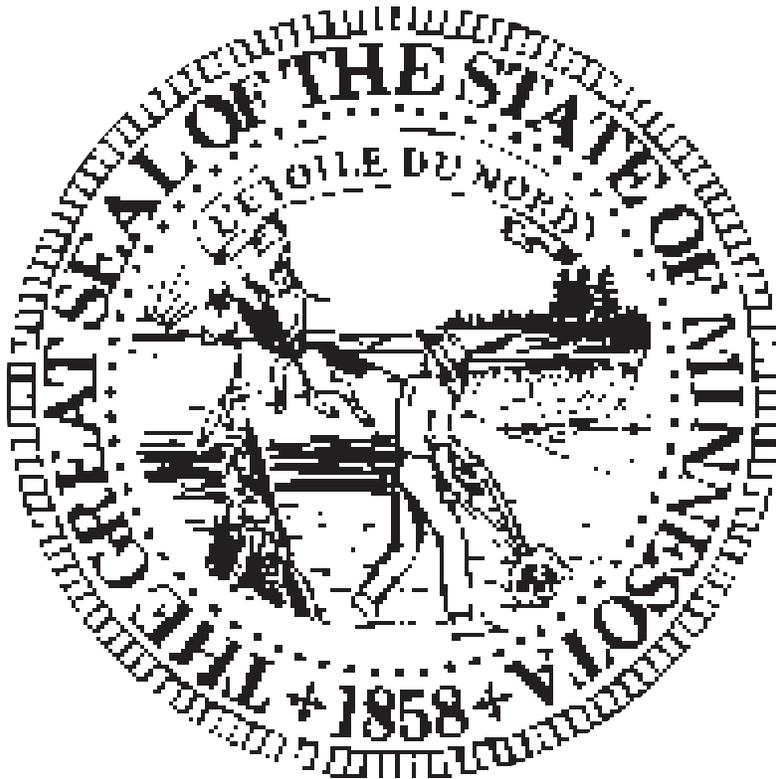


The Minnesota

State Register

Rules and Official Notices Edition



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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, professional-technical-consulting contracts, non-state bids and public contracts and grants.

Printing Schedule and Submission Deadlines

Vol. 23 Issue Number	PUBLISH DATE	Deadline for both Adopted and Proposed RULES	Deadline for: Emergency Rules, Executive and Commissioner's Orders, Revenue and Official Notices, State Grants, Professional-Technical-Consulting Contracts, Non-State Bids and Public Contracts
# 1	Monday 6 July	Noon Wednesday 24 June	Noon Tuesday 30 June
# 2	Monday 13 July	Noon Wednesday 1 July	Noon Tuesday 7 July
# 3	Monday 20 July	Noon Wednesday 8 July	Noon Tuesday 14 July
# 4	Monday 27 July	Noon Wednesday 15 July	Noon Tuesday 21 July

Arne H. Carlson, Governor 651/296-3391	Hubert H. Humphrey III, Attorney General 651/297-4272	Joan Anderson Grove, Secretary of State 651/296-2079
Joanne E. Benson, Lt. Governor 651/296-3391	Judi Dutcher, State Auditor 651/297-3670	Michael A. McGrath, State Treasurer 651/296-7091
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PUBLISHING NOTICES IN THE *State Register*: Submit TWO COPIES of your notice, typed double-spaced. State agency submissions must include a "State Register Printing Order" form, and a "Certification/Internal Contract Negotiation" form with contracts for professional, technical and consulting services. Non-State Agencies should submit TWO COPIES, with a letter on your letterhead stationery requesting publication and date to be published. FAXED submissions to 651-297-8260 are received to meet deadline requirements, but must be followed by originals and applicable forms or letters to be accepted. The charge is \$115.00 per page, billed in tenths of a page (columns are seven inches wide). About 2-1/2 pages typed double-spaced on 8-1/2"x11" paper equal one typeset page in the *State Register*. Contact the editor if you have questions.

An "Affidavit of Publication" can be obtained at a cost of \$10.00 for notices published in the *State Register*. This service includes a notarized "Affidavit of Publication" and a copy of the issue of the *State Register* in which the notice appeared.

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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:

Contact: Senate Public Information Office (651) 296-0504
Room 231 State Capitol, St. Paul, MN 55155

Contact: House Information Office (651) 296-2146
Room 175 State Office Building, St. Paul, MN 55155

Minnesota Rules: Amendments & Additions		
Volume 23, issues #2.....	54	
Proposed Rules		
Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design Board		
Continuing education.....	55	
Gambling Control Board		
Lawful gambling	59	
Adopted Rules		
Health Department		
Merit system changes	82	
Human Services Department		
Merit system changes	82	
Public Safety Department		
Merit system changes	82	
Executive Orders		
Office of the Governor		
Emergency Executive Order # 98-8: Providing for assistance to the Wabasha County Sheriff	83	
Emergency Executive Order # 98-9: Providing for emergency assistance to motor carriers operating in Minnesota	84	
Revenue Notices		
Revenue Department		
Notice # 98-12: Sales and Use Tax - Transitional period for sales of ready-mix	85	
Official Notices		
Minnesota Comprehensive Health Association		
Meeting Tuesday 14 July 1998 of the Board of Directors Strategic Planning Work Group #4 (Affordability / Access / Linkage to Public programs).....	86	
Health Department		
Outside information and opinion sought on a manual for completion of the Health Care Financing Administration paper health insurance claim form.....	86	
Human Services Department		
Availability of the Minnesota Health Care Programs "provider participation list" (Rule 101 Provider Compliance List)	87	
Labor and Industry Department		
Addition to prevailing wage rates and correction to prevailing wage rates.....	87	
Pollution Control Agency		
Intent to approve the creation of the Leota Sanitary District	88	
National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) general storm water permit for construction activity.....	89	
Minnesota State Retirement System		
Meeting Thursday 16 July 1998 of the Board of Directors.....	90	
State Grants & Loans		
Children, Families and Learning Department		
Proposals sought for new residential academies for students in grades 4-12.....	90	
Minnesota Historical Society		
Historic preservation grant application deadlines	91	
Human Services Department		
Proposals sought for the homesharing program	92	
Proposals sought to administer a post-kidney transplant drug program.....	93	
Labor and Industry Department		
Safety grants for employers.....	96	
Professional, Technical & Consulting Contracts		
Administration Department		
State Designer Selection Board seeks proposals for the Metropolitan State University construction of a new community library and information access center	97	
Corrections Department		
Minnesota Correctional Facility-Red Wing seeks clinical supervision services for the facility's juvenile sex offender treatment program.....	101	
Labor and Industry Department		
Proposals sought for professional services for MapperC coding renovation/modification for Year 2000 compliance	101	
Pollution Control Agency		
Proposals sought for consultant contract services for independently reviewing the Twin Cities Metropolitan area ground water model	102	
Trade and Economic Development Department		
Proposals sought for professional services to conduct financial and compliance audits.....	102	
Transportation Department		
Proposals sought for customizing and implementing the New York State Department of Transportation Program and Project Management Information System	103	
Non-State Public Bids, Contracts & Grants		
Minnehaha Creek Watershed District		
Consultant sought for management assistance	104	
University of Minnesota		
Bid Information Service (BIS) available for all potential vendors.....	104	
Commodity, Service, and Construction contracts are published in a bulletin, the <i>State Register Contracts Supplement</i> , published Tuesday, Wednesday and Friday. Award results are available from the Materials Management Helpline (651) 296-2600. Individual copies and subscriptions are available through Minnesota's Bookstore, (651) 297-3000, or 1-800-657-3757.		

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 80 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. The current 1997 set is a 13-volume bound collection of all adopted rules in effect at the time. Supplements are published to update this set of rules. Generally speaking, proposed and adopted exempt rules do not appear in this set because of their short-term nature, but are published in the *State Register*.

An agency must first solicit **Comments on Planned Rules** or **Comments on Planned Rule Amendments** from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency (*Minnesota Statutes* §§ 14.101). It does this by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, or within 60 days of the effective date of any new statutory grant of required rulemaking.

When rules are first drafted, state agencies publish them as **Proposed Rules**, along with a notice of hearing, or a 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 most current edition of 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 issues #1-39; issues #40-51 inclusive; and issues #1-52 (or 53 in some years), cumulative for issues #1-52 (or 53). An annual subject matter index for rules was separately printed usually in August, but starting with Volume 19 now appears in the final issue of each volume. For copies or subscriptions to the *State Register*, contact Minnesota's Bookstore, 117 University Avenue, St. Paul, MN 55155 (651) 297-3000, or toll-free 1-800-657-3757.

Volume 23, Issue #1

Animal Health Board

1700.0100; .0300; .0400; .0700; .0800; .1300; .1500; .2100; .0060; **1705**.0120; .0150; .0160; .0170; .0180; .0210; .0220; .0260; .0270; .0310; .0390; .0420; .0530; .0840; .0930; .1040; .1086; .1087; .1088; **1715**.0160; .0290; .0300; .0430; .0440; .0460; .0570; .0780; .1060; .1070; .1100; .1130; .1140; .1150; .1160; .1230; .1370; .1390; .1420; .1440 (**proposed**) 5
1700.1400; .4800; **1705**.0060 s.2a; .0400; .0430; .0460; .0510; .0640 s. 4a, 8; .0670; .0728; .0731; .0735; .1081; .1082; .0183; .1084; .1085; **1715**.0400; .0880; .0980; .0990; .1090; .1180 (**proposed repealer**) 5
Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design Board
1810.0100; .0200; .0300; .0400; .0500; .0600; .0700; .0800; .0900; .1000; .1100 (**proposed**) 55
Arts Board
1900.1010; .1510; .1710; .1810; .1910; .2010; .2110; .2210; .4110 (**proposed**) 15
1900.1610 (**proposed repealer**) 15

Health Department

4670.0930; .1310; .1320; .1700; .1800; .1920; .4010; .4100; .4210; .4220; .4230; .4240 (**adopted**) 82
Natural Resources Department
6236.0700 (**adopted expedited emergency**) 25
Public Safety Department
7520.0530; .0650; .0700; .0800; .1000; .1100 (**adopted**) 82
7520.0700 s. 1,3,5,6,7,8; .1200 (**repealed**) 82
Gambling Control Board
7861.0010; .0060; .0070; .0080; .0090; .0100; .0110; .0120; **7863**.0010; .0020; **7864**.0010; .0030 (**proposed**) 59
7681.0100 s.17 (**proposed repealer**) 59
Human Services Department
9575.0350; .0400; .0410; .0420; .0470; .1360; .1410; .1500; .1580 (**adopted**) 82
9575.1350; .1370; .1390; .1400; .1510 (**repealed**) 82

Proposed Rules

Comments on Planned Rules or Rule Amendments

An agency must first solicit **Comments on Planned Rules** or **Comments on Planned Rule Amendments** from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency (*Minnesota Statutes* §§ 14.101). It does this by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, and within 60 days of the effective date of any new statutory grant of required rulemaking.

Rules to be Adopted After a Hearing

After receiving comments and deciding to hold a public hearing on the rule, an agency drafts its rule. It then publishes its rules with a notice of hearing. All persons wishing to make a statement must register at the hearing. Anyone who wishes to submit written comments may do so at the hearing, or within five working days of the close of the hearing. Administrative law judges may, during the hearing, extend the period for receiving comments up to 20 calendar days. For five business days after the submission period the agency and interested persons may respond to any new information submitted during the written submission period and the record then is closed. The administrative law judge prepares a report within 30 days, stating findings of fact, conclusions and recommendations. After receiving the report, the agency decides whether to adopt, withdraw or modify the proposed rule based on consideration of the comments made during the rule hearing procedure and the report of the administrative law judge. The agency must wait five days after receiving the report before taking any action.

Rules to be Adopted Without a Hearing

Pursuant to *Minnesota Statutes* § 14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing. An agency must first solicit **Comments on Planned Rules** or **Comments on Planned Rule Amendments** from the public. The agency then publishes a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. 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*.

Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design

Proposed Permanent Rules Relating to Continuing Education

Notice of Intent to Adopt Rules Without a Public Hearing

Proposed Permanent Rules Relating to Continuing Education *Minnesota Rules*, 1810.0100-1810.1100.

Introduction. The Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design intends to adopt rules without a public hearing following the procedures set forth in the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28, and rules of the Office of Administrative Hearings, *Minnesota Rules*, parts 1400.2300 to 1400.2310. You have 30 days to submit written comments on the proposed rules and may also submit a written request that a hearing be held on the rules.

Agency Contact Person. Comments or questions on the rules and written requests for a public hearing on the rules must be submitted to the agency contact person. The agency contact person is George Iwan at Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design, 85 E 7th Place, Suite 160, St. Paul, MN 55101, phone: (651) 296-2388 and FAX: (651) 297-5310. TTY users may call the Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design at TTY 800-627-3529.

Subject of Rules and Statutory Authority. The proposed rules are about Continuing Education. The statutory authority to adopt the rules is *Minnesota Statutes*, section 214.12. A copy of the proposed rules are published in the *State Register*: A free copy of the rules are available upon request from Janet Skowronek at the agency number listed above.

The nature of the proposed rules of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design is to define the terms used in connection with a program of continuing education for professional competency; to establish the program requirements; to define the programs and activities which qualify under the program and limitations placed upon them; to establish the forms, reports and records necessary for the program; to define situations under which an individual would be non-compliant; and to set forth procedures for reinstatement of lapsed licenses or certificates.

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

Comments. You have until 4:30 p.m. on Thursday, August 13, 1998, to submit written comment in support of or in opposition to the proposed rules and any part or subpart of the rules. Your comment must be in writing and received by the agency contact person by the due date. Comment is encouraged. Your comment should identify the portion of the proposed rules addressed and the reason for the comment. You are encouraged to propose any change desired. Any comments that you would like to make on the legality of the proposed rules must also be made during this comment period.

Request for a Hearing. In addition to submitting comments, you may also request that a hearing be held on the rules. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m. on Thursday, August 13, 1998. Your written request for a public hearing must include your name and address. You must identify the portion of the proposed rules to which you object or state that you oppose the entire set of rules. Any request that does not comply with these requirements is not valid and cannot be counted by the agency for determining whether a public hearing must be held. You are also encouraged to state the reason for the request and any changes you want made to the proposed rules.

Withdrawal of Requests. If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraw their requests in writing. If enough requests for hearing are withdrawn to reduce the number below 25, the agency must give written notice of this to all persons who requested a hearing, explain the actions the agency took to effect the withdrawal, and ask for written comments on this action. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131 to 14.20.

Alternative Format. Upon request, this Notice can be made available in an alternative format, such as large print, Braille, or cassette tape. To make such a request, please contact the agency contact person at the address or telephone number listed above.

Modifications. The proposed rules may be modified as a result of public comment. The modifications must be supported by comments and information submitted to the agency, and the adopted rules may not be substantially different than these proposed rules. If the proposed rules affect you in any way, you are encouraged to participate in the rulemaking process.

Statement of Need and Reasonableness. A statement of need and reasonableness is now available from the agency contact person. This statement contains a summary of the justification for the proposed rules, including a description of who will be affected by the proposed rules and an estimate of the probable cost of the proposed rules. Copies of the statement may be obtained at the cost of reproduction from the agency.

Adoption and Review of Rules. If no hearing is required, the agency may adopt the rules after the end of the comment period. The rules and supporting documents will then be submitted to the Office of Administrative Hearings for review for legality. You may ask to be notified of the date the rules are submitted to the office. If you want to be so notified, or want to receive a copy of the adopted rules, or want to register with the agency to receive notice of future rule proceedings, submit your request to the agency contact person listed above.

Dated: 29 June 1998

James C. Balogh
Board Chair

1810.0100 PURPOSE AND SCOPE.

This chapter for continuing education is adopted to build upon the basic knowledge of the practices of architecture, engineering, land surveying, landscape architecture, geoscience, and interior design to increase protection of public health, safety, and welfare. Each individual licensed or certified by this board must meet the continuing education requirements for professional development described in this chapter as a condition for license or certification renewal, as provided in *Minnesota Statutes*, sections 214.12 and 326.06. Continuing education shall maintain, improve, or expand skills and knowledge obtained prior to initial licensure or certification or shall develop new and relevant skills and knowledge.

1810.0200 DEFINITIONS.

Subpart 1. Scope. The terms used in this chapter have the meanings given them in this part.

Subp. 2. Biennial renewal. "Biennial renewal" means a period of time consisting of two consecutive, 12-month periods ending on June 30 of each even-numbered year.

Subp. 3. Dual license or certificate holder. "Dual license or certificate holder" means a person who is licensed or certified in two professions regulated by the board.

Subp. 4. Professional development hours. "Professional development hours" means contact hours consisting of not less than 50 minutes each of instruction or presentation and which meet the requirements of this chapter.

1810.0300 CONTINUING EDUCATION REQUIREMENTS.

Architects, professional engineers, land surveyors, landscape architects, geoscientists, and interior designers licensed or certified by this board must obtain the number of professional development hours described in items A to C during each two-year period of licensure or certification identified in part 1800.0500, subpart 3. This requirement must be satisfied during the two-year period prior to biennial renewal except for a carryover permitted from the previous renewal period, which must not exceed 50 percent of the biennial requirement of professional development hours.

A. Licensed professional engineers must earn a minimum of 30 professional development hours per biennial renewal except for the carryover permitted.

B. Licensed architects, land surveyors, landscape architects, geoscientists, and certified interior designers must earn a minimum of 24 professional development hours per biennial renewal except for the carryover permitted.

C. Dual license or certificate holders who have obtained a license or certificate for two professions must earn professional development hours required by the license or certificate requiring the greatest number of professional development hours and must obtain in each profession a minimum of one-third of the total professional development hours required. The remaining one-third requirement may be obtained in either profession at the sole discretion of the licensee or certificate holder.

1810.0400 PROGRAMS AND ACTIVITIES.

Continuing education must consist of learning experiences which enhance and expand the skills, knowledge, and abilities of practicing professionals to remain current and render competent professional services to the public. Practitioners may pursue technical, nontechnical, regulatory, ethical, and business practice needs for a well-rounded education provided the education directly benefits the health, safety, or welfare of the public. Continuing education activities which satisfy the professional development requirement include, but are not limited to, those described in items A to K.

A. Completing or auditing college-sponsored courses.

B. Completing self-study college or noncollege sponsored courses, presented by correspondence, internet, television, video, or audio, ending with examination or other verification processes.

C. Participation in seminars, tutorials, televised or videotaped courses, or short courses.

D. Attending self-sponsored and prepared in-house educational programs.

E. Completing a study tour with a structured program resulting in a written or visual presentation by the licensee or certificate holder.

F. Presenting or instructing qualifying courses or seminars. Professional development hours may be earned for preparation time for the initial presentation.

G. Authoring published papers, articles, or books. Professional development hours earned may equal preparation time spent, may be claimed only following publication, and shall be given for authorship or presentation, but not for both.

H. Participating in professional examination grading or writing. A maximum of five professional development hours per biennium may be applied from this source.

I. Providing professional service to the public which draws upon the licensee's or certificate holder's professional expertise on boards, commissions, and committees such as planning commissions, building code advisory boards, urban renewal boards, or non-work-related volunteer service. A maximum of ten professional development hours per biennium may be applied from this source.

J. Patents, after they are granted, for a credit of ten professional development hours.

K. Completing verifiable self-directed study such as reading articles, journals, and books, or listening to audio books. A maximum of ten professional development hours may be applied from this source.

