August 5

Agency: Bemidji State University

Deliver to: Bemidji

Requisition #: B 26070-14731

Commodity: B G—Polariscope, ect.

Contact: Pam Anderson 612-296-1053

Bid due date at 4:30pm: August 10

Agency: Mankato State University

Deliver to: Mankato

Requisition #: B 26071-64443

Commodity: B G—Construct access road

Contact: Pam Anderson 612-296-1053

Bid due date at 4:30pm: August 12

Agency: Minnesota Department of Transportation

Deliver to: Various places

Requisition #: B 79000-30475

Commodity: A H—Soil sterilant

Contact: Joan Breisler 612-296-9071

Bid due date at 2pm: August 3

Agency: Department of Natural Resources—General Andrews Nursery

Deliver to: Various places

Requisition #: B 29003-04334

Commodity: B G K M—Folder

Contact: Jack Bauer 612-296-2621

Bid due date at 4:30pm: August 10

Agency: Minnesota Department of Transportation

Deliver to: St. Paul

Requisition #: B 02520-30034

Commodity: B F—Fax

Contact: Jack Bauer 612-296-2621

Bid due date at 4:30pm: August 12

Agency: Mankato State University

Deliver to: Mankaato

Requisition #: B 26071-65471

Commodity: B F—Macintosh monitor

Contact: Bernadette Vogel 612-296-3778

Bid due date at 4:30pm: August 4

Agency: Cambridge Center

Deliver to: Cambridge

Requisition #: B 27141-48949

Commodity: B F—Force transducer and power supplies

Contact: Pam Anderson 612-296-1053

Bid due date at 4:30pm: August 5

Agency: Mankato State University

Deliver to: Mankato

Requisition #: B 26071-64441

Commodity: B G—Int'l mail service

Contact: Pam Anderson 612-296-1053

Bid due date at 4:30pm: August 5

Agency: Mankato State University

Deliver to: Mankato

Requisition #: B 26071-70044

Commodity: B F—Blood—sheep

Contact: Joan Breisler 612-296-9071

Bid due date at 4:30pm: August 3

Agency: Minnesota Department of Health

Deliver to: Minneapolis

Requisition #: B 12400-10957

Commodity: B G L—Electronic music equipment rebid

Contact: Linda Parkos 612-296-3725

Bid due date at 4:30pm: August 10

Agency: Moorhead State University

Deliver to: Moorhead

Requisition #: B 26072-03904-1

Commodity: B G K M—Portable copier—rebid

Contact: Jack Bauer 612-296-2621

Bid due date at 4:30pm: August 5

Agency: Department of Gaming

Deliver to: Roseville

Requisition #: B 09200-92039-1

Commodity: A I—Signs/decals

Contact: Jack Bauer 612-296-2621

Bid due date at 2pm: August 10

Agency: Department of Natural Resources—Division of Trails

Deliver to: St. Paul

Requisition #: B 29000-58739

Commodity: B F K M—Copier rental

Contact: Jack Bauer 612-296-2621

Bid due date at 2pm: August 3

Agency: Administration/Fiscal Services

Deliver to: St. Paul

Requisition #: B 02130-35326

Commodity: B F—Minolta copier maintenance

Contact: Jack Bauer 612-296-2621

Bid due date at 2pm: August 12

Agency: Itasca Community College

Deliver to: Grand Rapids

Requisition #: B 27144-44410

Commodity: B F—Sign posts

Contact: Jack Bauer 612-296-2621

Bid due date at 4:30pm: August 12

Agency: Department of Natural Resources—Grand Rapids Warehouse

Deliver to: Grand Rapids

Requisition #: B 29002-22526

Commodity: A K—Kodak maintenance

Contact: Jack Bauer 612-296-2621

Bid due date at 2pm: August 7

Agency: Department of Labor & Industry

Deliver to: St. Paul

Requisition #: B 42600-18274

Commodity: A H—Survey items

Contact: Jack Bauer 612-296-2621

Bid due date at 2pm: August 12

Agency: Minnesota Department of Transportation

Deliver to: Maplewood

Requisition #: B 79000-30610

Commodity: B F—Rental of front end loader

Contact: Mary Jo Bruski 612-296-3772

Bid due date at 4:30pm: August 10

Agency: Department of Natural Resources—Trails & Waterways

Deliver to: Tower

Requisition #: B 29002-22260

Commodity: B F—Clock system maintenance
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: July 31
Agency: Department of Administration
Deliver to: Various places
Requisition #: B 02307-34225