1810.0500 CRITERIA.

Continuing education courses and activities must meet the criteria in items A to E.

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

- A. There must be a clear purpose and objective for each activity which will maintain, improve, or expand skills and knowledge obtained prior to initial licensure or certification or develop new and relevant skills and knowledge.
- B. The content of each presentation must be well organized and presented in a sequential manner.
- C. There must be evidence of preplanning which must include the opportunity for input by the target group to be served.
- D. The presentation must be made by persons who are well qualified by education or experience.
- E. There must be a provision for documentation of the individual's participation in the activity, including information required for recordkeeping and reporting.

1810.0600 EXEMPTIONS.

A licensee or certificate holder shall be exempt from the continuing education requirements for one of the reasons listed in items A to C:

- A. New licensees or certificate holders shall be exempt for their first biennial renewal.
- B. A licensee or certificate holder who has experienced during the biennial renewal a serious illness, injury, or other extenuating circumstances as reviewed and approved by the board shall be exempt. Supporting documentation must be furnished to the board prior to the end of the biennial renewal period.
- C. A licensee or certificate holder who, for a period of time exceeding 120 consecutive days, serves honorably on active duty in the military services where such activity restricts participation in a continuing education program.

1810.0700 COMITY.

Continuing education requirements may be met without completing the entire renewal form if an individual is licensed or certified in another state, province, or district which is listed by the Minnesota board as having continuing education requirements acceptable to the Minnesota board and the licensee or certificate holder certifies in the appropriate section that all continuing education and licensing or certification requirements for that state, province, or district have been met. The licensee or certificate holder must still maintain complete records as described in part 1810.0900.

1810.0800 FORMS.

A renewal application must include a completed continuing education form as specified by the board outlining professional development hours claimed. The licensee or certificate holder must supply sufficient detail on the form to permit audit verification, must sign the continuing education form certifying completion of the requirements, and must submit the form with the renewal application and fee in part 1800.0500, subpart 3.

1810.0900 REPORTS AND RECORDS.

The licensee or certificate holder shall maintain a file in which records of courses and activities are kept, including dates, subjects, duration of programs, sponsoring organization, professional development hours earned, registration receipts where appropriate, and other pertinent documentation, for a period of two years after submission to the board. This information may be required to be produced by licensees or certificate holders. The board may require a licensee or certificate holder to produce this information in connection with verification of a renewal application, a random audit conducted by the board, or upon receipt of a complaint alleging noncompliance on the part of a licensee or certificate holder.

1810.1000 NONCOMPLIANCE.

A licensee or certificate holder who does not satisfy the continuing education requirements for licensure or certification renewal shall be placed on probationary status and shall be promptly notified of that fact. The licensee or certificate holder has 180 days after notification to substantiate the original claim or to earn other professional development hours to meet the minimum requirement. If the deficiencies are not made up within the specified period of time, the individual's licensure or certification shall be suspended. Professional development hours earned within the probation period and applied to current renewal cannot be applied to the requirements for the following biennial renewal.

An individual who applies for license or certification renewal after the biennial renewal period has lapsed and has not satisfied the continuing education requirements shall be notified of that fact. The licensee or certificate holder shall have 180 days after notification to substantiate the original claim or to earn other professional development hours to meet the minimum requirement. If the deficiencies are not made up within the specified period of time, the individual's licensure or certification shall be suspended.

1810.1100 REINSTATEMENT.

A person who wishes to reinstate a lapsed license or certificate of one year or more must satisfy one-half the biennium requirement, multiplied by the number of years of lapsed status. The minimum continuing education requirement shall be one-half the biennium requirement. The maximum continuing education requirement shall be equal to the biennium requirement. The requirement shall be satisfied with continuing education acquired within the period of the lapse, not to exceed four years, prior to reinstatement.

Gambling Control Board

Proposed Permanent Rules Governing Lawful Gambling

Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing If 25 or More Requests for a Hearing Are Received

Proposed Amendment to Rules of the Minnesota Gambling Control Board governing:

- Minnesota Rules 7861.0010 - Definitions*
- Minnesota Rules 7861.0060 - Conduct of Lawful Gambling*
- Minnesota Rules 7861.0070 - Bingo*
- Minnesota Rules 7861.0080 - Pull-Tabs*
- Minnesota Rules 7861.0090 - Tipboards*
- Minnesota Rules 7861.0100 - Paddlewheels*
- Minnesota Rules 7861.0110 - Raffles*
- Minnesota Rules 7861.0120 - Organization Operations, Accounts, and Reports*
- Minnesota Rules 7863.0010 - Distributors*
- Minnesota Rules 7863.0020 - Distributor Operations, Accounts, and Reports*
- Minnesota Rules 7864.0010 - Licensed Manufacturers*
- Minnesota Rules 7864.0030 - Manufacturer Operations, Accounts, and Records*

Introduction: The Minnesota Gambling Control Board intends to adopt rules without a public hearing following the procedures set forth in the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28, and rules of the Office of Administrative Hearings, *Minnesota Rules*, parts 1400.2300 to 1400.2310. If, however, 25 or more persons submit a written request for a hearing on the rules within 30 days or by 4:30 PM on August 12, 1998, a public hearing will be held at the Minnesota Gambling Control Board Offices, 1711 W County Rd B, #300S, Roseville, Minnesota 55113, starting at 9:00 A.M. on September 10, 1998. To find out whether the rules will be adopted without a hearing or if the hearing will be held, you should contact the agency contact person after August 12, 1998 and before September 10, 1998.

Agency Contact Person: Comments or questions on the rules and written requests for a public hearing on the rules must be submitted to the agency contact person. The agency contact person is:

Sharon Beighley, Rules Coordinator
Minnesota Gambling Control Board
1711 W County Rd B, #300S
Roseville, MN 55113
651-639-4035
651-639-4032 (FAX)
E-Mail Address: Sharon_Beighley.notes.mdor.state.mn.us

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

Subject of Rules and Statutory Authority: The proposed rules are about:

- prescribing the manner in which gambling employees must wear the required identification cards;
- establishing rent limits for the conduct of bar bingo;
- allowing certificates for merchandise to be used as lawful gambling prizes;
- incorporating statutory changes made in 1998;
- deleting obsolete rules; and
- allowing repair and maintenance of snowmobile trail groomers as lawful purpose under certain conditions.

The statutory authority to adopt the rules is *Minnesota Statutes*, section 349.151, subdivision 4(a), which lists the powers and duties of the Board. Section 349.151, subdivision 4(a), clause (1) authorizes the Board to regulate lawful gambling to ensure that it is conducted in the public interest; clause (5) authorizes the Board to make rules authorized by this chapter; and clause (17) authorizes the Board to take all necessary steps to ensure the integrity of and public confidence in lawful gambling. *Minnesota Statutes* 349.151, subdivision 13 authorizes the Board to adopt rules when necessary or proper in discharging the Board's powers and duties. *Minnesota Statutes* 349.18, subdivision 1(a) authorizes the Board to establish rent limits for the conduct of lawful gambling. A copy of the proposed rules is published in the *State Register* on July 13, 1998 and attached to this notice as mailed.

Comments: You have until 4:30 PM on August 12, 1998 to submit written comment in support of or in opposition to the proposed rules or any part or subpart of the rules. Your comment must be in writing and received by the agency contact person by the due date. Comment is encouraged. Your comments should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. You are encouraged to propose any change desired. Any comments that you would like to make on the legality of the proposed rules must also be made during this comment period.

Request for a Hearing: In addition to submitting comments, you may also request that a hearing be held on the rules. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 PM on August 12, 1998. Your written request for a public hearing must include your name and address. You must identify the portion of the proposed rules to which you object or state that you oppose the entire set of rules. Any request that does not comply with these requirements is not valid and cannot be counted by the agency for determining whether a public hearing must be held. You are also encouraged to state the reason for the request and any changes you want made to the proposed rules.

Withdrawal of Requests: If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraw their requests in writing. If enough requests for a hearing are withdrawn to reduce the number below 25, the agency must give written notice of this to all persons who requested a hearing, explain the actions the agency took to effect the withdrawal, and ask for written comments on this action. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131 to 14.20.

Alternative Format/Accommodation: Upon request, this Notice can be made available in an alternative format, such as large print, Braille, or cassette tape. To make such a request or if you need an accommodation to make this hearing accessible, please contact the agency contact person at the address or telephone number listed above.

Modifications: The proposed rules may be modified, either as a result of public comment or as a result of the rule hearing process. Modifications must be supported by data and views submitted to the agency or presented at the hearing and the adopted rules may not be substantially different than these proposed rules. If the proposed rules affect you in any way, you are encouraged to participate in the rulemaking process.

Cancellation of Hearing: The hearing scheduled for September 10, 1998 will be canceled if the agency does not receive requests from 25 or more persons that a hearing be held on the rules. If you requested a public hearing, the agency will notify you before the scheduled hearing whether or not the hearing will be held. You may also call the agency contact person at 651-639-4035 after August 12, 1998 to find out whether the hearing will be held.

Notice of Hearing: If 25 or more persons submit written requests for a public hearing on the rules, a hearing will be held following the procedures in *Minnesota Statutes*, section 14.131 to 14.20. The hearing will be held on the date and at the time and place listed above. The hearing will continue until all interested persons have been heard. Administrative Law Judge Jon L. Lunde is assigned to conduct the hearing. Judge Lunde can be reached at the Office of Administrative Hearings, 100 Washington Square, Suite 1700, Minneapolis, Minnesota 55401-2138, telephone number 651-341-7611 and fax number 651-349-2665.

Hearing Procedure: If a hearing is held, you and all interested or affected persons, including representatives of associations or other interested groups, will have an opportunity to participate. You may present your views either orally at the hearing or in writing at any time before the close of the hearing record. All evidence presented should relate to the proposed rules. You may also submit written material to the Administrative Law Judge to be recorded in the hearing record for five working days after the public hearing ends. This five-day comment period may be extended for a longer period not to exceed 20 calendar days if ordered by the

Administrative Law Judge at the hearing. Following the comment period, there is a five-working-day response period during which the agency and any interested person may respond in writing to any new information submitted. No additional evidence may be submitted during the five-day response period. All comments and responses submitted to the Administrative Law Judge must be received at the Office of Administrative Hearings no later than 4:30 p.m. on the due date. All comments or responses received will be available for review at the Office of Administrative Hearings. This rule hearing procedure is governed by *Minnesota Rules*, parts 1400.2000 to 1400.2240, and *Minnesota Statutes*, sections 14.131 to 14.20. Questions about procedure may be directed to the Administrative Law Judge.

The agency requests that any person submitting written views or data to the Administrative Law Judge prior to the hearing or during the comment or response period also submit a copy of the written views or data to the agency contact person at the address stated above.

Statement of Need and Reasonableness: A statement of need and reasonableness is now available from the agency contact person. This statement contains a summary of the justification for the proposed rules, including a description of who will be affected by the proposed rules and an estimate of the probable cost of the proposed rules. The statement may also be reviewed and copies obtained at the cost of reproduction from either the agency or the Office of Administrative Hearings.

Lobbyist Registration: *Minnesota Statutes*, chapter 10A, requires each lobbyist to register with the Campaign Finances and Public Disclosure Board. Questions regarding this requirement may be directed to the Campaign Finances and Public Disclosure Board at: First Floor South, Centennial Building, 658 Cedar Street, St. Paul, Minnesota, 55155, telephone 651-296-5148 or 1-800-657-3889.

Adoption Procedure if No Hearing: If no hearing is required, the agency may adopt the rules after the end of the comment period. The rules and supporting documents will then be submitted to the Office of Administrative Hearings for review for legality. You may ask to be notified of the date the rules are submitted to the office. If you want to be so notified, or want to receive a copy of the proposed rules, or want to register with the agency to receive notice of future rule proceedings, submit your request to the agency contact person listed above.

Adoption Procedure After a Hearing: If a hearing is held, after the close of the hearing record, the Administrative Law Judge will issue a report on the proposed rules. You may ask to be notified of the date when the Administrative Law Judge's report will become available, and can make this request at the hearing or in writing to the Administrative Law Judge. You may also ask to be notified of the date on which the agency adopts the rules and files them with the Secretary of State, and can make this request at the hearing or in writing to the agency contact person stated above.

Order: I order that the rulemaking hearing be held at the date, time, and location listed above.

Dated: 29 June 1998

Harry Baltzer, Executive Director
Minnesota Gambling Control Board

7861.0010 DEFINITIONS.

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

Subp. 1a. **Bar bingo.** “Bar bingo” means a game or games of bingo, conforming to all applicable statutes and rules, that is conducted at a place of business where a licensed organization leases space to conduct lawful gambling, where the lessor’s business is the sale of intoxicating liquor or 3.2 percent malt beverages, and where the organization conducts another form of lawful gambling on the premises for which it could pay rent under part 7861.0060, subpart 2, item D.

[For text of subps 2 to 20, see M.R.]

Subp. 21. **Fair market value.** “Fair market value” is what a willing buyer would pay a willing seller when neither has to buy or sell and both are aware of the conditions of the sale. Fair market value for purposes of merchandise prizes must be related to the manufacturer’s suggested retail price, list price, advertised price, or actual cost. For purposes of this subpart, the price or cost is determined at the time the merchandise prize was purchased by the organization.

[For text of subps 22 to 37, see M.R.]

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Proposed Rules

Subp 37a. **Merchandise prize.** “Merchandise prize” means a tangible good, existing and moveable, other than cash or real property, awarded by an organization to a winner or winners of a bingo game, pull-tab game, tipboard game, paddlewheel game conducted without a paddlewheel table, or raffle. Merchandise prize includes merchandise, certificates for merchandise, and donated prizes. Merchandise prize does not include services or service-related items, except that raffle prizes may consist of certificates for services.

[For text of subps 38 to 43, see M.R.]

Subp. 44. **Paddlewheel table.** “Paddlewheel table” is the table described in part ~~7861.0100~~ 7864.0030, subpart ~~9 1,~~ item G, and used in the game of paddlewheels governed by part 7861.0100, subparts 2 to 7 and 9 to 16.

[For text of subps 45 to 51, see M.R.]

7861.0060 CONDUCT OF LAWFUL GAMBLING.

Subpart 1. **General restrictions.** The following items are general restrictions on the conduct of lawful gambling:

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

E. An organization shall require its compensated gambling employees to wear the identification card required by Minnesota Statutes, section 349.168, subdivision 2, at all times when conducting lawful gambling. Wearing the identification card means that:

(1) the card shall be worn on the employee’s clothing in such a manner as to be clearly visible at all times to the majority of the players; or

(2) the card shall be prominently displayed in the space used by the organization to sell pull-tabs, in such a manner as to be clearly visible at all times to the majority of the players.

Subitem (2) shall only apply to compensated employees who sell pull-tabs.

Subp. 2. **Restrictions for gambling on leased premises.** The following items are restrictions for gambling on leased premises:

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

D. The amount of rent an organization may pay for the conduct of lawful gambling may not exceed:

(1) \$1,000 per month for all forms of lawful gambling other than bingo;

(2) for bingo and all other gambling activities which occur during that bingo occasion, \$200 for leased premises of not more than 6,000 square feet, \$300 for leased premises of not more than 12,000 square feet, ~~and~~ \$400 for leased premises of more than 12,000 square feet, and \$25 per occasion for bar bingo; and

(3) an organization may not use nongambling funds to directly or indirectly supplement rent above the amounts provided in this subpart.

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

[For text of subps 3 to 7, see M.R.]

7861.0070 BINGO.

[For text of subps 1 and 2, see M.R.]

Subp. 5a. **Manner of conducting bingo.** A bingo game must be conducted in the following manner.

A. For organizations using bingo hard cards, the following shall apply.

[For text of subitems (1) to (3), see M.R.]

(4) Bingo programs for each bingo occasion or bingo session must be made available to all players prior to the start of the first game at each bingo occasion or bingo session and include, at a minimum, the following information:

[For text of units (a) and (b), see M.R.]

(c) the date of implementation of the program.

An organization with gross receipts from bingo of less than \$150,000 in its last fiscal year shall include in its bingo programs the methods used to determine the value of prizes when the value of prizes will be less than the values listed in the program.

Each bingo program, including the list of occasions or sessions at which that program will be used, must be approved in advance by the membership of the organization. A copy of the approved bingo program, including the list of occasions or sessions at which that program will be used must be included with the minutes of the meeting. A copy of the approved bingo program, including the list of occasions or sessions at which that program will be used must also be submitted to the board and postmarked or delivered to the board office at least 24 hours in advance of implementation of the program. For all organizations, in the event of reduced attendance

caused by bad weather, an organization may implement a substitute bingo program, if the substitute bingo program has been previously approved by the board, and the organization notifies the board within 48 hours of making the bingo program substitution.

[For text of subitems (5) to (9), see M.R.]

B. For organizations using bingo paper sheets, bingo paper sheet packets, or bingo paper packages, the following shall apply.

[For text of subitems (1) to (3), see M.R.]

(4) Bingo programs for each bingo occasion or bingo session must be made available to all players prior to the start of the first game at each bingo occasion or bingo session, and must include, at a minimum, the following information:

[For text of units (a) to (c), see M.R.]

(d) the date of implementation of the program.

An organization with gross receipts from bingo of less than \$150,000 in its last fiscal year shall include in its bingo programs the methods used to determine the value of prizes when the value of prizes will be less than the values listed in the program.

Each bingo program, including the list of occasions or sessions at which that program will be used, must be approved in advance by the membership of the organization. A copy of the approved bingo program, including the list of occasions or sessions at which that program will be used, must be included with the minutes of the meeting. A copy of the approved bingo program, including the list of occasions or session at which that program will be used, must also be submitted to the board and postmarked or delivered to the board office at least 24 hours in advance of implementation of the program. For all organizations, in the event of reduced attendance caused by bad weather, an organization may implement a substitute bingo program, if the substitute bingo program has been previously approved by the board, and the organization notifies the board within 48 hours of making the bingo program substitution.

[For text of subitems (5) to (8), see M.R.]

[For text of items C to G, see M.R.]

H. The letter and number of a drawn bingo ball must be called out before the drawing of the next bingo ball, except when conducting bingo games where the drawn bingo ball does not pertain to the pattern of the bingo game being played. When conducting bingo games where the letter and number of a drawn ball may not pertain to the pattern being played, the caller shall verbally state before the drawing of the first ball that drawn bingo balls not pertaining to the pattern being played will not be called. Once a bingo ball has been drawn, the bingo ball shall not be returned to the receptacle until after the conclusion of the game or continuation game. Bingo balls that are drawn but not called shall not be returned to the receptacle until they have been made available for inspection by at least one neutral player after the conclusion of the game or continuation game.

[For text of items I to L, see M.R.]

M. When a bingo player declares a winning pattern of letters and numbers on a bingo hard card or bingo paper sheet face for a bingo game, the serial number and face number of the bingo paper sheet face, or the face number of the winning bingo hard card shall be read aloud by an employee of the organization. Every winning bingo hard card or bingo paper sheet face shall be verified by an organization employee, and at least one neutral player, or by an electronic verification device.

(1) at least one neutral player; or

(2) an electronic verification device.

A neutral player is another player who is not an immediate family member of the player declaring bingo.