Commodity: B E—TV mounts
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 12
Agency: Hibbing Extension Duluth Center
Deliver to: Duluth
Requisition #: B 27165-65086

Commodity: B E—Life vests
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 12
Agency: Department of Natural Resources—Metro Field Operations
Deliver to: St. Paul
Requisition #: B 29006-31004

Commodity: B F—Chairs—rebid
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 10
Agency: Ah Gwah Ching Nursing Home
Deliver to: Ah Gwah Ching
Requisition #: B 55510-03933-1

Commodity: B F—Rental of dozer
Contact: Mary Jo Bruski 612-296-3772
Bid due date at 4:30pm: August 10
Agency: Department of Natural Resources—Trails & Waterways
Deliver to: Tower
Requisition #: B 29002-22259

Commodity: B E—Fiberglass pickup top
Contact: Mary Jo Bruski 612-296-3772
Bid due date at 4:30pm: August 10
Agency: Minnesota Department of Agriculture
Deliver to: Crookston
Requisition #: B 04121-30075

Commodity: B F—Visitor furniture
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 10
Agency: Ah Gwah Ching Nursing Home
Deliver to: Ah Gwah Ching
Requisition #: B 55510-03984

Commodity: Fifteen passenger van
Contact: Dale Meyer 612-296-3773
Bid due date at 2pm: August 3
Agency: Faribault Regional Center
Deliver to: Faribault
Requisition #: B 55303-16447

Commodity: B F—Kunkle steam relief valves
Contact: Mary Jo Bruski 612-296-3772
Bid due date at 4:30pm: August 10
Agency: Anoka-Metro Regional Treatment Center
Deliver to: Anoka
Requisition #: B 55100-05079

Commodity: B G K—Xerox agreement
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: July 30
Agency: Cambridge Regional Human Service Center
Deliver to: Cambridge
Requisition #: B 55201-30120

Commodity: B F K M—Used copier rental
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 12
Agency: Hibbing Extension Duluth Center
Deliver to: Duluth
Requisition #: B 27165-65088

Commodity: Prequalification/performance test of tractor and mowing equipment to be evaluated as a system. Interested vendors must contact Purchasing agent at once for information.

Contact: Mary Jo Bruski 612-296-3772
Bid due date at 2pm: August 10
Agency: Transportation
Deliver to: NA
Requisition #: RFP—Add #1

Commodity: B G—Relocation of aeronautics
Contact: Joan Breisler 612-296-9071
Bid due date at 4:30pm: August 13
Agency: Minnesota Department of Transportation
Deliver to: St. Paul
Requisition #: B 79000-31504

Commodity: B G K M—Reader/printer
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 12
Agency: Winona State University
Deliver to: Winona
Requisition #: B 26074-14598

Commodity: B G—Slammer stools
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 12
Agency: Minnesota Correctional Facility
Deliver to: Stillwater
Requisition #: B 78620-00453

Commodity: B F K M—Shipping system—rebid
Contact: Jack Bauer 612-296-2621
Bid due date at 4:30pm: August 10
Agency: Department of Public Safety/Finance
Deliver to: Various places
Requisition #: B 07700-27269-1

Department of Administration: Print Communications Division

Printing vendors for the following printing contracts must review contract specifications in printing buyers office at 117 University Avenue, Room 134-B, St. Paul, MN.

Printing vendors NOTE: Other printing contracts can be found in the Materials Management Division listing above, and in the Professional, Technical & Consulting Contracts section immediately following this section.