N. Each bingo game shall be closed with the following procedure:

(1) the game shall be stopped after a player has declared bingo;

(2) when a bingo player declares a bingo, the next bingo ball out of the machine shall be removed from the machine before shutting the machine off, and shall be the next bingo ball called in the event the bingo is declared not valid. In the case of a continuation bingo game, the bingo ball shall be held and used as the first bingo ball drawn for the next game. In the case of a bingo game where a drawn ball may not pertain to the pattern being played, the bingo ball shall be removed from the machine before shutting the machine off and, if the drawn ball pertains to the pattern being played, shall be the next bingo ball called in the event the bingo is declared not valid;

[For text of subitems (3) to (5), see M.R.]

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Proposed Rules

Subp. 6a. **Bingo prizes.** Prizes for games won at a bingo occasion or session shall be awarded at that bingo occasion or session according to *Minnesota Statutes*, section 349.211, and the following procedures.

A. Prizes for a bingo game may consist of cash, a merchandise prize, or coupons used to redeem bingo hard cards, bingo paper sheets, bingo paper sheet packets, and bingo paper packages. A merchandise prize may include a certificate for merchandise, which must include the following information:

(1) a complete description of the merchandise to be redeemed by the certificate;

(2) the name of the vendor from whom the certificate must be redeemed;

(3) the value of the merchandise described on the certificate; and

(4) a statement expressly prohibiting the substitution of cash or another item or type of merchandise for the merchandise described on the certificate.

B. ~~Except for bingo games conducted pursuant to item F G, the value dollar amount of a cash prize or the fair market value of a merchandise prize which may be won in a bingo game must be verbally announced to players prior to the start of a bingo game and included in the bingo program for that occasion. Value means the dollar amount of the cash prize or the fair market value for noncash merchandise prizes. A bingo prize may consist of coupons to redeem bingo hard cards, bingo paper sheets, bingo paper sheet packets, and bingo paper packages. For purposes of subpart 7, the organization must use the actual cost paid by the organization for the merchandise prizes. All merchandise prizes must be accounted for in a format prescribed by the board. For all merchandise prizes, the organization must maintain documentation on how the fair market value was determined. The fair market value of a merchandise prize must not be established at an amount less than the organization paid for the merchandise prize. Unless a prize receipt is completed pursuant to items F G and L M, a bingo prize shall not have its value established by any method where the value of the bingo prize cannot be determined and verbally announced to players at the beginning of a bingo game. A bingo prize shall not consist of lawful gambling equipment, except as provided in this item subpart.~~

~~B. C.~~ A bingo prize shall only be awarded after a player has successfully completed a preannounced pattern of spaces on a bingo hard card or bingo paper sheet face with the letters and numbers called by an organization employee.

~~C. D.~~ A prize for a single bingo game shall not exceed \$100.

~~D. E.~~ A prize for a cover-all bingo game may exceed \$100 provided that the aggregate value of all cover-all prizes in any bingo occasion does not exceed \$1,000.

~~E. F.~~ A prize for a progressive bingo game may start at up to \$300 and be increased by up to \$100 for each occasion during which the progressive bingo game is played. If the progressive prize is not awarded at a particular bingo occasion, the progressive bingo game shall be continued at a future bingo occasion until such time as a winner is determined. The winning prize in a progressive bingo game does not have to be the full amount of the jackpot, but may be a consolation prize of up to \$100. If the progressive prize is not awarded at a particular occasion, it may be carried over to a future bingo occasion and increased in value, provided that the prize never exceeds \$1,000 for any progressive bingo game.

~~F. G.~~ In bingo games where players have the opportunity to win one of various, alternative prize levels, the organization will not be able to identify and announce at the beginning of the bingo game the value of the prize that will be won until the game is completed. Such bingo games are permitted only if the organization completes a prize receipt form upon completion of the bingo game. According to subpart 5a, items A, subitem (4), and B, subitem (4), the organization must describe in its bingo program any bingo games where players have the opportunity to win one of various, alternative prize levels, including the factors that will be used to determine the prize level that is won and the value of the alternative prize levels.

~~G. H.~~ Merchandise prizes awarded in any bingo game ~~shall be valued at their fair market value and shall not be redeemed for cash or converted into cash~~ must be displayed in full view of the players in the immediate vicinity of the bingo game. When the winner of a merchandise prize is determined, the organization shall immediately remove the prize from the display and award it to the winner.

~~H. Donated prizes~~ I. Merchandise prizes purchased by the organization at a discount and prizes donated to an organization shall be valued at their fair market value and shall be included in the determination of compliance with the prize limitations in Minnesota Statutes, section 349.211.

~~I. J.~~ An organization conducting bingo in which any ~~real or personal property~~ merchandise prizes are awarded shall have paid for in full or otherwise become the owner without lien or interest of others of all the ~~real or personal property~~ merchandise prizes prior to the ~~bingo occasion or session at which the winners of the prizes are to be determined~~ time when the winners of the merchandise prizes are determined. For purposes of this subpart, savings bonds are not considered merchandise prizes and must be reported and announced at their purchase price value.

~~J. K.~~ All prizes available to be won at a bingo occasion or session shall be won by a player based upon winning a bingo game and not by any other method which incorporates an element of chance. No prizes based on the result of a bingo game shall be awarded to anyone other than a player who has achieved the winning pattern of letters and numbers in the bingo game. An organization shall not award a secondary prize to a person based upon an outcome other than the selection of letters and numbers in a bingo game.

~~K. L.~~ If there are multiple winners in any bingo game, the following shall apply:

(1) If the designated prize consists of cash, the total amount of the prize shall be divided equally, with an equal amount being awarded for each verified winning bingo face. The organization has the option of rounding fractional dollars to the nearest ~~lower~~ higher dollar. The total amount of the awarded prizes shall not exceed limits in *Minnesota Statutes*, section 349.211.

(2) If the designated prize consists of ~~an item other than cash~~ a merchandise prize and the designated prize cannot be divided, the organization shall award substitute prizes to each verified winning bingo face. The substitute prizes must be of equal value to one another, with an equal prize awarded for each verified winning bingo face. The total value of the prizes must not exceed the ~~limits~~ prize limitations in *Minnesota Statutes*, section 349.211.

~~L. M.~~ A prize receipt form shall be completed for a winning bingo prize valued at \$100 or more. A prize receipt form shall also be completed for all bingo games where the value of the prize is determined by the selling price of the bingo paper sheet packet or bingo paper package, and for all bingo games where players have the opportunity to win various, alternative prize levels. The prize receipt form shall include, at a minimum, the following information:

[For text of subitems (1) and (2), see M.R.]

(3) the dollar amount of the cash value of the prize;

(4) a full description of all noncash prizes the fair market value for a merchandise prize;

[For text of subitems (5) to (7), see M.R.]

Subp. 7. **General bingo records and reports.** The following records and reports shall be completed by the organization, and maintained for a period of 3-1/2 years. The records and reports shall be made available to the board, the commissioner of revenue, the commissioner of public safety, or their agents upon demand:

~~A. the total number of players in attendance;~~

~~B. the total amount wagered;~~

~~C. the total prizes, including cash and market value of noncash prizes, awarded;~~

~~D. a copy of the schedule of games and their prizes;~~

~~E. the number and price of cards or sheets sold by type;~~

~~F. the inventory of disposable bingo cards purchased by the organization; and~~

~~G. for any bingo game with a prize valued at \$100 or more, a prize receipt as provided in subpart 6a, item L.~~

~~Effective December 1, 1996, items A to G shall no longer apply.~~

~~H. A.~~ Inventory records.

(1) ~~Effective June 1, 1997, an organization shall submit to the Department of Revenue an itemized inventory of all bingo paper sheets (ease paper) and bingo paper sheet packets in inventory on hand on November 30, 1996.~~

(2) ~~Effective December 1, 1996,~~ Each organization using bingo paper sheets, bingo paper sheet packets, or bingo paper packages shall maintain inventory records in a format prescribed by the board in accordance with subitems ~~(2)~~ (1) to ~~(6)~~ (5). A computer-generated form may be used with the approval of the board director if it complies with the requirements of this part. An organization using bingo paper sheets, bingo paper sheet packets, or bingo paper packages shall:

[For text of units (a) to (c), see M.R.]

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Proposed Rules

~~(3)~~ (2) For each case of bingo paper sheets (case paper), the inventory records shall include, at a minimum, the following information:

[For text of units (a) to (j), see M.R.]

~~(4)~~ (3) For each set of bingo paper sheet packets, the inventory records shall include, at a minimum, the following information:

[For text of units (a) to (i), see M.R.]

~~(5)~~ (4) For each bingo paper package, if the organization uses bingo paper packages, a control number shall be assigned and all components of the bingo paper package shall be accounted for. The inventory records for bingo paper packages shall include, at a minimum, the following information:

[For text of units (a) to (j), see M.R.]

~~(6)~~ (5) For bingo paper sheets, bingo paper sheet packets, and bingo paper packages, a monthly physical inventory control summary including, at a minimum, the following information:

[For text of units (a) to (e), see M.R.]

~~I. Effective December 1, 1996, B.~~ The following information shall be recorded for each bingo occasion conducted by an organization.

(1) For organizations using bingo hard cards:

[For text of units (a) to (f), see M.R.]

(g) the dollar amount of the cash value prize, or fair market value the actual cost of noncash merchandise prizes awarded for each bingo game, and the face number and series number of each winning bingo hard card;

(h) for any bingo game with a prize valued at \$100 or more that is awarded to one individual, a prize receipt as provided in subpart 6a, item ~~L~~ M;

(i) cash on hand at the beginning of the occasion, and cash on hand at the end of the occasion;

[For text of units (j) to (l), see M.R.]

(2) For organizations using bingo paper sheets, bingo paper sheet packets, or bingo paper packages, the following information shall be recorded in a format prescribed by the board for each bingo occasion conducted by an organization. A computer-generated form may be used with the approval of the board director if it complies with the requirements of this part:

[For text of units (a) to (d), see M.R.]

(e) the total value of prizes awarded for each game, including the cash value dollar amount of the cash prizes and fair market value the actual cost for noncash merchandise prizes, and the serial number and face number of each winning bingo paper sheet face;

(f) a copy of the caller verification form;

(g) a copy of the occasion's bingo program shall be attached to the bingo occasion record;

(h) a bingo occasion summary, including the total number of players in attendance, total gross and net sales, total value of coupons redeemed, and total value including cash value the dollar amount of the cash prizes and fair market value the actual cost for noncash merchandise prizes awarded at the occasion;

(i) for any bingo game with a cash or merchandise prize valued at \$100 or more, a prize receipt as required in subpart 6a, item ~~L~~ M; and

(j) for any bingo game where the value of the prize is determined by the selling price of the packet of bingo paper sheets or bingo paper package, a prize receipt as required in subpart 6a, item ~~L~~ M.

~~J. C.~~ A gross receipt and discrepancy report must be prepared for each bingo occasion conducted by an organization. The report shall be prepared on a form prescribed by the board, in accordance with the following procedures:

[For text of subitems (1) and (2), see M.R.]

[For text of subp 8, see M.R.]

7861.0080 PULL-TABS.

Subpart 1. **Restrictions.** The following items are restrictions on pull-tabs:

[For text of item A, see M.R.]

B. A gambling employee of an organization ~~shall not~~ may purchase pull-tabs at the site of the employee's place of employment: if:

(1) the organization posts the major prizes for pull-tab or tipboard games pursuant to Minnesota Statutes, section 349.172; and

(2) the gambling employee is not involved in the sale of pull-tabs at the site of the employee's place of employment. For purposes of this part, the sale of pull-tabs includes, but is not limited to, auditing pull-tab games, redeeming winning pull-tabs, performing inventory of pull-tab games, making deposits of receipts from pull-tab games, and the sale of pull-tabs to players.

An organization may adopt broader restrictions regarding employee participation as a player in pull-tab games conducted by the organization in its house rules, internal controls, or otherwise. For purposes of this subpart, the term "employee" includes a volunteer.

[For text of items C to I, see M.R.]

[For text of subps 2 to 4, see M.R.]

Subp. 4a. **Use of cash registers.** An organization using a cash register in the conduct of pull-tabs shall use a cash register that meets the technical standards established in item A, follows the procedures in item B, and performs a monthly reconciliation pursuant to the requirements in item C.

A. Cash registers used by organizations to conduct pull-tab games shall meet, at a minimum, the technical standards in subitems (1) to (12).

[For text of subitems (1) to (9), see M.R.]

(10) For each transaction in redeeming a winning pull-tab, the cash register shall record the following information:

[For text of units (a) to (c), see M.R.]

(d) the amount of the cash prize payout or ~~cash value of a merchandise prize~~ the fair market value for merchandise prizes.

[For text of subitems (11) and (12), see M.R.]

B. This item contains the procedure for use of a cash register.

[For text of subitems (1) to (5), see M.R.]

(6) When redeeming a winning pull-tab through the use of a cash register, the organization employee shall:

[For text of unit (a), see M.R.]

(b) enter the cash prize payout amount or the ~~cash~~ fair market value of the merchandise prize of the winning pull-tab; and

[For text of unit (c), see M.R.]

[For text of subitems (7) to (9), see M.R.]

C. On the last day of each month the organization must perform a reconciliation of all pull-tab games in play or played during the month. The following procedure shall be used to perform the reconciliation:

[For text of subitems (1) to (3), see M.R.]

(4) The organization shall prepare a reconciliation report for all games in play during the month, on a form prescribed by the board. The form shall contain at a minimum the following information:

[For text of units (a) to (c), see M.R.]

(d) the total value of cash prizes paid out in the game and/or the total ~~cash~~ fair market value of merchandise prizes paid out in the game;

[For text of units (e) to (g), see M.R.]

[For text of subitem (5), see M.R.]

[For text of item D, see M.R.]

<p>KEY: PROPOSED RULES SECTION — <u>Underlining</u> 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 — <u>Underlining</u> indicates additions to proposed rule language. Strike outs indicate deletions from proposed rule language.</p>
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Proposed Rules

Subp. 5. **Pull-tab prize and cost per ticket limits.** Prizes and bets must be limited, awarded, and controlled in the following manner:

A. The maximum value of a prize for a winning pull-tab must not exceed \$500. If two or more winning combinations are possible, including the last sale prize on a single pull-tab, the total value of all winning combinations must not exceed \$500. “Value” means the dollar amount of a cash prize or the fair market value for a merchandise prize. For purposes of subpart 6, the organization must use the actual cost paid by the organization for the merchandise prizes. All merchandise prizes must be accounted for in a format prescribed by the board. The organization must maintain documentation on how the fair market value was determined for all merchandise prizes. The fair market value of a merchandise prize must not be established at an amount less than the organization paid for the merchandise prize.

B. Each pull-tab must not be sold for more than \$2.

C. All prizes must be awarded in cash, merchandise, or in free plays as designated on the flare. A merchandise prize may include a certificate for merchandise, which must contain the following information:

(1) a complete description of the merchandise to be redeemed by the certificate;

(2) the name of the vendor from whom the certificate must be redeemed;

(3) the value of the merchandise described on the certificate; and

(4) a statement expressly prohibiting the substitution of cash or another item or type of merchandise for the merchandise described on the certificate.

(+) All merchandise prizes must be displayed in full view of the players in the immediate vicinity of the pull-tab game.

(-) When a winner of a merchandise prize is determined, the organization shall remove that prize from any display and award it to the winner immediately.

D. ~~An organization may not substitute cash for merchandise prizes which have been won.~~

E. When a player wins a cash prize of \$50 or more or receives a cash prize for redeeming the last ticket sold in a pull-tab game for which the distributor has modified the flare to contain a last sale value of \$20 or more, the organization shall record the win according to subpart 6, item C.

E. An organization conducting pull-tab games in which any merchandise prizes are awarded shall have paid for in full or otherwise become the owner without lien or interest of others of all the merchandise prior to the time when the winners of the prizes are determined.

Subp. 6. **Records.** An organization shall maintain the following information for a period of 3-1/2 years.

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

C. All completed prize receipt forms for any winning pull-tab valued at \$50 or more or for any prize for redeeming the last ticket sold in a pull-tab game for which the distributor has modified the flare to contain a last sale value of \$20 or more. A prize receipt form prescribed by the board shall include at a minimum the following information:

(1) The pull-tab seller must legibly print in ink on the receipt the following:

[For text of units (a) to (d), see M.R.]

(e) the ~~value~~ dollar amount of the cash prize won or the fair market value for a merchandise prize won; and

[For text of unit (f), see M.R.]

(2) The receipt must be legibly signed in ink by the pull-tab seller paying the winner.

D. An organization must complete a detailed monthly report in a standard format approved by the commissioner of revenue for each deal of pull-tabs removed from play during that month (~~schedule B~~), as required by part 7861.0120, subpart 3, item D. The report must contain the following information:

[For text of subitems (1) to (12), see M.R.]

(13) the actual prizes paid, including the dollar amount of the cash prize and the actual cost for merchandise prizes;

[For text of subitems (14) to (16), see M.R.]

[For text of items E and F, see M.R.]

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

7861.0090 TIPBOARDS.

Subpart 1. **Restrictions.** The following items are restrictions on tipboards:

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

~~E. An organization may not change the serial number written on the state registration stamp by the distributor or the manufacturer.~~

~~F. An organization shall not pay a player unless the player redeems an actual winning tipboard ticket. A prize may not be paid out awarded to any player for a lost, marked, defaced, or altered ticket.~~

~~G. F. A tipboard may not be played unless the flare for that tipboard is posted in the area of the permitted premises where the tipboard tickets are offered for sale.~~

~~H. G. An organization shall not modify the designation of prizes printed on the tipboard or use a tipboard that is altered or defaced. The prize awarded must be the prize printed on the tipboard.~~

Subp. 2. **Operation of tipboards.** The following items apply to the game of tipboards:

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

~~E. A tipboard may not be put out for play unless the flare for the tipboard has a state registration stamp which has been affixed to it by a licensed distributor or a licensed manufacturer.~~

~~F. A tipboard may not be put out for play unless the serial number on the individual flare for that tipboard matches the serial number printed on the tipboard and the tipboard tickets. If the serial numbers do not correspond, the organization shall return the tipboard to the distributor.~~

Subp. 3. **Tipboard prize and cost per ticket limits.** The cost per ticket and the value of the prizes must be as follows:

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

~~D. A prize must be awarded in cash, merchandise, or free plays as indicated on the tipboard and the flare. A merchandise prize may include a certificate for merchandise, which must contain the following information:~~

~~(1) All merchandise prizes must be displayed in full view in the immediate vicinity of the tipboard game.~~

~~(2) When a winner of a merchandise prize is determined, the organization shall immediately remove the prize from any display and award it to the winner.~~

~~E. An organization may not substitute cash for merchandise prizes which may have been won:~~

~~(1) a complete description of the merchandise to be redeemed by the certificate;~~

~~(2) the name of the vendor from whom the certificate must be redeemed;~~

~~(3) the value of the merchandise described on the certificate; and~~

~~(4) a statement expressly prohibiting the substitution of cash or another item or type of merchandise for the merchandise described on the certificate.~~

~~“Value” means the dollar amount of a cash prize or the fair market value for a merchandise prize. For purposes of subpart 4, the organization must use the actual cost paid by the organization for the merchandise prizes.~~

~~All merchandise prizes must be accounted for in a format prescribed by the board. The organization must maintain documentation on how the fair market value was determined for all merchandise prizes. The fair market value of a merchandise prize must not be established at an amount less than the organization paid for the merchandise prize.~~

~~E. Merchandise prizes awarded in any tipboard game must be displayed in full view of the players in the immediate vicinity of the tipboard game. When the winner of a merchandise prize is determined, the organization shall immediately remove the prize from the display and award it to the winner.~~

~~F. Merchandise prizes purchased by the organization at a discount shall be valued at their fair market value and shall be included in the determination of compliance with Minnesota Statutes, section 349.211.~~

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

~~G. An organization conducting tipboard games in which any merchandise prizes are awarded shall have paid for in full or otherwise become the owner without lien or interest of others of all the merchandise prizes prior to the time when the winners of the prizes are determined.~~

[For text of subp 4, see M.R.]

Subp. 5. **Disposal of played tipboards.** A played tipboard and the accompanying flare ~~with the state registration stamp affixed~~ must be retained for 3-1/2 years following the end of the month in which the tipboard was played and reported. The organization may dispose of a played tipboard when the retention period expires, unless the organization is notified to retain the tipboard because an audit, compliance review, or investigation is being conducted. The disposal must result in complete destruction, such as by shredding or burning.

7861.0100 PADDLEWHEELS.

[For text of subp 1a, see M.R.]

Subp. 2. **General conduct of paddlewheels.** The following items apply to the conduct of all paddlewheel games:

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

~~D. Each paddleticket card must have a facsimile of the state registration stamp preprinted on the stub. The facsimile must bear the license number of the manufacturer who manufactured the paddleticket card.~~

~~E. Each sealed grouping of 100 paddleticket cards must have a state registration stamp affixed to the master flare accompanying the group with the first paddleticket card number in the group stated on the master flare. No paddleticket card may be played unless the master flare for that card is posted in a conspicuous place on the permitted premises for the paddlewheel being played.~~

~~F. E.~~ An organization may not use paddletickets:

(1) ~~which do not have a state registration stamp affixed to the master flare accompanying the group;~~

(2) ~~when the actual paddleticket card number preprinted on the tickets does not correspond to one of the paddleticket card numbers indicated on the master flare;~~

(3) ~~when the paddleticket card number preprinted on the stub does not match the paddleticket card number preprinted on the individual tickets; or~~

(4) ~~(3) which are not attached to the paddleticket card.~~

~~G. F.~~ An organization must deface all unsold paddletickets and all winning paddletickets which have been redeemed.

[For text of subps 3 to 7, see M.R.]

Subp. 8. **Conduct of paddlewheels without a paddlewheel table.** The following items apply to the conduct of paddlewheels without a paddlewheel table:

~~A. The paddlewheel must be marked off into equally spaced sections which each contain a different number. A protruding peg or pin must be located, on the circumference of the paddlewheel, at least at the dividing line between each of the sections of the wheel. There must be positioned above the paddlewheel a pointer which stops the spin of the wheel and determines the winning number.~~

~~B. The paddletickets must contain one or more numbers corresponding to the numbers on the paddlewheel. The one or more numbers on a paddleticket may not be duplicated on any other paddleticket with the same paddleticket card number. Each paddleticket must be sold separately and must constitute a separate and equal chance to win with all other paddletickets with the same paddleticket card number.~~

~~C. B.~~ All the paddletickets sold for a spin of the paddlewheel must bear the same paddleticket card number. All the paddletickets on a paddleticket card must be sold before the spinning of the paddlewheel. If all the paddletickets on the card cannot be sold, the organization shall refund the gross proceeds to the players in exchange for the unplayed paddletickets, which shall be defaced by the organization.

~~D. C.~~ The paddlewheel must be spun by the organization's paddlewheel operator. The winning number is determined by the position of the pointer when the paddlewheel stops spinning. The paddlewheel must make at least four revolutions before stopping at the winning number. If four revolutions are not made, the spin is void and the paddlewheel must be spun again. An organization may not have multiple spins of the paddlewheel to award multiple prizes for one paddleticket card.

~~E. D.~~ The paddletickets must be sold by the organization on the permitted premises for the paddlewheel being played and must be sold on the same day the paddlewheel ~~game is conducted~~ spun. No person may be required to be present when the paddlewheel is spun in order to be eligible for the prize. No person may be required to keep a paddleticket on the permitted premises in order to be eligible for the prize. However, the player with the winning paddleticket must claim the prize by redeeming the ticket on

the permitted premises before the conclusion of the organization's lawful gambling activity for that day on the premises. Otherwise, the player forfeits the prize.

~~F.~~ E. A prize must be awarded ~~may be in~~ cash or merchandise. No cash prize amount may be a variable multiple of the standard price of a paddlewheel ticket. Merchandise prizes must be valued at ~~actual market value or suggested market value, whichever is less~~ their fair market value. An organization must pay for in full or otherwise become the owner, without lien or interest of others, of merchandise to be awarded as a prize prior to the sale of paddletickets eligible for the prize. The organization must keep records showing its ownership of the merchandise, the ~~actual and suggested~~ fair market value of the merchandise, and its complete inventory of paddlewheel prize merchandise. An organization may not substitute cash for merchandise prizes which have been won. A merchandise prize may include a certificate for merchandise, which must contain the following information:

(1) a complete description of the merchandise to be redeemed by the certificate;

(2) the name of the vendor from whom the certificate must be redeemed;

(3) the value of the merchandise described on the certificate; and

(4) a statement expressly prohibiting the substitution of cash or another item or type of merchandise for the merchandise described on the certificate.

"Value" means the dollar amount of a cash prize or the fair market value for merchandise prizes. For purposes of subpart 16, the organization must use the actual cost paid by the organization for the merchandise prizes.

All merchandise prizes must be accounted for in a format prescribed by the board. The organization must maintain documentation on how the fair market value was determined for all merchandise prizes. The fair market value of a merchandise prize must not be established at an amount less than the organization paid for the merchandise prize.

E. Merchandise prizes awarded in any paddlewheel game must be displayed in full view of the players in the immediate vicinity of the paddlewheel game and shall not be redeemed for cash or converted into cash. When the winner of a merchandise prize is determined, the organization shall immediately remove the prize from the display and award it to the winner.

G. Merchandise prizes purchased by the organization at a discount and merchandise prizes donated to the organization shall be valued at their fair market value and shall be included in the determination of compliance with Minnesota Statutes, section 349.211.

~~G.~~ H. For all winning paddletickets which have been redeemed, an organization shall keep records of the date played, the winner number, and the cash prize amount or merchandise prize awarded.

~~H.~~ I. An organization must post clear and legible house rules on the play of paddlewheels in a conspicuous place on the permitted premises for the paddlewheel being played. The rules must include the following information:

[For text of subitems (1) to (5), see M.R.]

~~I.~~ J. An organization must post in a conspicuous place on the permitted premises for the paddlewheel being played a clear and legible sign stating the prize to be awarded to the winning paddleticket. The sign must be at least 18 inches by 24 inches in size.

Subp. 9. **Standards for paddlewheels and paddletickets used with a paddlewheel table, and for paddlewheel tables and chips.** Paddlewheels with a paddlewheel table must be conducted with a paddlewheel; ~~and~~ paddlewheel tables; and paddlewheel chips which conform to the following standards: manufactured according to part 7864.0030, subpart 1, items F and G, and with paddletickets manufactured according to part 7864.0030, subpart 1, item H. Each paddlewheel and paddlewheel table must have a state registration stamp affixed to its front.

A. The paddlewheel must be divided into three concentric circles. Each circle must be a different color and must be marked off into equally spaced sections. Each section in a circle must contain a different number. The outer circle may contain up to 40 numbers. Each inner circle may contain up to one half of the number of numbers as that circle's adjacent outer circle. The numbers in each circle must be sequential starting with the number "one" but may be placed randomly in that circle. The paddlewheel may have specifically designated "house numbers" in regard to an "odd" or "even" bet. A protruding peg or pin must be located, on the circumference of the paddlewheel, at least at the dividing line between each of the sections of the outside concentric circle. There must be positioned above the paddlewheel a pointer that stops the spin of the wheel and determines the winning colored number or set of colored numbers.

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Proposed Rules

B. Each paddleticket must have preprinted on it all the colored numbers on the paddlewheel and every available wager expressed by a colored number or set of colored numbers.

C. A paddlewheel table must have a state registration stamp affixed to its front and must conform to the following standards:

(1) The table playing surface must be permanently and clearly imprinted with the colored numbers which correspond to the colored numbers in each concentric circle of the paddlewheel. The table playing surface may also contain letters, each of which corresponds to a set of numbers of the same color representing a line bet. The table playing surface may also contain statements of "ODD" or "EVEN" for placing a bet that any number of a designated concentric circle of the paddlewheel will be odd or even. The letters and the statements must also be permanently and clearly imprinted on the table playing surface.

(2) The table playing surface must have a slot for the placing of paddletickets for each single colored number, each letter that corresponds to a set of colored numbers representing a line bet, each statement of "ODD," and each statement of "EVEN."

(3) The table must be equipped with a double locking or triple locking removable metal container known as a "drop box" into which must be deposited all issuance of duplicate fill slips; issuance of original credit slips; and coin or currency received from players for the purchase of paddlewheel chips. The drop box must have one lock that secures the drop box to the table and one or two separate locks which secure the contents placed into the drop box. The key to each of the two or three locks must be different from each of the other locks.

(4) The table must accommodate the placement of bets by players on the front and both sides of the table. The table must also have a rail for holding a player's paddlewheel chips. Inclusive of the rail, the table may be no longer than nine feet and no wider than four feet.

D. Paddlewheel chips may not be made of plastic, wood, or paper. An organization may issue paddlewheel chips in denominations of \$1, \$2, \$5, and \$25. One dollar chips must be white, \$2 chips must be yellow, \$5 chips must be red, and \$25 chips must be green. Each chip must have permanent edge spots which are different in color than the rest of the chip. Each paddlewheel chip must also be clearly and permanently impressed, engraved, or imprinted on at least one side with the license number of the organization holding the premises permit for the premises at which the chips are being used and on at least the opposite side with the specific dollar value of the chip. ~~This item is effective on April 26, 1994.~~

[For text of subp 10, see M.R.]

Subp. 11. **Conduct of paddlewheels with a paddlewheel table.** The following items apply to the conduct of paddlewheels with a paddlewheel table:

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

D. All paddletickets must be sold on the permitted premises for the paddlewheel being played and must be sold immediately preceding a spin to be valid for that spin. Each paddleticket must be sold separately and must constitute a separate and equal chance to win with all other paddletickets sold for the spin. There may be no partially sold paddleticket cards for a spin. If all the tickets on a card cannot be sold, the organization shall refund the gross proceeds to the players in exchange for the unplayed tickets of that card, which shall be defaced by the organization.

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

Subp. 12. **Operating procedures and internal controls.** The following operating procedures and internal controls apply to the conduct of paddlewheels with a paddlewheel table:

A. An organization must keep records adequate to account for the cash won or lost for each sealed grouping of 100 or fewer sequentially numbered paddleticket cards and records adequate to account for the paddletickets, paddleticket cards, paddlewheel chips, gross receipts, actual net receipts, actual cash profit, and cash long or short for each accounting period. For purposes of this subpart, an "accounting period" is a continuous time period during which a paddlewheel table is open for play.

B. For each accounting period for a paddlewheel table, an organization must maintain a record form with the following information:

(1) the premises permit number for the premises at which the table is located;

(2) the state registration stamp numbers for the paddlewheel table; and the paddlewheel; ~~and the paddleticket cards~~ used;

[For text of subitems (3) to (6), see M.R.]

[For text of items C to I, see M.R.]

[For text of subps 13 to 15, see M.R.]

Subp. 16. **Reports.** The use of paddletickets must be reported in the same manner as for pull-tabs under part 7861.0080, subpart 6. An organization must complete a detailed monthly report in a standard format approved by the commissioner of revenue for each sealed grouping of 100 or fewer sequentially numbered paddleticket cards from which paddletickets were sold that month. The

reports must provide sufficient detail to determine the actual net receipts, actual cash profit, and the cash long and short for each sealed grouping of 100 or fewer sequentially numbered paddleticket cards.

Subp. 17. [See repealer.]

7861.0110 RAFFLES.

Subpart 1. **Conducting raffles.** The following items apply to the conduct of raffles:

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

D. Each ticket seller shall return to the organization all unsold tickets and the stubs or other detachable section of all tickets sold before the drawing.

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

Subp. 2. **Raffle prizes.** ~~An organization conducting a raffle in which real or personal property prizes are to be awarded shall have paid for in full or otherwise become the owner, without lien or interest of others, of all the real or personal property before the drawing at which the winners of the prizes are to be determined.~~

A. A prize must be awarded in cash, merchandise, a certificate for merchandise, a certificate for services, or real property as indicated on the raffle ticket. "Value" means the dollar amount of the cash prize, the fair market value for merchandise, the fair market value for certificates for merchandise, and the fair market value for certificates for service. For real property prizes, "value" means the assessed tax value or the actual cost paid by the organization. For purposes of subpart 6, the organization must use the actual cost paid by the organization for the merchandise, certificates for merchandise, certificates for services, or real property prizes. A merchandise or service prize may include a certificate for merchandise or a certificate for services provided that the certificate for merchandise or services contains the following information:

(1) a complete description of the merchandise or services to be redeemed by the certificate;

(2) the name of the vendor from whom the merchandise or services must be redeemed;

(3) the value of the merchandise or services described on the certificate; and

(4) a statement expressly prohibiting the substitution of cash or another type of merchandise or services for the merchandise or services described on the certificate.

B. All merchandise and service prizes must be accounted for in a format prescribed by the board. For all merchandise and service prizes, the organization must maintain documentation on how the fair market value was determined. The fair market value of a merchandise or service prize must not be established at an amount less than the organization paid for the merchandise or service prize.

C. Merchandise or service prizes purchased by the organization at a discount and any merchandise or service prizes donated to an organization shall be valued at their fair market value and shall be included in the determination of compliance with *Minnesota Statutes*, section 349.211. Real property prizes shall be valued at their assessed tax value and shall be included in the determination of compliance with *Minnesota Statutes*, section 349.211.

D. An organization conducting raffles in which any merchandise, service, or real property prizes are awarded shall have paid for in full or otherwise become the owner without lien or interest of others of all the merchandise, services, or real property prior to the time when the winners of the prizes are determined. An organization conducting raffles in which any merchandise or service prizes are awarded is responsible for insuring that the merchandise or service prize is delivered to the winner of the prize.

[For text of subp 3, see M.R.]

Subp. 4. **Prize and cost per ticket limits.** Prizes and cost per ticket for a raffle may not exceed the following limits:

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

C. ~~Real and personal property prizes must be valued at actual market value or suggested market value, whichever is less.~~

~~D.~~ Cash is defined for purposes of this subpart as currency, coinage, and negotiable instruments.

~~E. D.~~ Each ticket must be sold for the same price and no ticket may be provided free of charge or for any other consideration.

[For text of subp 5, see M.R.]

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Proposed Rules

Subp. 6. **Records.** An organization shall maintain the following records for each raffle conducted for a period of 3-1/2 years:

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

C. the winning ticket stubs; ~~and~~

D. the log book showing to whom the tickets were given to be sold;

E. a copy of the detachable section of the ticket, displaying the information required by subpart 3, item A, subitem (1);

F. all unsold tickets from the raffle; and

G. the total value of all prizes awarded in each raffle, including the dollar amount of the cash prizes, the actual cost for merchandise prizes, the actual cost for certificates for merchandise and certificates for services, and the assessed tax value or actual cost paid by the organization for real property prizes.

7861.0120 ORGANIZATION OPERATIONS, ACCOUNTS, AND REPORTS.

[For text of subps 1 and 2, see M.R.]

Subp. 3. **Records and reports required.** The following items apply to records and reports:

A. Each organization shall maintain complete, accurate, and legible general accounting records with detailed supporting subsidiary records sufficient to furnish information regarding all gambling transactions. All inventory records, including perpetual, physical, and site inventory records, and all prize accounting records must be recorded on forms prescribed by the board or in a format approved by the board. The monthly accounting records must be sufficient to adequately reflect gross receipts, prizes, net receipts, expenses, and all other accounting transactions.

B. A monthly report must be made to the members of the organization. The monthly report must contain the following information:

[For text of subitems (1) to (5), see M.R.]

(6) a physical inventory, prepared according to item A, taken at the end of each month, which includes a list of all games, ~~the registration stamp number,~~ identified by manufacturer's identification number, part number, serial number, name of game, and cost for each game (any games in play are considered in inventory); and

(7) a bank reconciliation done each month, which lists outstanding checks and electronic transfers, deposits in transit, and beginning and ending ~~book bank~~ balances for the month which correspond to the profit carryover.

[For text of item C, see M.R.]

D. The following tax return and schedules must be filed monthly with the Department of Revenue on forms prescribed by the commissioner of revenue:

[For text of subitems (1) and (2), see M.R.]

(3) summary of pull-tab or tipboard games played or paddleticket groupings played and receipts per game (~~schedule B~~); and

(4) combined receipts tax schedule (schedule E).

E. When an organization has a fund loss by questionable means of its inventory or cash, the organization shall comply with subitems (1) to (7).

[For text of subitems (1) to (3), see M.R.]

(4) The following units shall be included as attachments to the fund loss request:

(a) a copy of the local law enforcement report required by subitem (1);

(b) a copy of the organization's completed ~~Schedule B or~~ Schedule B-2 that describes how the amount of the loss was verified by the organization;

[For text of units (c) and (d), see M.R.]

[For text of subitems (5) to (7), see M.R.]

[For text of item F, see M.R.]

Subp. 4. **Bank accounts.** The following items apply to bank accounts:

[For text of item A, see M.R.]

B. Deposits of gambling receipts:

(1) Deposit tickets showing receipts from deals of pull-tabs; and tipboards; and paddlewheels must contain the ~~state registration stamp~~ game serial number, the amount of actual cash profit for each game, and the permit number of the premises. Deposit tickets showing receipts from the day's paddlewheel activity must contain the series numbers of all paddletickets sold during that day's paddlewheel activity and the permit number of the premises.

[For text of subitems (2) and (3), see M.R.]

Subp. 5. **Expenditures.** The following items apply to expenditures of gambling funds:

A. The expenditure of gambling funds, including electronic transfers made pursuant to Minnesota Statutes, sections 349.168, subdivision 6, and 349.19, subdivision 3, must be authorized by the members of the organization at a regular meeting of the organization and recorded in the minutes of that meeting before the expenditure or electronic transfer is made. Copies of the authorization must be sent to the board upon request.

B. Allowable expenses:

[For text of subitem (1), see M.R.]

(2) Percentage of profit to be used for allowable expenses:

(a) Not more than ~~60~~ 65 percent of the gross profit, less the tax imposed by *Minnesota Statutes*, section 349.212, subdivision 1, from bingo, and not more than ~~50~~ 55 percent of the gross profit may be expended for allowable expenses related to lawful gambling.

[For text of units (b) and (c), see M.R.]

C. "Lawful purpose" means any one of the following:

[For text of subitems (1) to (15), see M.R.]