Commodity: MCC Program brochures, camera ready copy, two-sided, 30M, 2M each of 15 brochures, halftones, dylux

Contact: Printing Buyer's Office

Bids are due: August 6

Agency: Metropolitan Community College

Deliver to: Minneapolis

Requisition #: 24478

Commodity: Range view, camera ready copy, two-sided, 120M, folding and collating, three issues, color seps

Contact: Printing Buyer's Office

Bids are due: August 6

Agency: IRRRB

Deliver to: Eveleth

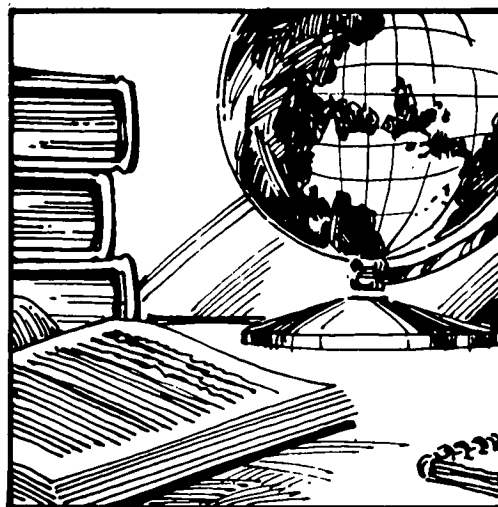
Requisition #: 24335

Get Smart with these Education Resources

Board of Teaching-Licensure Rules 1990. *Minnesota Rules* Chapter 8700. Requirements for the issuance and renewal of all licenses, from vo-tech and hearing impaired to librarians and media generalists. Includes the Code of Ethics for Minnesota Teachers, and standards for teachers prepared in other states. Code #3-74. \$14.95 plus tax.

Education Directory 1991-92. All the elementary and secondary schools in the state. Includes Minnesota school districts, superintendents, boards, principals, district addresses, phone numbers and enrollment figures. Code #1-93. \$9.95 plus tax.

TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. *Prices are subject to change.* FAX: (612) 296-2265.



Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Murder: Minnesota style

Murder in Minnesota: A treasury of vintage crimes in which famous and obscure characters come to life in all their cleverness or murderous madness. Minnesota cases from 1858-1917. 253 pp. photos, index. Code 17-35, \$6.95.

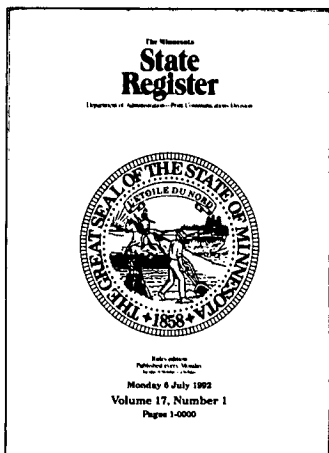
Robber and Hero: On September 7, 1876 six members of the James-Younger gang blasted their way out of Northfield, Minnesota. George Huntington's classic account of the Northfield Bank raid is as fascinating today as it was when first published 19 years after the attempted robbery. 125 pp., charts, maps, photos, with index. Code 17-40, \$5.95.

Secrets of the Congdon Mansion: The prosecutor called it a crime of greed. A complex, intriguing murder case, set in one of Minnesota's most spectacular mansions, and now a top Minnesota tourist attraction on Duluth's famous Lake Superior North Shore Drive. By Joe Kimball, 64 pp., drawings. Code 19-56, \$5.95.

TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for postage and handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. *Prices are subject to change.* FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

The "inside scoop" on OVER \$1 BILLION in annual business contracts.



Each year over \$1 billion in state contracts are awarded. About \$20 million in state contracts per week are advertised in the **STATE REGISTER**, the most complete listing of state contracts available. Just a *sampling* of contracts includes: professional, technical and consulting services, commodities, printing, equipment, supplies, food items, and a wide variety of special services.