(16) Expenditures approved by the commissioner of natural resources for grooming and maintaining snowmobile trails that are designated as grant-in-aid trails by the commissioner of natural resources under Minnesota Statutes, section 85.019, or other snowmobile trails open to public use. This includes the repair of equipment used exclusively for the grooming and maintenance of public use snowmobile trails not within the Department of Natural Resources grant-in-aid program or other reimbursement program. Lawful purpose expenditures made pursuant to Minnesota Statutes, section 349.12, subdivision 25, paragraph (a), clause (14), and paragraph (b), clause (3)(i), are not eligible for reimbursement under the grant-in-aid program administered by the commissioner of natural resources under Minnesota Statutes, section 85.019, or other reimbursement program.

(17) A contribution to, or expenditure by, a nonprofit organization, church, or body of communicants gathered in common membership for mutual support and ~~identification~~ edification in piety, worship, or religious observances.

~~(17)~~ (18) Repair or maintenance of real property ~~of~~ or capital assets when the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and no rental fee is charged for the use, provided:

[For text of units (a) and (b), see M.R.]

(c) approval of the board is obtained before ~~to~~ making the expenditure.

~~(18)~~ (19) The erection or acquisition of a comparable building to replace a building owned by the organization which was destroyed or made uninhabitable by fire or natural disaster, provided the expenditure, mortgage payment, or other debt service payment is only for that part of the replacement cost not reimbursed by insurance and the building was insured at least at replacement cost value, and:

[For text of units (a) to (d), see M.R.]

~~(19)~~ (20) The erection or acquisition of a comparable building to replace a building owned by the organization taken by eminent domain or sold under the threat of eminent domain, provided the expenditure, mortgage payment, or other debt service payment is only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced, and:

[For text of units (a) to (c), see M.R.]

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Proposed Rules

~~(20)~~ (21) An organization that has received board approval to make an expenditure of gambling gross profits for debt service or other payments under subitem ~~(17)~~; (18), ~~or~~ (19), or (20) must obtain prior board approval for any increase in the expenditure, including any increase due to a refinancing or other restructuring of a debt that results in an increase in the present value of the balance of the debt. Any equity withdrawn from real property or a capital asset as part of the refinancing or other restructuring of the debt constitutes gambling gross profits and must be deposited in the organization's gambling bank account. No closing costs are included within subitem ~~(17)~~; (18), ~~or~~ (19), or (20).

(22) An organization that has received board approval to make an expenditure of gambling gross profits under subitem (18) to bring an existing building into compliance with the Americans with Disabilities Act may apply the amount of the board-approved expenditure to the erection or acquisition of a replacement building, provided that the replacement building is in compliance with the Americans with Disabilities Act.

~~(24)~~ (23) Payment of one-half of the reasonable costs of an audit required in *Minnesota Statutes*, section 349.19, subdivision 9.

[For text of items D to H, see M.R.]

7863.0010 DISTRIBUTORS.

[For text of subps 1 to 14, see M.R.]

Subp. 15. **License renewal.** To renew a license at the end of the term a licensee must submit a complete renewal application on a form prescribed by the board at least 75 days before the expiration of the licensee's existing distributor's license. A renewal application is not complete until it contains the information required in subparts 6, 7, and 8, and the fee required by *Minnesota Statutes*, section 349.161, subdivision 4. ~~If a distributor's existing license expires on any day of a month other than the last day of a month, the distributor's license renewal shall be effective on the first day of the month preceding the date of expiration of its existing license.~~

[For text of subps 16 and 17, see M.R.]

7863.0020 DISTRIBUTOR OPERATIONS, ACCOUNTS, AND REPORTS.

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

Subp. 2. **Sale of gambling equipment.** The following items apply to sales of gambling equipment:

A. Sales to organizations:

[For text of subitems (1) to (3), see M.R.]

~~(4) Effective December 1, 1996, No distributor may sell or otherwise provide a partial series of bingo paper sheets or bingo paper sheet packets to a licensed organization; however, a partial series of bingo paper sheets or bingo paper sheet packets may be sold to an exempt or excluded organization.~~

[For text of items B to G, see M.R.]

Subp. 3. **Registration of gambling equipment.** The following items apply to the registration of gambling equipment:

A. Pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, and paddleticket cards.

~~(4) A distributor may not sell, transfer, furnish, or otherwise provide any pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, or paddleticket cards to a licensed, exempt, or excluded organization unless the pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, or paddleticket cards have been approved for sale in Minnesota by the board; and~~

~~(a) have a state disposable registration stamp and bar code affixed to each flare; or~~

~~(b) have a Minnesota geographic symbol, as required by *Minnesota Statutes*, section 349.163, subdivision 5, paragraph (h), and bar code affixed to each flare.~~

~~After February 1, 1996, a distributor may only have in inventory and sell pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, or paddleticket cards with the Minnesota geographic symbol and bar code affixed.~~

~~(2) Until June 30, 1995, the board shall sell consecutively numbered state disposable registration stamps to each distributor, for use on paddletickets only, at the cost of five cents each.~~

~~(3) A distributor may not transfer or furnish Minnesota disposable registration stamps to any person, distributor, or manufacturer.~~

~~(4) A distributor shall return to the board any and all unused state disposable registration stamps in its possession by the date of termination of the distributor's license or by February 1, 1996, whichever date occurs first.~~

~~(5) After February 1, 1996, no distributor may possess any pull-tab, jar ticket, or tipboard deals with a registration stamp affixed to the flare, or any paddleticket cards with a registration stamp affixed to the master flare.~~

B. Permanent gambling equipment.

(1) A distributor may not sell, transfer, furnish, or otherwise provide any permanent gambling equipment unless the equipment has been approved by the board and has a state permanent registration stamp affixed.

(2) A distributor shall place a state permanent registration stamp on the front of each paddlewheel, on the front of each paddlewheel table, on each device for selecting bingo numbers, and on the front of each pull-tab dispensing device. A distributor may not sell or lease to a licensed, exempt, or excluded organization any permanent gambling equipment that does not have a state permanent ~~state~~ registration stamp affixed to it.

(3) A distributor may not transfer or furnish ~~Minnesota~~ state permanent registration stamps to any person, distributor, or manufacturer.

Subp. 3a. **Return of gambling equipment.** The following items pertain to the return of gambling equipment not manufactured in accordance with the standards in part 7864.0030, subpart 1.

A. Equipment returned prior to being put into play.

[For text of subitems (1) to (3), see M.R.]

~~(4) Upon receipt of the returned equipment from the organization, the distributor shall void the state disposable registration stamp attached to the flare for the returned gambling equipment, if applicable, and make the appropriate entry in the registration stamp number log maintained by the distributor. After February 1, 1996, this subitem shall no longer apply.~~

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

Subp. 3b. **Corrective action.** The following items apply to a board mandated or manufacturer initiated recall of gambling equipment.

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

C. Within 15 business days of initiation of the recall proceedings, the recall shall be completed by the distributor, and the distributor shall notify the board and the commissioner of revenue in writing that it has obtained all the recalled product from the licensed, exempt, or excluded organizations, except for games already in play, which must be retained by the organization as played games. Such notification shall include the following:

(1) a complete inventory of the recalled gambling equipment;

(2) complete bar code information, as required by the commissioner of revenue; and

(3) ~~state disposable registration stamp numbers, if applicable; and~~

~~(4)~~ a complete listing, including license or exempt numbers, of all organizations that the gambling equipment was recalled from.

[For text of item D, see M.R.]

Subp. 4. **Records and reports required.** The following items apply to records and reports of distributors:

A. Sales invoice.

(1) A distributor who sells, leases, or otherwise provides gambling equipment must record the transaction on a sales invoice.

(2) A sales invoice must contain, at a minimum, the following information as prescribed by the commissioner of revenue:

[For text of units (a) to (i), see M.R.]

(j) the local sales tax and the state sales tax; and

(k) unit price or monthly lease cost; ~~and.~~

~~(l) the state disposable registration stamp number for each deal of pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, or paddleticket cards which are required to have a state disposable registration stamp.~~

[For text of subitem (3), see M.R.]

(4) For paddleticket cards, the following information must appear on the sales invoice:

[For text of units (a) and (b), see M.R.]

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

(c) for each sealed grouping of paddletickets purchased from a manufacturer ~~after June 30, 1995~~, a complete description of each sealed grouping of paddletickets, which will include the name of the game, the manufacturer identification, the part number, and the serial number.

(5) For ~~bingo paper sheets, bingo paper sheet packets,~~ bingo hard cards, and breakopen bingo paper sheets, the following information must appear on the sales invoice:

(a) the serial number and color of each set of breakopen bingo paper sheets sold to an organization, whether each set is an original or trade-in set, and the price for which the breakopen bingo paper sheet must be sold by the conducting organization; and

~~(b) for bingo sheets and bingo paper sheet packets the serial number from the top sheet in each packet or the serial number per series for uncollated paper, the color, cut, and the quantity or series; and~~

~~(c) for bingo hard cards, the price per face.~~

~~Effective December 1, 1996, unit (b) shall no longer apply.~~

(6) ~~Effective December 1, 1996,~~ For bingo paper sheets and sets of bingo paper sheet packets, the following information must appear on the sales invoice:

(a) for each set of bingo paper sheet packets:

[For text of subunits i to v, see M.R.]

vi. the serial number from each sheet in the packet if the serial numbers are not uniform throughout the packet, or the serial number from the top sheet in each packet if the serial numbers are uniform throughout the packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document; ~~or~~ and

~~vii. the serial number from the top sheet in each packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document. The invoice must clearly indicate that only the serial number from the top sheet in the packet is being provided; and~~

[For text of unit (b), see M.R.]

(7) For permanent gambling equipment, such as bingo ball selection devices, paddlewheels, paddlewheel tables, and pull-tab dispensing devices, the following information must appear on the sales invoice:

(a) a complete description of the equipment being sold or leased, including the make, model number, and serial number of the permanent gambling equipment; and

(b) the state permanent ~~state~~ registration stamp number affixed to the permanent gambling equipment.

[For text of subitem (8), see M.R.]

~~(9) Effective June 1, 1997, licensed distributors shall submit to the Department of Revenue an itemized inventory of all bingo paper sheets (case paper) and bingo paper sheet packets in inventory on hand on November 30, 1996.~~

B. A registration stamp number log in which the state ~~disposable registration stamp numbers and the manufacturer's game serial numbers~~ permanent registration stamp numbers for permanent gambling equipment are recorded must be maintained by the distributor ~~until February 1, 1996, on a standard form prescribed in a format prescribed~~ by the board, retained by the distributor for 3-1/2 years thereafter, and furnished to the board upon demand. ~~After February 1, 1996, this item pertains only to permanent gambling equipment stamped by the distributor.~~

[For text of item C, see M.R.]

D. For each item of permanent gambling equipment such as bingo ball selection devices, paddlewheels, paddlewheel tables, and pull-tab dispensing devices sold or leased in Minnesota to a licensed, exempt, or excluded organization, the distributor must provide the following information to the board by the 20th of the month following the month in which the sale was made:

[For text of subitems (1) to (5), see M.R.]

(6) the state permanent ~~state~~ registration stamp number affixed to the permanent gambling equipment.

This item applies to the records and reports required for the sale and lease of permanent gambling equipment.

E. Returned gambling equipment report.

(1) A distributor who accepts returns from licensed, exempt, or excluded organizations of gambling equipment not manufactured in compliance with the standards in part 7864.0030, subpart 1, shall file a monthly report with the board. The report must be in a format approved by the board, and include the following information:

[For text of units (a) to (e), see M.R.]

(f) for permanent gambling equipment such as bingo ball selection devices, paddlewheels, paddlewheel tables, and pull-tab dispensing devices, the quantity of equipment returned, the make, model, and serial number of the permanent gambling equipment, the manufacturer's name, and the state permanent ~~state~~ registration stamp number affixed to the equipment.

(2) The report covering the preceding month must be filed with the board by no later than the tenth day of the following month.

F. Report of delinquent organization required.

(1) A distributor shall notify the board in writing if the distributor has not received payment from a licensed, exempt, or excluded organization ~~has not paid the distributor~~ within 35 days of shipment of gambling equipment for the gambling equipment, or for tax obligations. The notification shall include:

[For text of units (a) to (d), see M.R.]

[For text of subitems (2) to (4), see M.R.]

[For text of items G to I, see M.R.]

7864.0010 LICENSED MANUFACTURERS.

[For text of subs 1 to 13, see M.R.]

Subp. 14. **License renewal.** To renew a license at the end of the term a licensee must submit a complete renewal application on a form prescribed by the board at least 75 days before the expiration of the licensee's existing manufacturer's license. A renewal application is not complete until it contains the information required in subparts 6 and 7, and the fee required by *Minnesota Statutes*, section 349.163, subdivision 2. ~~If a manufacturer's existing license expires on any day of a month other than the last day of a month, the manufacturer's license renewal shall be effective on the first day of the month preceding the date of expiration of its existing license.~~

7864.0030 MANUFACTURER OPERATIONS, ACCOUNTS, AND RECORDS.

Subpart 1. **Standards for manufacture of gambling equipment.** The following items apply to lawful gambling equipment manufactured for sale in Minnesota:

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

H. All paddletickets manufactured for sale in Minnesota must conform to the following standards:

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

(5) the manufacturer must provide an individual master flare with each sealed grouping of 100 or fewer sequentially numbered paddleticket cards. ~~After June 30, 1995,~~ The flare shall have affixed or imprinted at the bottom a bar code, as required by the commissioner of revenue, that provides all information required by the commissioner of revenue pursuant to *Minnesota Statutes*, section 297E.04, subdivision 3; and

(6) the front of the master flare for each sealed grouping of 100 or fewer sequentially numbered paddleticket cards shall contain the following information:

[For text of units (a) to (i), see M.R.]

I. No manufacturer or distributor may sell, offer for sale, or furnish a pull-tab dispensing device within Minnesota and no organization may purchase a pull-tab dispensing device in Minnesota unless it conforms to the following standards and has been approved by the board pursuant to this part.

[For text of subitems (1) to (8), see M.R.]

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

(9) The pull-tab dispensing device shall ensure that the pull-tabs in each game are randomly dispensed. Each game shall be placed into a minimum of two columns. If the pull-tab dispensing device contains only one game, and a malfunction occurs in one of the columns, the pull-tab dispensing device shall become inoperable until the malfunction has been cleared. If the pull-tab dispensing device contains more than one game, and a malfunction occurs in one of the two or more columns containing any one pull-tab game, all of the columns containing pull-tabs for that one game shall become inoperable until the malfunction has been cleared.

[For text of subitems (10) to (31), see M.R.]

[For text of subp 2, see M.R.]

Subp. 3. **Sale of approved gambling equipment.** The following items pertain to the sale of approved gambling equipment in Minnesota:

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

I. ~~effective December 1, 1996,~~ no manufacturer may sell or otherwise provide a partial series of bingo paper sheets or bingo paper sheet packets to a licensed distributor.

[For text of subps 4 and 5, see M.R.]

Subp. 6. **Corrective action.** If a manufacturer sells gambling equipment that is not in conformance with the standards in subpart 1, the board may require the manufacturer to take corrective action, which may include a recall of the nonconforming gambling equipment.

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

C. Within 25 business days of initiation of recall proceedings, all recalled gambling equipment shall have been returned to the manufacturer, and the manufacturer shall notify the board in writing that the recall has been completed. Such notification shall include the following:

- (1) a complete inventory of the recalled gambling equipment;
- (2) complete bar code information, as required by the commissioner of revenue; and
- (3) ~~state disposable registration stamp numbers, if applicable; and~~
- (4) a complete listing, including license numbers, of all distributors from whom the gambling equipment was recalled.

[For text of items D and E, see M.R.]

Subp. 7. **Records and reports.** The following items apply to manufacturer records and reports:

[For text of item A, see M.R.]

B. Sales invoice.

- (1) A manufacturer who sells or otherwise provides gambling equipment must record the transaction on a sales invoice.
- (2) A sales invoice must contain at a minimum the following information as prescribed by the commissioner of revenue:

[For text of units (a) to (h), see M.R.]

- (i) the unit price or monthly lease price; and
- (j) ~~the state disposable registration stamp number for each deal of pull-tabs, jar tickets, tipboards, tipboard tickets, paddletickets, or paddleticket cards which have a state disposable registration stamp; and~~
- (4) a statement regarding whether the gambling equipment is designated for sale to an Indian tribe.

[For text of subitem (3), see M.R.]

- (4) For paddleticket cards, the following information must appear on the sales invoice:

[For text of units (a) and (b), see M.R.]

(c) for each sealed grouping of 100 or fewer sequentially numbered paddletickets ~~purchased from a manufacturer after June 30, 1995,~~ a complete description of each sealed grouping of paddletickets, which will include the name of the game, the manufacturer identification, the form number, and the serial number.

- (5) ~~For bingo paper sheets and breakopen bingo paper sheets, the following information must appear on the sales invoice:~~

~~(a) the serial number and color of each set of breakopen bingo paper sheets sold to a distributor; and~~

~~(b) for bingo paper sheets, the serial number from the top sheet in each packet, the serial number per series for uncollated paper, the color, cut, and the quantity.~~

~~Effective December 1, 1996, this subitem shall no longer apply.~~

(6) (5) For bingo paper sheets and bingo paper sheet packets, ~~effective December 1, 1996,~~ the following information must appear on the sales invoice:

(a) for breakopen bingo paper sheets, the serial number and color of each set of breakopen bingo paper sheets sold to a distributor;

(b) for each set of bingo paper sheet packets:

[For text of subunits i to iv, see M.R.]

v. the serial number from each sheet in the packet if the serial numbers are not uniform throughout the packet, or the serial number from the top sheet in each packet if the serial numbers are uniform throughout the packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document; ~~or~~

~~vi. the serial number from the top sheet in each packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document. If the serial numbers are not uniform throughout the packet, the invoice must clearly indicate that only the serial number from the top sheet in the packet is being provided.~~

~~Effective June 1, 1997, subunit vi shall no longer apply;~~

[For text of unit (c), see M.R.]

[For text of subitems (7) to (9), see M.R.]

[For text of item C, see M.R.]

D. Report of delinquent distributor required.

(1) A licensed manufacturer shall notify the board in writing if the manufacturer has not received payment from a licensed distributor ~~has not paid the manufacturer in full~~ for gambling equipment within ~~30~~ 35 days of shipment. Such notification shall include:

[For text of units (a) to (d), see M.R.]

[For text of subitems (2) to (5), see M.R.]

[For text of items E and F, see M.R.]

REPEALER. Minnesota Rules, part 7861.0100, subpart 17, is repealed.

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

A rule becomes effective after the requirements of *Minnesota Statutes* §§ 14.05-14.28 have been met and five working days after the rule is published in the *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.

Exempt Rules

An exempt rule adopted under *Minnesota Statutes* §§ 14.386 or 14.388 is effective upon its publication in the *State Register*.

Emergency Expedited Rules

Provisions for the Commissioner of Natural Resources to adopt emergency expedited Game and Fish Rules are specified in *Minnesota Statutes* §§ 84.027. The commissioner may adopt emergency expedited rules when conditions exist that do not allow the Commissioner to comply with the requirements for emergency rules. The Commissioner must submit the rule to the attorney general for review and must publish a notice of adoption that includes a copy of the rule and the emergency conditions. Emergency expedited rules are effective upon publication in the *State Register*, and may be effective up to seven days before publication under certain emergency conditions. Emergency expedited rules are effective for the period stated or up to 18 months.