For less than \$2 a week you can have delivered to your office the most effective and economical means of tracking state contracts. The smart way to stay in the know, and land the business of state government, is with the **STATE REGISTER**, now appearing **TWICE A WEEK**.

You will also have the *most comprehensive listing* of contract awards. And you'll receive the source of state agency rulemaking governing business, the professions and regulated occupations. You'll also get official notices, executive orders of the governor, a calendar of supreme court cases, state grants, and other special announcements.

An annual subscription is \$195 for both the Monday and Thursday editions, or \$150 for just the Monday edition if you're only interested in state agency rulemaking information. A 13-week trial subscription for \$60 includes both the Monday and Thursday editions. MasterCard/VISA, American Express and Discover orders can be taken over the phone, otherwise prepayment is required. Send, or FAX (612/296-2265), your orders to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Let us bring you the business of state government. Subscribe to the **STATE REGISTER** today, or call (612) 296-0931, or 1-800-657-3757 for more information.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Subscription Services

Minnesota's Bookstore offers several subscription services of activities, awards, decisions and special bulletins of various Minnesota state agencies.

Use the handy order form on the back of the *State Register* to order. Simply fill in the subscription code number, include your name, address and zip and your check made out to the State of Minnesota (**PREPAYMENT IS REQUIRED**) and send it in. We'll start your subscription as soon as we receive your order, or whenever you like.

SUBSCRIPTION	COST	CODE NO.	SUBSCRIPTION	COST	CODE NO.
Career Opportunity Bulletin, 1 year	\$ 30.00	90-3	State Register, Monday edition only, 1 year	\$150.00	90-1
Career Opportunity Bulletin, 6 mos.	\$ 24.00	90-4	State Register, Monday and Thursday editions, 1 year	\$195.00	90-1
Gaming News, 6 mo.	\$ 40.00	90-8	Trial State Register, 3-months, Monday and Thursday	\$ 60.00	90-2
Human Services Informational and Instructional Bulletin	\$115.00	90-6	Tax Court/Property Decisions	\$350.00	90-11
Human Services Bulletin List	\$100.00	90-7	Workers Compensation Decisions, unpublished subs run Jan-Dec 1991; can be prorated	\$400.00	90-12
PERB (Public Employee Relations Board) Awards and Decisions, 1 year	\$350.00	90-9	Workers Compensation Decisions Vol. 46	\$180.00	90-13
Minnesota Statutes 1990 Set + Supplement	\$165.00	18-7			
Minnesota Rules 1991 Set + Supplement	\$200.00	18-100			

TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 296-0931, or toll-free in Minnesota: 1-800-657-3757. Prepayment is required. Please include daytime phone. *Prices are subject to change.* FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Catching criminals is only one part of law enforcement.

Police Report Writing Style Manual 1989—A common framework for report writing throughout the state. Discusses the general purpose of police reports, reviews field notetaking, offers instructions on completing common report forms, and introduces the Data Practices Law. Code No. 14-13. \$15.00.

Motor Vehicle Traffic Laws 1991—Includes laws governing motor carriers, motor vehicle registration and no-fault auto insurance. Code No. 2-85. \$17.95.

Criminal Code & Selected Statutes 1991—Governs the conduct of peace officers. Includes continuing education requirements, sentencing standards, and more. Code No. 2-68. \$18.95.

Blue Binder—3 ring. 2" capacity. Criminal Code and Motor Vehicle Traffic Laws require 1 binder each. Code No. 10-21. \$4.95.



TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. **Prices are subject to change.** FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Human Services Laws and Rules

Human Services Laws 1991

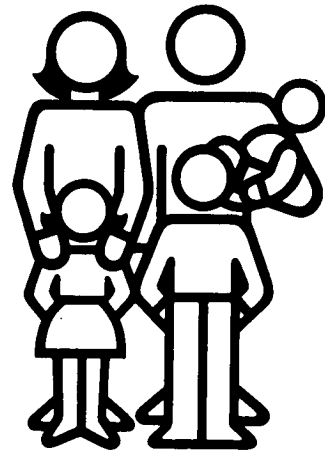
An extract from the statutes. Includes legislative amendments and additions from the most recent session. Code No. 2-56. \$34.95.