Department of Health

Adopted Permanent Rules Relating to Merit System Changes

The rules proposed and published at *State Register*, Volume 22, Number 39, pages 1740-1745, March 30, 1998 (22 SR 1740), are adopted as proposed.

Department of Human Services

Adopted Permanent Rules Relating to Merit System Changes

The rules proposed and published at *State Register*, Volume 22, Number 39, pages 1746-1753, March 30, 1998 (22 SR 1746), are adopted as proposed.

Department of Public Safety

Adopted Permanent Rules Relating to Merit System Changes

The rules proposed and published at *State Register*, Volume 22, Number 39, pages 1754-1758, March 30, 1998 (22 SR 1754), are adopted as proposed.

Office of the Governor

Emergency Executive Order #98-8: Providing for Assistance to the Wabasha County Sheriff

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 Emergency Executive Order:

WHEREAS, on June 26 and 27, 1998, two fierce storms hit southern Minnesota bringing several inches of rain with strong straight-line winds resulting in flash floods; and

WHEREAS, the storms caused property damage, washed out roads and bridges, and knocked out power to thousands of people; and

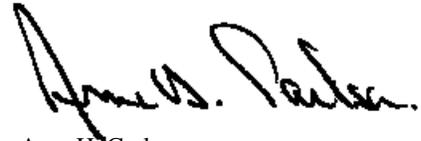
WHEREAS, the city of Millville and the Wabasha County Sheriff's Department do not have adequate local resources for providing power to the Millville water plant;

NOW, THEREFORE, I hereby order that:

1. The Adjutant General of Minnesota order to active duty on or about June 28, 1998, in the service of the State, such personnel and equipment of the military forces of the State as required and for such period of time as necessary to provide power for the city of Millville.
2. The Adjutant General is authorized to purchase, lease or contract goods or services necessary to accomplish the mission.
3. The cost of subsistence, transportation, fuel, pay, and allowances of said individuals shall be defrayed from the general fund of the State as provided for in *Minnesota Statutes* 1996, sections 192.49, subd. 1; 192.51, and 192.52.

Pursuant to *Minnesota Statutes* 1996, section 4.035, subd. 2, this Order shall be effective immediately, and shall remain in effect until such date as elements of the military forces of the State are no longer required.

IN TESTIMONY WHEREOF, I have set my hand this thirtieth day of June, 1998.



Arne H. Carlson
Governor

Filed According to Law:



Joan Anderson Growe
Secretary of State

Executive Orders

Office of the Governor

Emergency Executive Order #98-09: Providing for Emergency Assistance to Motor Carriers Operating in Minnesota

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 Emergency Executive Order:

WHEREAS, recent severe storms in Iowa have significantly impacted the communities located throughout that state; and

WHEREAS, this crisis has resulted in widespread power outages within the public infrastructure of Iowa, as well as to individual private homes, farms and businesses; and

WHEREAS, it is urgent that as the crisis continues and relief efforts commence that action be taken immediately to further protect the health and safety of Iowa citizens; and

WHEREAS, in the spirit of interstate cooperation, emergency assistance of motor carriers is needed to transport utility supplies and materials across Minnesota into stricken areas throughout the state of Iowa; and

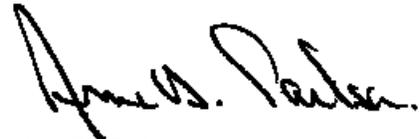
WHEREAS, a state of emergency has been declared in Iowa;

NOW, THEREFORE, I hereby order that:

1. A state of emergency exists in Iowa that requires relief from the motor carrier registration and fuel trip permit and fee requirements incorporated in *Minnesota Statutes*, section 168.197, subd. 17, and section 296.17, subd. 17, for those carriers that are assisting with the transportation of utility supplies and materials required during crisis recovery.
2. Nothing herein shall be construed to relieve motor carriers or their drivers from other applicable laws or regulations except where relief is provided by proper authority.
3. The commissioner of the department of public safety is directed to coordinate with affected state agencies for the administration and enforcement of this Order.

Pursuant to *Minnesota Statutes* 1996, section 4.035, subd. 2, this Order is effective immediately and shall remain in effect until July 11, 1998, or it is rescinded by proper authority, for those carriers providing direct assistance to the emergency relief effort. Direct assistance to the emergency relief effort terminates when a commercial vehicle is used to transport cargo not destined for and dedicated to the relief effort.

IN TESTIMONY WHEREOF, I have set my hand this first day of July, 1998.



Arne H. Carlson
Governor

Filed According to Law:



Joan Anderson Growe
Secretary of State

The Department of Revenue began issuing revenue notices in July of 1991. Revenue notices are statements of policy made by the department that provide interpretation, detail, or supplementary information concerning a particular statute, rule, or departmental practice. The authority to issue revenue notices is found in *Minnesota Statutes* §270.0604.

Department of Revenue

Revenue Notice # 98-12: Sales and Use Tax - Transitional Period for Sales of Ready-Mix

Minnesota Statutes, § 297A.01, subdivision 8, was amended to provide that effective for all sales and purchases of ready-mix contracts made after June 30, 1998, the sales tax will be computed on the total sales price including all delivery, transportation or other service charges. The legislation making this change did not include any transitional language to grandfather in existing construction contracts.

The Commissioner will allow a transitional period for sales of ready-mix made to contractors who use the ready-mix under a bona fide written lump sum or fixed price construction contract that does not provide for allocation of future taxes. The construction contract must be executed prior to April 22, 1998. Separately stated delivery or service charges for ready-mix provided to contractors who have qualifying contracts are exempt from the sales tax if delivery of the ready-mix is made on or before April 21, 1999.

A bid submitted prior to April 22, 1998, that requires the contractor to include a bond is a binding contract, if the contractor is required to perform the work at the bid price or forfeit the bond, and the bid is accepted. A bid made prior to April 22, 1998, that does not require a bond is considered a proposal and is not a binding contract for purposes of this notice.

A contract to provide ready-mix to a contractor or other customer at a fixed price for a certain period of time does not qualify for the transitional rule unless there is an existing lump sum or fixed price construction contract that was entered into prior to April 22, 1998, and the contract did not provide for an allocation of future taxes.

In order to obtain the transitional period treatment, the contractor must provide the ready-mix vendor with a signed document for each qualifying contract that sets forth:

- the contractor's name and address, and Minnesota ID number (if no number, state reason)
- the name and address of the party contracting for the improvement
- name and location of the project, and contract or project number
- date of the contract
- a statement that the ready-mix will be used by the contractor under a lump sum or fixed price construction contract that does not provide for the payment or allocation of future taxes.

The document will be considered an exemption certificate subject to the penalty provisions of *Minnesota Statutes*, § 289A.60.

Dated: 13 July 1998

Jennifer L. Engh
Assistant Commissioner for Tax Policy

Official Notices

Pursuant to *Minnesota Statutes* §§ 14.101, an agency must first solicit comments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, and within 60 days of the effective date of any new statutory grant of required rulemaking.

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

Minnesota Comprehensive Health Association

Notice of the Board of Directors Strategic Planning Session

NOTICE IS HEREBY GIVEN that a meeting of the Minnesota Comprehensive Health Association's (MCHA), Board of Directors Strategic Planning Work Group #4 (Affordability/Access/Linkage to Public Programs) will be held at 8:00 a.m. on Tuesday, July 14, 1998. The meeting will take place at the MCHA Executive Office, 5775 Wayzata Blvd., Suite 910, St. Louis Park, MN.

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

Department of Health, and the Administrative Uniformity Committee

Health Policy and Systems Compliance Division

Notice of Solicitation of Outside Information or Opinions Regarding a Manual for Completion of the HCFA 1500 Paper Health Insurance Claim Form; Per *Minnesota Statutes*, section 62J.52, Subdivision 2 (b)

Introduction. NOTICE IS HEREBY GIVEN that the Minnesota Department of Health (MDH) and the Administrative Uniformity Committee (AUC) are seeking information or opinions from outside sources on a manual for completion of the HCFA 1500 paper health insurance claim form; as developed by the AUC and its Data Definitions work group. The HCFA 1500 form was developed by the Health Care Financing Administration.

The draft manual is a description of the conventions for completing the HCFA 1500 paper claim form. It will be available for comment by interested parties.

Contact Person. AUC and MDH request information and opinions concerning the applicability and functionality of the manual. Interested persons or groups may submit data or views in writing. Written statements should be addressed to Amy Camp at MDH. 121 East 7th Place, Suite 400, St. Paul, MN 55101, FAX 612/282-5628, and Internet at Amy.Camp@health.state.mn.us.

Summary of Issues. *Minnesota Statutes* 62J outlines the advantages of uniform billing formats to participants in the health care system. Further, the statute requires participants in the health care system to use the HCFA 1500 billing form for physician and allied provider claims. (The HCFA 1450 form, also called the UB92 form, is used for hospital and institutional claims. A similar statute requires the AUC and the Commissioner of Health to develop a manual for uniform completion of the form. AUC has convened a Data Definitions work group, consisting of representatives of payers, providers, software vendors and state agencies, which meets on the last Tuesday of each month. The chair of the work group is David Moertel, of Mayo Clinic, Rochester, who may be contacted at 612/284-1762 or Co-Chair Amy Camp of MDH at 612/282-3818.

Public Review Process. MDH will provide copies of the draft manual in paper or electronic PDF format to persons and organizations interested in reviewing them against their current data requirements. The draft manual will be available as of July 13, 1998. Comments and suggestions for improvements on this document will be accepted at the above address until Wednesday, August 12, 1998. On or before August 18, 1998, persons or organizations commenting on the draft manual will be invited to a meeting, or a conference call if necessary, to address substantive issues raised. If a functional business requirement has been overlooked, the document may be amended to support that functional need. If no substantive comments are made, there will be no meeting.

How to Obtain the Manual for Completion of the HCFA 1500 Form Document. Persons who wish to obtain a paper copy should call Sandy Razskazoff at MDH, 612/282-5650, or FAX a request to 612/282-5628 or write at the address above. The document will also be available for downloading on the World Wide Web at <http://www.mhdi.org>.

Dated: 13 July 1998

Trisha Schirmers
Chair, Administrative Uniformity Committee
Anne M. Barry
Commissioner of Health

Department of Human Services

Notice of Availability of the Minnesota Health Care Programs Provider Participation List [Also Known as DHS Rule 101 Provider Compliance List]

NOTICE IS HEREBY GIVEN that the Minnesota Health Care Programs Provider Participation List for July 1, 1998, is now available. The provider participation list is a compilation of fee-for-service health care providers who are in compliance with DHS Rule 101. This list is distributed on a quarterly basis to the Department of Employee Relations, the Department of Labor and Industry, and the Department of Commerce. To obtain the list, contact Jodey Klein, Rule 101 Specialist, at (612) 296-0766, 1-800-657-3974. You may FAX your request to (612) 296-5690 or send to the Customer Services Division, Department of Human Services, 444 Lafayette Road, St. Paul, MN 55155-3856.

David Doth, Commissioner
Department of Human Services

Department of Labor and Industry

Labor Standards Division

Notice of Addition to Prevailing Wage Rates and

Notice of Correction to Prevailing Wage Rates

An additional class of Labor, Code 103, Laborer-Landscaping, has been determined for the Commercial Prevailing Wage Rates in Stevens County, which were certified 10/20/97.

A Correction has been made to Labor Code 407, Electricians, in Lesueur County.

Copies of the additional certification may be obtained by writing the Minnesota Department of Labor and Industry, Prevailing Wage Section, 443 Lafayette Road, St. Paul, Minnesota 55155-4306 or by calling (612) 296-6452. Charges for the cost of copying and mailing are \$1.00 for the first page and \$.50 for each additional page. Make check or money order payable to the State of Minnesota.

Gretchen Maglich
Commissioner

Pollution Control Agency

Water Quality Division

Point Source Compliance

Notice of Intent to Approve the Creation of the Leota Sanitary District in Accordance with *Minnesota Statutes § 115.20*

The Minnesota Pollution Control Agency (MPCA) has been petitioned by the Leota Township Board, the Nobles County Board of Commissioners, and 85 property owners located within the territorial boundaries of the proposed district, to approve the creation of a sanitary district to be known as the Leota Sanitary District. The purpose of the sanitary district is to promote the public welfare by providing the residents within its boundaries with an adequate and efficient system and means of collecting, conveying, pumping, treating and disposing of domestic sewage. The territory of the proposed sanitary district is described as:

Sections Four (Section 4), Five (Section 5), Eight (Section 8), and Nine (Section 9), all in Township 104 North (T104N), Range 43 West (R43W), of the Fifth Principal Meridian (5th P.M.), Nobles County, Minnesota.

The proposed Leota Sanitary District shall contain those parts of the previously named sections described as follows:

Section 4: The Southwest Quarter of the Southeast Quarter (SW 1/4, SE 1/4);

Section 5: The South Half of the Southeast Quarter (S 1/2, SE 1/4) and all of the Southwest Quarter (SW 1/4) thereof;

Section 8: The Northeast Quarter of the Northwest Quarter (NE 1/4, NW 1/4);

Section 9: The Northwest Quarter of the Northwest Quarter (NW 1/4, NW 1/4).

All contained in Leota Township. A map of the area is available at the MPCA.

The public has 30 days to submit written comments on the petition. If a person objects to the petition, that person may submit a written request for a hearing. The written comments or a written request for a hearing must be submitted to the MPCA by 4:30 p.m. on August 12, 1998. The written request for a hearing must state your interest in the petition, the nature of your objection and the reason for your objection. If 25 or more timely requests for hearing are received, the MPCA will schedule a hearing prior to making a determination on the petition.

Following the end of the comment period and, if held, the public hearing, the MPCA Commissioner will decide whether to approve the petition for creation of the district unless, as provided by *Minnesota Statutes § 116.02*, the MPCA Citizens' Board makes this decision. You have the right to submit a petition to the MPCA Commissioner asking that the MPCA Citizens' Board make the decision on approval of the petition for creation of the Leota Sanitary District. Your petition must be in writing and must be received by MPCA staff during the public comment period. Your petition will be granted or denied in the sole discretion of the MPCA Commissioner. The MPCA Citizens' Board will only make the decision on approval of the petition for creation of the sanitary district if the MPCA Commissioner grants your petition or if an MPCA Citizens' Board member makes a timely request to have the decision be made by the MPCA Citizens' Board.

A copy of the petition, resolutions, map of the area within the proposed sanitary district with legal description, and other documents relevant to the petition can be requested from the MPCA. Comments, questions and request for hearing regarding the creation of the sanitary district and requests for information must be submitted in writing to:

Debra Moynihan	Telephone:	(612) 296-5426
Point Source Compliance Section		1-800-657-3864
Water Quality Division	Out of state	1-800-627-3529
Minnesota Pollution Control Agency	TTY	(612) 282-5332
520 Lafayette Road North	FAX:	(612) 297-8683
St. Paul, Minnesota 55155-4194		

This notice, the petition, and other documents relevant to this petition can be made available in other formats, including Braille, large print, and audio tape, upon request.

Peder A. Larson
Commissioner

Pollution Control Agency

Water Quality Division

Nonpoint Source Compliance Section

Public Notice for the National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) General Storm Water Permit for Construction Activity

NOTICE IS HEREBY GIVEN that the Minnesota Pollution Control Agency (MPCA) intends to reissue NPDES General Permit (MN R100000) under the provisions of *Minnesota Rules* 7001.0210, for discharges of storm water associated with construction activity. Comments are requested from affected or interested parties regarding the draft NPDES General Permit (MN R110000). Comments should be submitted in writing in accordance with the provisions of this notice.

This is a public notice for the NPDES Permit Program (Section 403, Clean Water Act, as amended, *Minnesota Statutes*, Chapters 115, and 116, as amended, and *Minnesota Rules*, Chapter 7001).

This is a draft NPDES General Permit to Discharge Storm Water Associated with Construction Activity into Waters of the State.

Public Notice Issued On: July 13, 1998

Last Day to Submit Comments: August 13, 1998

Name, Address, and Location of Potential Applicant: Any Construction Activity in the State of Minnesota disturbing five or more acres of total land area.

Receiving Waters: Surface Waters of the State

NOTICE:

The MPCA proposes to reissue NPDES General Permit (MN R 110000) which covers the discharge of storm water associated with construction activity to waters of the state. This general permit covers categories with operations, emissions, activities, discharges, or facilities that are the same or similar in context. The MPCA has utilized a general permit (MNR100000) to provide coverage to all applicable construction activities in the state of Minnesota since September 3, 1993. The duration of all NPDES permits is five years; therefore, the expiration date on the current general storm water permit is September 3, 1998.

On September 4, 1998, the MPCA will reissue the NPDES General Stormwater Permit (MN R110000) with only one modification. The new modification will simply limit the duration of the permit to less than five years which will give the MPCA the opportunity to form a work group representing various local, state and federal agencies along with regulated MPCA clients. This work group will be charged with a comprehensive review of the permit's language and requirements. Any portion of the permit the work group feels should be modified will be public noticed in a draft permit and implemented in a final permit which will supersede MN R110000.

The draft general permit and fact sheet are available for review at the MPCA located at 520 Lafayette Road North, St. Paul, during regular business hours, Monday through Friday. If you have questions regarding the draft general permit or if you would like to receive a copy of the draft general permit and fact sheet, please contact Duane Duncanson at (612) 296-7072 or (800) 657-3864 or for users of Telecommunications Device for the Deaf call (612) 297-5353. You may also request a copy by e-mail at duane.duncanson@pca.state.mn.us.

The authority to develop and issue a general permit is based on the 1979 U.S. Environmental Protection Agency (EPA) revisions to the NPDES program regulations which created a class of permits called general permits. General permits are issued in the state of Minnesota under 40 CFR 122.28 and *Minnesota Rules* 7001.0210. General permits can be issued in states with NPDES authority if the state program includes general permit authority from the EPA. MPCA's general permit program was approved by EPA on December 15, 1987. This general permit is based on federal requirements in 40 CFR 122.26 and state requirements in *Minnesota Rules* 7001.1035.

This permit is a mechanism to regulate the discharge of storm water associated with construction activities disturbing five or more acres of total land area. This general permit requires the permittee to develop and implement a temporary and permanent erosion and sediment control plan which, if properly designed, minimizes erosion to the maximum extent possible. The erosion control plans are required to be developed prior to the initiation of construction activity. This general permit will provide coverage for approximately 800 construction projects in the state each year.

Interested persons are invited to submit written comments on this proposed draft permit. Any comments received before the last day of the comment period will be considered before the draft permit is finalized.

State Grants & Loans

Any comments on the draft permit should include the following information, pursuant to *Minnesota Rules* 7001.0110:

1. A statement of the person's interest in the draft permit;
2. A statement of action the person would like the MPCA to take, including specific references to sections in the draft permit;
3. Reasons supporting the person's position.

Any person may request informational meetings, or request a contested case hearing on the draft permit before the end of the public comment period. Any request for additional meetings or a contested case hearing must include information based on items 1 through 3 listed above.

Comments on the permit, requests for additional public informational meetings, or requests for a contested case hearing should be submitted to:

Duane Duncanson
Minnesota Pollution Control Agency
Water Quality Division
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

In the absence on any requests for additional public informational meetings or a contested case hearing, the final decision to issue this permit will be made by the manager of the Nonpoint Source Compliance Section of the Water Quality Division. Any person may request that this permit be considered by the MPCA Board prior to final permit action (in accordance with *Minnesota Statutes* 116.02, subd. 6. The public is entitled, and welcome, to participate in the activities of the MPCA Board and MPCA staff.