Human Services Rules 1991

Rules governing assistance programs, eligibility grant amounts, AFDC and residence requirements. MN Rules Chapter 9500-9580. Code No. 3-95. \$34.95.

3 ring binder. 2" capacity. 1 required for each of above listed publications. Code No. 10-21. \$4.95.

TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. **Prices are subject to change.** FAX: (612) 296-2265.

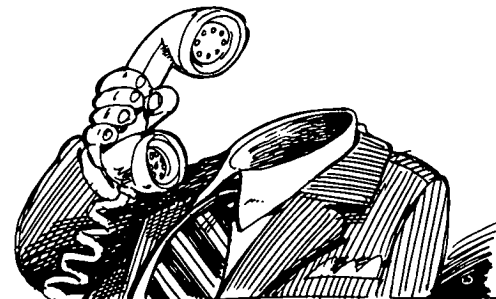


Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Ever called this guy?

1992 State of Minnesota Telephone Directory. Get a direct line to the persons you want to speak to. Contains names, numbers, and agencies in the executive, legislative and judicial branches of state government. Four sections give listings alphabetically by name, agency, Minnesota region, plus an index for cross referencing. Over 288 pages, paperback, 8½"x11". Code #1-87, #12.95.

Minnesota Guidebook to State Agency Services. A treasure of information that cuts red tape and gets you **RESULTS** from Minnesota state government. This important resource helps you through applications, fees, licenses, reports, history, recreation and travel. It describes agencies in detail and how they can assist you, giving addresses, phones and contact people. Stock #1-11, \$16.90.



TO ORDER: Send to Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota: 1-800-657-3757. Minnesota residents please include 6½% sales tax. On all orders, add \$2.00 per order for handling. Prepayment is required. Please include daytime phone. VISA/MasterCard, American Express and Discover orders accepted over phone and through mail. **Prices are subject to change.** FAX: (612) 296-2265.

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

Minnesota's Bookstore

Publications, Services, Subscriptions

Order Form on Back—For Information, Call 297-3000

1991 Minnesota Rules. Eleven volume set includes 1992 Supplement as a subscription service. Stock #18-100, \$200 + tax (Minnesota residents only). Individual volumes can be purchased at \$20.00 + tax.

1992 Minnesota Session Laws. Two volume set includes laws passed during the 1992 session. Stock #18-12, \$30.00 + tax.

101 Ways to Promote Academic Excellence. A collection of nuts-and-bolts methods educators have successfully used to foster academic achievement. These are techniques that directly help students, can be replicated easily, are cost-effective, and that work in meeting the public education's great challenge: helping every single child learn. Code #5-1, \$4.50.

1989 Pollution Control Laws. Laws dealing with water pollution, disposal facilities, solid waste management, the Minnesota Environmental Rights Act, recycling, and more. Code #2-21, \$24.95.

1991 Hazardous Waste Rules. Governs the production, storage, transportation and disposal of hazardous waste. *Minnesota Rules* Chapter 7045 and 7046. Code #3-71, \$17.95.

Real Estate Rules 1991. Chapters 2800, 2805 and 2810 from the *Minnesota Rules*. Essential for both students and established brokers and salespersons. It contains all education and licensing requirements. Code #3-99, \$6.00.

Police Report Writing Style Manual 1989. A common framework for report writing throughout the state. Discusses the general purpose of police reports, reviews field notetaking, offers instructions on completing common report forms and introduces the Data Practices Law. Code #14-13, \$15.00.

OTHER PUBLICATIONS

Voices of the Loon. Includes introduction, loon call identification, distant chorus, tremolo duet, wail duet, border confrontation, wails with morning songbird chorus, tremolos while running, wails during thunderstorm and coyotes calling with loons. Cassette tape. Code #19-73, \$12.00.