Minnesota State Retirement System

Notice of Regular Meeting of the Board of Directors

The regular meeting of the Board of Directors, Minnesota State Retirement System, will be held on Thursday, July 16, 1998, at 9:00 a.m. in the office of the System, 175 W. Lafayette Frontage Road, St. Paul, Minnesota.

State Grants & Loans

In addition to requests by state agencies for technical/professional services (published in the State Contracts section), the *State Register* also publishes notices about grants and loans available through any agency or branch of state government. Although some grant and loan 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 and loan notices, and to provide financial estimates as well as sufficient time for interested parties to respond.

Department of Children, Families and Learning

Intergovernmental Affairs

Notice of Request for Proposals for New Residential Academies for Students in Grades 4-12

The State of Minnesota, Department of Children, Families & Learning is requesting proposals to establish Residential Academies in Minnesota for students in grades 4-12. The Department will award a total of up to \$12 million in grants for this purpose to public organizations or a collaborative of public and private organizations for costs associated with capital and startup of Residential Academies. The Academies may begin accepting students in either 1998 or 1999. (*Minnesota Laws 1998*, Chapter 398, Article 5, sections 46 and 54, subdivision 3)

The purpose of the Academies is to provide students with solid academic opportunities, supportive learning environments and stable residential experiences. The Academies are targeted to serve students who demonstrate an interest in learning, a potential for academic achievement and who may perform or are at risk of performing below the academic performance level for students of the same age or ability, or who have experienced homelessness or an unstable home environment.

Enrollment in the Academies is voluntary. A parent or guardian, the student's county of residence, the student's school, a health care provider, the judicial system, or others may refer a student to the Academies. The Academies must provide an education program that is designed to: increase student achievement, increase student school attendance, enable students to meet state graduation requirements and improve secondary students' transition to post-secondary education or the transition from school to work.

Education and social services funding shall follow each student from the student's school district or county of residence to the academy as provided by law. The cost of the residential program may be covered under a sliding fee program based on student need. An academy may receive any gift, bequest or devise.

In awarding grants, the Commissioner of the Department of Children, Families & Learning may consider the quality of the education program, the academy's location, the composition of the academy's governance structure, board and staff, the extent of the collaborative effort among participating organizations, the extent of family and community involvement, the plan for residential housing, the availability of social services and after-school enrichment and whether instruction throughout the entire year is provided.

Interested applicants may attend either of two informational meetings on July 23, 1998, 2:30 - 4:30 p.m. at the Capitol View Conference Center, Capitol Room, 70 West County Rd. B2, Little Canada and on July 24, 10:00 a.m. - noon at the Brainerd School District Administrative Offices, Staff Development Room, 300 Quince Street, Brainerd.

Requests for Proposals will be available from the Department of Children, Families & Learning beginning Wednesday, July 15, 1998. A copy of the full Request for Proposal will be published in the *State Register* on Monday, July 27, 1998. Requests for Proposals and further information may also be obtained by contacting:

Susan Heegaard
Minnesota Department of Children, Families & Learning
713 Capitol Square
550 Cedar Street
St. Paul, Minnesota 55101
Phone: 612-215-0604
E-Mail: susan.heegaard@state.mn.us

All Requests for Proposals must be completed and returned to the above address by 4:30 p.m. on Tuesday, September 15, 1998.

Minnesota Historical Society

Historic Preservation Grant Application Deadlines

The Minnesota Historical Society announces a fall grants cycle for two state grants programs to assist historic preservation and local history projects. These funds were allocated to the Minnesota Historical Society in the 1997 and 1998 Legislative Sessions.

State Capital Grants-in-Aid County and Local Preservation Project Grants: The primary recipients are public entities as defined in state law, including county and local jurisdictions, or projects sponsored by an eligible governmental unit. To be funded, projects must serve a public purpose and the property must be in public ownership. Grant recipients must match state funds on at least an equal basis. Up to \$450,000 will be awarded during the fall grants cycle.

State Grants-in-Aid: The primary recipients are regional, county, and local nonprofit organizations whose primary purpose is historic preservation and/or interpretation. Up to \$90,000 will be awarded during the fall cycle. A second round of grants will be awarded in a winter grants cycle. Grant recipients must match state funds on at least an equal basis. This program has been supporting projects conducted by local and county organizations that interpret and preserve Minnesota's history since 1969. Project categories include: Historic Properties, Artifact Collections, Interpretive Programs, Microform Copies, Oral History, Photographic Collections, Manuscripts, Publications and Research, Museum Environments, and Technology.

Informational meetings are scheduled at three regional locations:

- 3:00 p.m. on July 21 at the Douglas County Historical Society, 1219 Nokomis, Alexandria; and,
- 3:00 p.m. on July 22 at the Administration Building, City Offices, 540 West Hills Circle, Owatonna

State Grants & Loans

Deadlines for the fall grants cycle are:

- August 7, 1998:** Pre-application due.
- September 4, 1998:** Application due.
- October 15, 1998:** Grants Review Committee meets.

To request grant information materials and application forms, or for more information, call (651) 296-5478, E-mail the Grants Office - mandy.skypala@mnhs.org, or write to the Grants Office, Minnesota Historical Society, 345 West Kellogg Blvd., Saint Paul, MN 55102-1906.

Department of Human Services

Aging and Adult Services Division

Notice of Request for Proposals (RFP) for the Homesharing Program

Purpose

The Minnesota Department of Human Services (DHS) is soliciting proposals (RFPs) from eligible sponsors for the purpose of establishing and/or operating Homesharing Programs throughout the state of Minnesota.

Amount of Funds

For the period October 1, 1998 through June 30, 1999 up to a total of \$28,000 is available for new homesharing service provider grants (New HSP), contingent upon continuing availability of these funds. The actual start date of the contract is contingent upon submittal by grantee and approval by state of all required information.

Homesharing Service Provider Grant (HSP). These grant programs match low and moderate income homeowners with homeseekers who contribute rent or services in exchange for sharing the home. The homeshare program matches homeowners with homeseekers who contribute either rent or service in exchange for sharing the home. Either the homeowner or the homeseeker must meet both the group and the income eligibility criteria: 1.) must be an elderly person, 2.) a person with a physical handicap, 3.) a person with a developmental disability who can live independently, or 4.) the head of a single parent household with dependent children; and **must be low or moderate income.** This income and/or service should either help low and moderate income homeowners who belong to one of the four groups to stay in their homes longer than they would have without the tenants, or help low and moderate income homesharers who belong to one of the four groups obtain affordable housing in the community. Homeshare is not foster care, it is not a group home, it serves adults. Since a match depends on the mutual consent of a homeowner and a homeseeker, homeshare is not a service situation for persons who lack good coping skills, who have serious behavior problems, or who need constant direction. GRANTEES are expected to work with all four of these groups.

It is the intent of this program to assist in the development of homesharing programs in both urban and rural sections of the state with as wide a distribution as possible.

ELIGIBLE SPONSORS

1. **All Applicants must meet this criterion.** Eligible grant applicants include non-profit organizations, housing authorities, units of local government that operate or propose to operate homesharing programs within the State of Minnesota. The applicant organization must be the organization that will hire, train, and supervise the homeshare staff and administer the homeshare program.
2. **New HSP Grants.** Applicants must meet the requirements in number one above and 2.a. below.
 - a. Applicants who are not existing DHS HSP grantees may apply for a new HSP grant: that is, applicants who do not have an HSP grant with the DHS for the period 7/1/98 to 6/30/99, and whose proposed primary area of service does not overlap with the following areas: Washington, Ramsey, Dakota, Hennepin, Anoka, Sherburne, Benton, Wright, Stearns, Winona, Fillmore, Kanabec, Isanti, Mille Lacs, Olmsted, Dodge, Mower, Freeborn; and the area within a 30 mile radius of the city of Mankato.

Availability of Funds

Applicants may submit an application for a budget adequate to carry out their proposal. Grant awards will be for approximately 9 months beginning on October 1, 1998 and ending on June 30, 1999. Productivity, the cost per match, past performance operating DHS grants, ability to obtain non-DHS support to supplement DHS grant funds in covering the cost of the homeshare program, and ability to operate a homeshare program will be some of the factors in evaluating the reasonableness of the amount being requested and the merits of the application-proposal.

The State has the option of extending the contract for up to four additional 12 month periods after June 30, 1999, contingent upon the availability of funds, satisfactory performance, and contracting requirements.

Application Process

1. **All Application-Proposals** must be received by 4:00 PM on September 1, 1998 at the fourth floor offices of the Aging and Adult Services Division. Completed proposals must be submitted to Ron Abato at the address listed below. Proposals received after the above deadline will not be eligible for consideration.

Applicants may request a copy of the Request for Proposals (RFP) and the application by contacting Pat Olsen at (612) 296-2770. In order to receive an application the person requesting the application must provide the following information: name, address and phone number of the requesting organization and the name address, and phone number of a contact person, if the Department needs to talk to someone about the request. If you have other questions, please call Ron Abato at the number listed below.

Completed application proposals must be sent to:

Ron Abato, Homesharing Program
Aging and Adult Services Division
444 Lafayette Road, St. Paul
MN 55155-3843.

If you have questions about this notice or the proposal, please call Ron Abato at (612) 296-3769.

This request for notice does not obligate the State to complete this project, and the State reserves the right to cancel this offer, if it is considered to be in its best interest. The State is not responsible for any costs associated with the planning or preparation of applications related to this notice.

Department of Human Services

Notice of Request for Proposals to Administer a Post-kidney Transplant Drug Program

I. Description of Project

- A. General Information.** The Commissioner of Human Services ("the Commissioner") is seeking a grantee, including a non-profit entity, with significant expertise in providing drug treatment for recipients of kidney transplants to establish and administer a program to pay for costs of drugs prescribed exclusively for post-kidney transplant maintenance when those costs are not otherwise reimbursed by a third-party payer.

The Minnesota Legislature enacted the authority and the parameters of the program in the 1998 Omnibus Health and Human Services Bill (Senate File 3346), Article 4, Section 6. The legislation includes a provision that sunsets the program on July 1, 2000.

This request for proposal does not obligate the Commissioner to select a responder, and the Commissioner reserves the right to cancel the solicitation if it is considered to be in the state's best interests.

- B. Grant Amount.** The Commissioner will award the grantee a lump-sum grant in the amount of \$160,000. Up to 25 percent of this amount may be used by the grantee for administrative expenses related to the program. The remainder of this amount shall be used for payments to eligible applicants. In addition to the grant, the grantee may also accept funding from other public or private sources to administer the program.

State Grants & Loans

C. Eligible Population. To be eligible for the program, an individual transplant recipient must satisfy the following requirements:

- (1) the applicant's family gross income must not exceed 275 percent of the federal poverty level; and
- (2) the applicant must be a Minnesota resident who has resided in Minnesota for at least 12 months.

An applicant shall not be excluded from the program because the individual received the transplant outside the state of Minnesota, so long as the other requirements are met. The Department of Human Services will provide initial training and limited ongoing technical assistance to the grantee regarding the process of determining whether an applicant's family gross income exceeds 275 percent of the federal poverty level.

D. Payments to Eligible Individuals. The amount of payment made by the grantee to each eligible applicant shall be based on available funds and the cost of the post-kidney transplant maintenance drugs. The payment amount must not exceed the medical assistance reimbursement rate for the prescribed drug. The grantee may restrict or categorize payments to meet the appropriation allocated to this program. Payments may be made on behalf of an eligible individual to the drug provider.

The grantee shall make payments that cover, in whole or part, the cost of post-kidney transplant maintenance drugs (such as antibiotics or anti-rejection drugs) that is not covered, reimbursed, or eligible for reimbursement by any third party or government entity, including, but not limited to:

- (1) private or group health insurance;
- (2) medical assistance;
- (3) Medicare;
- (4) the Veterans Administration; and
- (5) the senior citizen drug program established under *Minnesota Statutes*, section 256.955, or under any waiver arrangement received by the state to provide prescription drug benefits for qualified Medicare beneficiaries or service-limited beneficiaries.

E. Drugs Eligible for Payment. The Commissioner will maintain a drug formulary, which will be reviewed and updated quarterly, that includes all drugs eligible for reimbursement under the program. The Commissioner may use the drug formulary established under *Minnesota Statutes*, section 256B.0625, subdivision 13.

II. Performance Goals

The Commissioner expects the grantee to meet the following performance goals:

- (1) engage in, and comply with, a grant contract with the Commissioner;
- (2) upon execution of a grant contract and award of grant funds, begin administering the program;
- (3) provide outreach to likely eligible individuals to inform them about the program;
- (4) establish an application process to determine applicant eligibility which treats all applicants equitably and does not discriminate in violation of any applicable laws;
- (5) establish a system of payment that ensures timely payment, that verifies payment for costs not covered by third parties, and that confirms payment only for eligible drugs; and
- (6) provide the commissioner with quarterly updates and a final summary report about the program that details the numbers of individuals served, the total amount of payment per drug classification, the average amount paid per client, the portion of the grant used for administration, and any observations or recommendations that the grantee has for the Commissioner or the legislature about the effectiveness of such a program. The final summary report is due within one month of the final disbursement of grant money to an eligible applicant.

III. Submission Information

Questions regarding this proposal may be addressed to:

Kathleen Cota
Department of Human Services
444 Lafayette Road
St. Paul, MN 55155-3853

Other department personnel are NOT allowed to discuss the request for proposal with anyone, including responders, before the proposal submission deadline.

All proposals must be received, **no later than 4:00 p.m. on August 7, 1998**, by:

Kathleen Cota
Department of Human Services
444 Lafayette Road
St. Paul, MN 55155-3853

Late proposals and faxed proposals will not be accepted. Submit one copy of the proposal signed by an authorized member of the organization. Terms of the proposal as stated must be valid for the length of the grant contract.

IV. Minimum Contents of a Proposal

All proposals must contain the following:

- A. A restatement of the performance goals in Section II of this request for proposal that demonstrates the responder's view of the nature of the program.
- B. An outline of the responder's background with particular emphasis on experience and knowledge involving: post-kidney transplant drugs, application and payment systems, and work with local, state or federal governments. Identification of personnel to conduct the program, with details on training and work experience. No change in personnel assigned to the program will be permitted without the approval of the state project director/manager.
- C. A detailed cost and work plan that will identify the major tasks to be accomplished and that may also be used as a schedule and managing tool.
- D. Identification of the level of the department's participation in the project as well as any other services to be provided by the department.

V. Criteria by Which to Evaluate Proposals

The department will use the following criteria in weighing the merits of a responder's proposal. The amount of weight accorded each criterion is specified in parentheses.

- (1) Demonstrated understanding of the program (10 percent)
- (2) Demonstrated ability to provide outreach and education (15 percent)
- (3) Experience working with clients who have received kidney transplants, and knowledge about post-kidney transplant drug care. (50 percent)
- (4) Experience working with state, local, or federal governments (10 percent)
- (5) Demonstrated ability to process applications (15 percent)

State Grants & Loans

VI. Required Provisions

The successful responder will be required to submit acceptable evidence of compliance with Minnesota workers' compensation insurance coverage requirements prior to execution of the grant contract and award of the grant.

In addition, in accordance with the provisions of *Minnesota Statutes*, section 363.073, all responders having more than 40 full-time employees in Minnesota at any time during the previous 12 months must have an affirmative action plan approved by the commissioner of human rights before a proposal may be accepted. In all cases the state reserved the right to contract with the next acceptable proposer, if the entity does not have a certificate of compliance from the Minnesota Department of Human Rights by the award date. For further information, contact the Department of Human Rights, 190 E. 5th Street, Suite 700, St. Paul, MN 55101 (612) 296-5663.

To facilitate the STATE's review, provide one of the following:

- (1) a copy of your current certificate of compliance; or
- (2) a notarized letter or affidavit certifying that your firm has not had more than 40 employees at any time during the previous 12 months; or
- (3) a letter of affidavit certifying that you have submitted an affirmative action plan to the Commissioner of Human Rights.

During the biennium ending June 30, 1999, for any executive agency contract that is subject to *Minnesota Statutes*, section 363.073, the agency shall ensure to the extent practical and to the extent consistent with the business needs of the state, before the agency enters into a contract, the contractor attempts to recruit Minnesota welfare recipients to fill vacancies in entry level positions, if the company has entry level employees in Minnesota.

Department of Labor and Industry

Workplace Safety Consultation Unit

Notice of Safety Grants for Employers

The Department of Labor and Industry (DLI) announces continuation of its safety hazard abatement matching grant program under *Minnesota Statutes*, section 79.253, and *Minnesota Rules*, parts 5203.0010 through 5203.0070. Employers covered by workers' compensation insurance, including those approved as self-insured employers, are eligible to apply for one or more safety/health matching grants to a total maximum match of \$10,000 each state fiscal year to abate safety hazards in their workplace. The safety/health hazards must have been identified in an on-site survey conducted by one of the following: 1) MNOSHA safety/health investigator, 2) DLI Workplace Safety Consultation safety/health consultant, 3) in-house employee safety/health committee, 4) workers' compensation underwriter, or 5) private safety/health consultant. The on-site safety/health survey must have resulted in specifically recommended safety practices or equipment designed to reduce the risk of injury to employees. Costs eligible for program participation are all or part of the cost of purchasing and installing recommended safety/health equipment, the cost of operating or maintaining safety/health equipment, and/or the cost of purchasing or renting real property, if necessary, to meet criteria established by the on-site safety/health survey. Program development, training and education, and employee costs will not be covered by this grant.

Grants are limited to a maximum total amount of \$10,000 per project, or per state fiscal year. The state fiscal year encompasses the time period of July 1 of one year through June 30 of the following year. The employer must provide at least \$1.00 (one dollar) in project costs for every dollar awarded. Therefore, no grant will be awarded for more than half the amount of the approved project. Grant applications received by August 15, November 15, February 15, and May 15, respectively, will be reviewed and processed for the following quarter. A total of at least \$200,000 will be available during each quarter. Proposals will be reviewed by the department and awards made on an ongoing basis. Qualified projects having the greatest impact and feasibility will be given priority. Projects will be judged according to the criteria established by the rule. Eligible applicants who seek assistance must submit their proposals to: James Collins, OSHA Management Team Director, Workplace Safety Consultation Unit, 443 Lafayette Road, St. Paul, MN 55155.

For further information or to request a grant application, please call Tracey Josephson, Grants Administrator, Workplace Safety Consultation Unit, at 612-297-2393.

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, and final submission date of completed contract proposal.

In accordance with *Minnesota Rules* Part 1230.1910, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of up to 6% preference in the evaluation of their proposal. For information regarding certification, call the Materials Management Helpline (612) 296-2600 or [TTY (612) 297-5353 and ask for 296-2600].

Department of Administration

State Designer Selection Board

Request for Proposals for the Metropolitan State University (Project 22-98) Construction of a New Community Library and Information Access Center

IN AN ATTEMPT TO FACILITATE COMMUNICATION, THE STATE DESIGNER SELECTION BOARD HAS MADE SOME CHANGES IN THEIR STANDARD RFP LANGUAGE. PLEASE READ CAREFULLY THE SECTIONS THAT ARE IN BOLD TYPE AS THEY CONTAIN REVISIONS TO THE RFP.

To Minnesota Registered Design Professionals:

The State Designer Selection Board has been requested to select consultants for a project. Design firms who wish to be considered for these projects must deliver proposals on or before 4 p.m., Monday, July 27, 1998, to:

Sharon Schmidt, Acting Executive Secretary
State Designer Selection Board
Department of Administration
50 Sherburne Avenue, **Room 200**
St. Paul, Minnesota 55155-3000
612.297.5525

Questions concerning the Board's procedures herein described or the schedule in Item 7.h may be referred to the Executive Secretary at (612) 297.5525. Questions relating to the project may be referred to the project contact(s) in Item 7.i.

NOTE TO RESPONDERS: IN ORDER TO BE CONSIDERED BY THE BOARD, THE PROPOSALS MUST CONFORM TO THE FOLLOWING CONTENT AND FORMAT REQUIREMENTS AS OUTLINED IN ITEMS 1 THROUGH 5 BELOW. FAILURE TO DO SO WILL RESULT IN THE DISQUALIFICATION OF THE PROPOSAL:

1. **Eight (8) copies** of the proposal shall be submitted plus one (1) additional unbound copy in black and white for micro fiche purposes only.
2. All data shall be on 8 1/2" x 11" sheets, soft bound. No more than 20 printed faces shall be allowed (see the following for clarification):
 - a. All letters directed to the Board shall be bound into the proposal and all pages shall be counted as printed face(s). It is not necessary to do a cover letter to the Executive Secretary.
 - b. Blank dividers (with printed tab headings only) shall not be counted as faces.
 - c. Front and back covers of proposals shall not counted as faces.
 - d. None of the statutory, mandatory, or optional information, except as requested in Item 3 below, shall appear on the dividers or covers.
3. **The front cover of the proposal shall be clearly labeled with the project number and project title as shown at the top of this request for proposal, together with the designer's firm name, address, telephone number, fax number, and the name of the contact person. The back cover shall remain blank.**

Professional, Technical & Consulting Contracts

4. Brief Proposal Summary:

All proposals shall begin with a summary which includes only the following items:

- a. Name of firm and its legal status;
- b. Names of the persons responsible for the management, design, and production of each major element of the work, including consultants, and Minnesota registration number for each person and consultant (e.g., architects, civil/electrical/mechanical/structural engineers, landscape architects, land surveyors, and geoscientist);
- c. A statement indicating that the consultants listed have been contacted and have agreed to be a part of the design team;
- d. A commitment to enter the work promptly, if selected, by engaging the consultants and assigning the persons named in Item 4.b above, along with adequate staff to meet the requirements of work;
- e. A list of State and University of Minnesota current and past projects and studies awarded to the prime firm(s) responding to this request for proposal during the four years immediately preceding the date of this request for proposal. For the purposes of this list, "awarded" shall mean you have been selected for a given project regardless of the status of the contract.

The prime firm(s) shall list and total all fees associated with these projects and studies whether or not the fees have been received or are anticipated. In addition, the prime firm(s) shall indicate the amount of fees listed which were paid directly to engineers or other specialty consultants employed on the projects and studies listed pursuant to the above.

NOTE: Please call the Executive Secretary at 612.297.5525 and leave your address or fax number to receive a copy of the acceptable format for providing fee information.

- f. **Minnesota Statutes, Section 363.073, subd. 1, in part, requires: "No department or agency of the state shall accept any bid or proposal for a contract or agreement unless the firm or business has an affirmative action plan submitted to the commissioner of human rights for approval. No department or agency of the state shall execute any contract or agreement for goods or services in excess of \$100,000 with any business having more than 40 full-time employees, either within or outside this state, on a single working day during the previous 12 months, unless the firm or business has an affirmative action plan for the employment of minority persons, women, and the disabled that has been approved by the commissioner of human rights." THEREFORE, THE PROPOSAL SHALL INCLUDE ONE OF THE FOLLOWING:**
 - 1) **A copy of your firm's current certificate of compliance issued by the Commissioner of Human Rights; or**
 - 2) **A statement certifying that the firm has a current certificate of compliance issued by the Commissioner of Human Rights; or**
 - 3) **A statement certifying that the firm has applied for Affirmative Action Plan approval to the Commissioner of Human Rights and the date when such application was received by the Commissioner of Human Rights; or**
 - 4) **A statement certifying that the firm has not had a cumulative total of more than 40 full-time employees at any time during the previous 12 months, anywhere in the United States.**

5. Additional Mandatory Proposal Contents:

- a. A section containing graphic material (e.g., photos, plans, drawings, etc.) as evidence of the firm's qualifications for the work. The graphic material shall be identified. It shall be work in which the personnel listed in Item 4.b above have had significant participation and their roles shall be clearly described. It shall be noted if the personnel were, at the time of the work, employed by other than their present firms.
- b. Expanded resumes showing qualification of individuals, listed in Item 4.b above, administering or producing the major elements of the work, including consultants. Identify roles in which such persons played in projects which are relevant to the project at hand.
- c. A discussion of the firm's understanding of and approach to the project.
- d. A listing of relevant past projects.

6. Design firms wishing to have their proposals returned after the Board's review shall follow one of the following procedures:
 - a. Enclose a *self-addressed, stamped* postal card with the proposals. Design firms shall be notified when material is ready to be picked up. Design firms shall have two weeks to pick up their proposals, after which time the proposals shall be discarded; or
 - b. Enclose a *self-addressed, stamped* mailing envelope with the proposals. When the Board has completed its review, proposals shall be returned using this envelope.

In accordance with existing statutes, the Board shall retain one copy of each proposal submitted.

7. **PROJECT 22-98**

**Metropolitan State University
700 East Seventh Street
St. Paul, MN 55106-5000**

a. PROJECT DESCRIPTION:

Based on the completed predesign, Metropolitan State University's Community Library and Information Access Center is anticipated to have a project scope of approximately 76,000 GSF located in a multi-story structure located on Dayton's Bluff overlooking downtown St. Paul (near Mounds Boulevard and East Seventh Street). The new structure, which is intended to be in the same parti as the existing campus, will contain space for library functions which make intense use of electronic telecommunications infrastructure for accessing and delivering information. In addition to internet connections in study areas, electronic databases, and a multi-media laboratory, the building will also include classrooms (fitted for interactive television and network linkages), an adjacent bookstore operation and a skyway across Seventh Street which will connect to the existing campus. The facility will provide library and information access services to Metro State faculty and students and to the approximately 48,000 people who live and work in the East Side Neighborhoods of St. Paul.

The model of a Community Library and Information Access Center is well suited to the University since the students at Metro State are nonresidential. Further, it will fit seamlessly with the Minnesota Statewide On-Line Information System. Through the use of the MINITEX, the library also has access to a number of databases and deliverable materials.

The Community Library and Information Access Center is to be different from a traditional library. The concept for this center is:

- a place that is visionary in the use of technology to create an adaptable and expandable library network
- a place for University students and faculty to access information from a variety of shared resources;
- a library for the residents of St. Paul's East Side neighborhoods with special focus on children and their families;
- a place that provides a richness of accurate and authoritative educational and cultural information in all formats;
- a place that share printed material with regional libraries in general and the St. Paul Central Library and the University of Minnesota Library in particular;
- a place where the services are responsibly cost effective; and,
or particular importance,
- a place that empowers users with skills to acquire new knowledge in the pursuit of lifelong learning.

Through a partnership with the University of Minnesota, Metro State will gain access to the University of Minnesota's library collection, which is now the fifteenth largest in the United States. Additional benefits include electronic access to reference materials beyond the networked indexes and full-texts covering most fields of knowledge, shared management of technical services, the ability to share faculty expertise, and shared automation and administrative support.

Professional, Technical & Consulting Contracts

This project also includes a unique collaboration between Metropolitan State University, the University of Minnesota and the St. Paul Public Library and it has the unequivocal support and commitment of each of the partners including financial support from the City of St. Paul. Because of the capacity brought to this project through the partnerships with the University of Minnesota and the St. Paul Public Library, Metro State's library does not need extensive space devoted to housing a large collection of its own. The Community Library and Information Access Center will acquire only heavily used and specialized core collections for the use of the students, faculty, administration and community. The building will house only approximately 140,000 volumes—20,000 of which will be supplied by St. Paul. Over 60 percent of the approximately 490 seats for users will, have computers for access to data from other libraries and sources.

The proposed Metropolitan State University Community Library and Information Center will be a model of technology and resource sharing, collaboration among different institutions and overall efficiency at getting information in the hands of the students, faculty and community—quickly, economically and accurately.

b. REQUIRED CONSULTANT SERVICES:

The selected designer will be responsible for schematic design, design development, and contract documents in the planning phase. When construction funds become available the designer will be required to provide assistance in the construction phase with bidding, and construction administration. Total services required include architectural design and cost estimating, as well as electrical, mechanical, structural, civil, and *registered fire protection* engineering services. In addition, limited acoustical, lighting, telecommunications design and furniture consultation may be required.

c. SERVICES PROVIDED BY OTHERS:

The University will contract for an owner's representative(s) to assist with project management and inspections and other services the owner may require.

d. SPECIAL CONSIDERATIONS:

Prior experience in modern higher education library design, engineering and project administration is required. Experience working with MnSCU design specifications and related project management is preferred.

e. PROJECT BUDGET/FEE:

The 1998 Legislature provided funds sufficient to complete Architectural Planning through Construction Contract Documents. The balance of funding for project construction is anticipated to be available on or about July 2000. The current construction budget is estimated at \$13,700,000 including contingency with the designer's fee estimated at 7 percent of estimated construction costs. Total project costs including fees, permits, testing, demolition, site preparation and other development costs is estimated to be \$19,900,000.

f. PROJECT SCHEDULE:

Planning phase (Schematic Design, Design, Development and Construction Documents) work will begin this summer and be completed prior to construction funding. Because of the unusual level of Community, Legislative and MnSCU support it is possible that construction funding will occur as soon as 1999. Substantial completion is estimated to occur approximately sixteen months after the start of construction.

g. PROJECT INFORMATIONAL MEETING(S) SITE VISIT(S):

An informational meeting is tentatively scheduled for July 20, 1998, in room 301 Founders Hall, Metropolitan State University, 700 East Seventh Street, St. Paul, Minnesota. All firms interested in this tour should contact Cindy Martinez at 651.772.7740 to sign up and/or arrange for a review of Predesign documents.

h. STATE DESIGNER SELECTION BOARD SCHEDULE:

Project Site Visit: July 20, 1998, at 2 p.m.
Project Proposals Due: July 27, 1998
Project Short List: August 11, 1998
Project Interviews & Award: August 25, 1998

I. PROJECT CONTACT:

Daniel Kirk, Associate Vice President
Administration and Finance
Metropolitan State University
700 East Seventh Street
St. Paul, MN 55106-5000
Phone: 651.772.3710
FAX: 651.772.7631
kirkd@msus1.msus.edu

Gordon Scott, Vice President
Administration and Finance
Metropolitan State University
700 East Seventh Street
St. Paul, MN 55106-5000
Phone: 651.772.7569
FAX: 651.772.7669
scottg@msus1.msus.edu

Douglas Wolfangle, P.E., Chair
State Designer Selection Board

Department of Corrections

Minnesota Correctional Facility – MCF Red Wing

Notice of Availability of Contract for Clinical Supervision of Sex Offenders Treatment Program

The Minnesota Correctional Facility-Red Wing requires clinical supervision services for the facility's juvenile sex offender treatment program. The services provided will include: administering and interpreting of sex offender assessments; monitoring individual treatment plans; monitoring and evaluating staff performance in the delivery of treatment services, responding to requests for special needs counseling; and assisting in the development of aftercare plans.

Prospective responders who have any questions regarding this request for proposal may call or write:

John Handy
MCF-Red Wing
1079 Highway 292
Red Wing, Minnesota 55066
Telephone: (612) 267-3613

All proposals must be sent to:

John Handy
MCF-Red Wing
1079 Highway 292
Red Wing, Minnesota 55066

All proposals must be received no later than 4:00 p.m. on July 31, 1998. Late proposals will not be accepted.

Department of Labor and Industry

Information Technology Services Division

Notice of Request for Proposals for Professional Services for MapperC Coding Renovation/Modification for Year 2000 Compliance

The Minnesota Department of Labor and Industry (DLI), Information Technology Services (ITS) division is requesting proposals from Vendors who are experienced in doing MapperC (level 5R3C.E1) coding renovation/modification for the purpose of making applications/programs Year 2000 compliant.

The current data base is structured in such a fashion that expansion of date fields to incorporate a 4 digit year is not feasible. Following a review of the existing applications/programs it has been determined that there are approximately 183,000 lines of code which will require review. No additional functionality will be added to any existing MapperC application/program during this process.

If you are interested in receiving the full Request for Proposal please contact either Sue Willinger at 612.296.6049 or Jeanne Bortz at 612.297.4592.

Proposal must be received by the Department of Labor and Industry no later than 4:00 p.m. on August 5, 1998.

Professional, Technical & Consulting Contracts

Pollution Control Agency

Ground Water Solid Waste Division

Program Development Section

Request for Proposals for Consultant/Contract Services for Independently Reviewing the Twin Cities Metropolitan Area Ground Water Model

The Minnesota Pollution Control Agency (MPCA) wishes to retain a contractor to perform an independent review and evaluation of the Twin Cities Metropolitan Area Ground Water Model (Metro Model). All contractors who have depth of knowledge in the hydrogeology of the Twin Cities Metropolitan area and surrounding areas, as well as experience in multi-aquifer ground water modeling are invited to submit proposals.

Funding to conduct the activities will be provided from a special allocation by the Minnesota Legislature as recommended by the Legislative Commission on Minnesota Resources. Additional funding may come from the U.S. Environmental Protection Agency. It is anticipated that approximately \$30,000 will be available to fund the contract.

The MPCA will select a contractor from the responders on the basis of expressed understanding of project objectives, work plan, cost detail, qualifications and experience of the company, and qualifications and experience of personnel working on the project. The state will work jointly with the successful responder to prepare a detailed Work Plan Scope of Work. The contractor then will prepare and submit a proposed level of effort for approval, or it will be prepared jointly. The state then will issue a Work Order and work will begin.

Copies of the Request for Proposals/Request for Qualifications are available from:

John K. Seaberg, Senior Hydrogeologist
Ground Water Unit, Program Development Section
Ground Water and Solid Waste Division
Minnesota Pollution Control Agency
Ground Water and Solid Waste Division
520 Lafayette Road
St. Paul, Minnesota 55155-4194
Telephone Number (651) 296-0550

All proposals must be submitted by 4:00 p.m., August 4, 1998, to the 1st Floor Reception Desk, Minnesota Pollution Control Agency, 520 Lafayette Road, St. Paul, Minnesota 55155-4194.

In compliance with *Minnesota Statutes* 16B.167, notice of this contracting opportunity will be published at state agencies. The responses of any state employee will be evaluated along with other responses to this Request for Proposal.

Department of Trade and Economic Development

Request for Proposals for Professional Services to Conduct Financial and Compliance Audits

The Department of Trade and Economic Development (DTED), in consultation with the Minnesota Pollution Control Agency (MPCA), requests proposals to conduct financial and compliance audits of the following programs related to the Minnesota Public Facilities Authority (MPFA):

1. **Agency: DTED Program: Water Pollution Control Revolving Fund (WPCRF).**
2. **Agency: MPCA Program: Clean Water Partnership (CWP).**

One firm will be selected to complete these audits.

DTED will enter into a contract with the selected firm to audit the WPCRF. DTED expects that in future years the scope of this contract will be expanded to include the following programs which have not yet begun operations: the Drinking Water Revolving Fund and the Transportation Revolving Fund. DTED reserves the option to negotiate the costs of these additional audits with the selected firm, based on the cost criteria established in the response to this proposal, or to request new bids for these services.

MPCA may, at its discretion, enter into a contract with the selected firm to audit the CWP Program. MPCA may choose not to have an audit completed, or may choose to initiate a new round of solicitations for its program.

Prospective responders should request a copy of the complete Request for Proposal by calling (612) 297-1360 or by faxing (612) 296-8833.

Proposals are due by 4:00 PM August 3, 1998.

Department of Transportation

Engineering Services Division

Notice of Request for Proposals for Customizing and Implementing the New York State Department of Transportation Program and Project Management Information System

The Minnesota Department of Transportation is requesting proposals from qualified firms for customizing and implementing the New York State Department of Transportation Program and Project Management Information System to meet the Mn/DOT functional system and business procedure requirements and system environment.

The services include identifying, designing and developing the required modifications to the system functions including interfaces, designing the hardware/software configurations for server(s) and workstations, preparing the system for backup/recovery, installing the system and interfaces, converting and installing data from existing systems, conducting testing, developing and conducting training and implementing the fully tested, functioning system. This also includes developing documentation including system documentation, administration, troubleshooting, training and user guides and a project management best practices guide customized to Mn/DOT's needs.

It is anticipated that the contract period will begin September 1998 and continue through June 30, 1999.

Requests for Proposal will be available by mail from the address indicated below. A written request (direct mail or FAX) is required to receive the Request for Proposal.

Requests for Proposal can be obtained from:

Susan J. Bousquet
Systems Applications Manager
Mn/DOT Project Management Unit
395 John Ireland Boulevard
Mail Stop 676
St. Paul Minnesota 55155
Phone: (612) 296-3113 FAX: (612) 282-9834

The proposal must be received no later than two o'clock in the afternoon (2:00 PM) on August 7, 1998. **Late Submittals will not be considered.**

The successful responders will be required to submit acceptable evidence of compliance with worker's compensation insurance coverage requirements prior to execution of the contract.

In accordance with *Minnesota Rules* Part 1230.1910, certified Targeted Group Businesses and individuals submitting as prime contractors will receive the equivalent of a 6% preference in the evaluation.

This request does not obligate the Minnesota Department of Transportation to complete the work contemplated in this notice, and the Department reserves the right to cancel this solicitation at any time. All expenses incurred by submitting contractors responding to this notice will be borne by the responder.

Non-State Public Bids, Contracts & Grants

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.

Minnehaha Creek Watershed District

Notice of Request for Consultant for Management Assistance

The Minnehaha Creek Watershed District, the largest urban watershed district in the state, is seeking a consultant to assist the District in managing significant changes in the roles and responsibilities of its governing board and staff. The ideal consultant will have significant experience working with governmental agencies with a small board of directors and staff, but with broad responsibilities and who are redefining their mission and scope of services. Conflict resolution training and experience are essential as well as understanding of governmental processes and political systems. An environmental background, particularly in water resources, is a plus. The contract is expected to begin by September 1, 1998.

Please send resume, summary of similar work and three references to:

Pamela Blixt, President
Minnehaha Creek Watershed District
2500 Shadywood Road
Excelsior, MN 55331
(612) 471-0590

University of Minnesota

Purchasing Services

Notice of Bid Information Service (BIS) Available for All Potential Vendors

The University of Minnesota offers 24 hour/day, 7 day/week access to all Requests for Bids/Proposals through its fax back Bid Information Service (BIS). Subscriptions to BIS are \$75/per fiscal year (not prorated). Call 612-625-5534 for information or visit our web site at <http://purchserv.finop.umn.edu>. Choose BID Information Service.

Requests for Bids/Proposals are available to the public at no charge each business day from 8:00 a.m. - 4:30 p.m. in Purchasing Services lobby, Suite 560, 1300 S. 2nd Street, Mpls, MN 55454.