Secrets of the Congdon Mansion. A complex, intriguing murder case set in one of Minnesota's most spectacular mansions. Now a top Minnesota tourist attraction on Duluth's famous Lake Superior North Shore Drive. By Joe Kimball. Code #19-56, \$5.95.

A Paddler's Guide to the Boundary Waters Canoe Area. Advice on what to bring along on canoe trips, regulations, canoe tips and detailed information for self-guided tours. Includes detailed maps and descriptions of 31 wilderness canoe routes in the Superior National Forest of Northern Minnesota. Stock #19-17, \$4.95.

Minnesota Geographic Names. Names of places by the thousand plus interesting historical tidbits included in this 800+ page book. Minnesota history buffs—this is for you! Stock #17-13, \$12.95.

Room at the Inn Minnesota. The only guide to more than 60 historic Bed & Breakfast homes, hotels and country inns. Stock #19-72, \$9.95.

Minnesota Manufacturer's Directory, 1992. More than 7,000 entries listing name, address, phone, staff size, sales volume, market area, year of establishment, type of firm, CEO, sales or marketing and purchase managers, and four manufactured products. Stock #40-2, \$90.00.

SUBSCRIPTIONS:

State Register. Minnesota's official weekly publication for agency rules and notices, executive orders of the Governor, state contracts, Supreme Court Calendar, Supreme Court and Tax Court Decisions. Annual subscription: Monday edition only \$150.00; Monday and Thursday's State Contract Supplement \$195; 13-week trial (includes both Monday and Thursday editions) \$60.00.

Workers Compensation Decisions. Volume 46. Selected landmark decisions of the Worker's Compensation Court of Appeals during the period Dec. '91 through July '92. The subscription rate for this volume is \$180.00.

SERVICES:

Mailing Lists. Lists of Minnesota licensed professionals and permit holders. Write or call (612) 297-2552 for a free mailing list catalog which contains available lists, selections, formats, pricing and ordering information.

American Flag. Perfect for home or office. 3' x 5' with embroidered stars. Heavy nylon bunting. Code No. 6-1. \$21.00 + tax.

1991 Lake Map Index. Listing over 4,000 lake maps. Free.

State Register Binder. Durable 3½ inches, forest green binders imprinted with the *State Register* logo. \$10.00 + tax.



**Department of
Administration**

Print Communications Division

117 University Avenue • St. Paul, Minnesota 55155

Metro Area 612-297-3000 (FAX: 612-296-2265)
Toll free 1-800-657-3757

Second Class
U.S. Postage
Paid
Permit No.
326630
St. Paul, MN

Please notify us of any address changes so that we can continue to give you our best service. Include your old mailing label to speed your service.

Legislative Reference Library
Zona DeWitt 7950
645 State Office Bldg
INTEROFFICE

TO ORDER:

Complete attached order blank. Include either your VISA/MasterCard, American Express or Discover credit card number with the expiration date, or a check/money order made out to the State of Minnesota. Orders by phone are accepted when purchasing with your credit card. Please include a phone number where you can be reached during the day in case we have questions about your order.

Please include 6½% sales tax and \$2.00 postage and handling.

PREPAYMENT REQUIRED.

Merchandise may be returned if it is in resalable condition with a \$1.50 restocking charge.

NOTE:

STATE REGISTER and other subscriptions do not require sales tax or postage and handling fees.



Metro area (612) 297-3000
Toll-free 1-800-657-3757
Facsimile (FAX) (612) 296-2265

Prices subject to change without notice.

Please allow about 6 weeks for delivery. In a hurry? Stop by our Bookstore. Bookstore Hours 8 a.m.-4:30 p.m., Monday through Friday.

For Your Convenience, photocopy this order blank

Code No.	Quantity	Description	Item Price	Total
Name or Company			Subtotal	
Attention		Plus 6½% tax MN Residents Only		
Address				
City	State	Zip	Shipping (per order)	\$2.00
American Express/VISA/MasterCard/Discover No.			TOTAL	
Signature		Expiration Date	Telephone (During Day)	