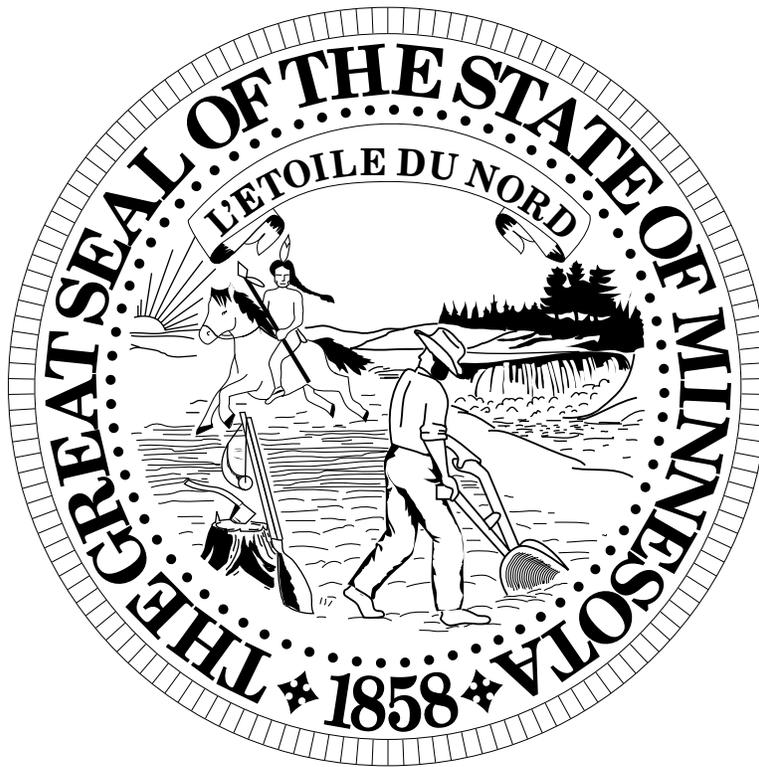


State of Minnesota

State Register

Rules and Official Notices Edition



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Monday 15 November 1999

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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, published weekly to fulfill the legislative mandate set forth in *Minnesota Statutes* § 14.46. The *State Register* contains:

- proposed, adopted, exempt, expedited emergency and withdrawn rules
- executive orders of the governor
- appointments
- proclamations and commendations
- commissioners' orders
- revenue notices
- official notices
- state grants and loans
- contracts for professional, technical and consulting services
- non-state public bids, contracts and grants
- certificates of assumed name, registration of insignia and marks

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Vol. 24 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
#20	Monday 15 November	Noon Wednesday 3 November	4:30 P.M. MONDAY 8 NOVEMBER
#21	Monday 22 November	Noon Wednesday 10 November	Noon Tuesday 16 November
#22	Monday 29 November	Noon Wednesday 17 November	4:30 P.M. MONDAY 22 NOVEMBER
#23	Monday 6 December	NOON TUESDAY 23 NOVEMBER	Noon Tuesday 30 November

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- *Contracts Supplement* (published Tuesday, Wednesday, Friday) One year subscription: \$135.00 first class mail, \$150.00 by FAX.
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- **Single issues** are available for a limited time: *State Register* \$5.00, *Contracts Supplement* \$1.00. Shipping is \$3.00 per order.

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

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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 issue 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.

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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*.

Department of Administration

Building Codes and Standards Division

Proposed Permanent Rules Relating to Manufactured Homes

DUAL NOTICE: 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 Hearing Are Received

Proposed Amendments to Rules Governing Manufactured Homes, *Minnesota Rules*, Chapter 1350

Introduction. The Department of Administration 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 p.m. on December 15, 1999, a public hearing will be held in conference room B, 408 Metro Square Building, 121 7th Place East, St. Paul, Minnesota, at 8:30 a.m. on Wednesday, January 5, 2000. To determine whether these rules will be adopted without a hearing or if the hearing will be held, you should contact the agency contact person after December 15, 1999, and before January 5, 2000.

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 Scott Simmons at the Building Codes and Standards Division, 408 Metro Square Building, 121 7th Place East, St. Paul, MN 55101, telephone 651-296-4329, FAX 651-297-1973, TTY 1-800-627-3529 (ask for 296-9929).

Subject of Rules and Statutory Authority. The proposed rule amendments address the regulation of Manufactured Homes. These amendments modify the existing rules in *Minnesota Rules*, parts 1350.0100 to 1350.9200. The amendments also propose to repeal *Minnesota Rules*, parts 1350.3600; and 1350.3700. The statutory authority to adopt these rules is *Minnesota Statutes*, sections 327B.01 to 327B.12. A copy of the proposed rules is published in the *State Register*. The proposed rule amendments increase fees for licenses, labels and other administrative parts of the program to cover the costs of providing agency services. The amendments contain grammatical and intent clarifying changes to bring the rules in line with federal requirements. This rule proposal also creates a limited dealer's license for owners of manufactured home parks authorizing a licensee to sell up to five used homes each year. A copy of the rules is available without charge upon request from the agency contact person listed above.

Comments. You have until 4:30 p.m. on Wednesday, December 15, 1999, to submit written comments in support of or in opposition to the proposed rules or any part or subpart of the rules. Your comments must be in writing and received by the agency contact person no later than 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 proposed 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 December 15, 1999. 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 to determine 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/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 the 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 January 5, 2000, 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 651-297-7081 after December 15, 1999, 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*, sections 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. The Minnesota Office of Administrative Hearings has assigned Judge Steve M. Mihalchick to conduct the hearing. Judge Mihalchick can be reached at the Office of Administrative Hearings, 100 Washington Square, Suite 1700, Minneapolis, MN 55401-2138, telephone 612-349-2554, and FAX 612-349-2665.

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 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. *Minnesota Rules*, parts 1400.2000 to 1400.2240, and *Minnesota Statutes*, sections 14.131 to 14.20 govern the rule hearing procedure. Questions about this procedure may be directed to the Administrative Law Judge at the Office of Administrative Hearings.

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 without charge or copies obtained at the cost of reproduction from either the agency or the Office of Administrative Hearings.

<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

Lobbyist Registration. *Minnesota Statutes*, chapter 10A, requires lobbyists to register with the State Campaign Finance and Public Disclosure Board. Questions regarding this requirement may be directed to the Campaign Finance and Public Disclosure Board, which is located at First Floor South, Centennial Building, 658 Cedar Street, St. Paul, MN 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 of 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.

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.

Dated: 2 November 1999

David F. Fisher, Commissioner
Department of Administration

1350.0100 DEFINITIONS.

Subpart 1. **Applicability.** For the purposes of parts 1350.0100 to ~~1350.6900~~ 1350.9200, the terms defined in this part have the meanings given them.

Subp. 2. **Accessory structure.** "Accessory structure" means manufactured home accessory structure.

Subp. 3. **Act.** "Act" means the National Manufactured Housing Construction and Safety Standards Act of 1974, title VI of the Housing and Community Development Act of 1974, *United States Code*, title 42, sections 5401 to 5426 (1976), ~~as amended through March 15, 1982 and all amendments to the act.~~

Subp. 4. **Anchor.** "Anchor" means ground anchor.

Subp. 5. **Anchoring equipment.** "Anchoring equipment" means bolts, straps, cables, turnbuckles, and chains, including tensioning devices, which are used with ties to secure a manufactured home to ground anchors or the foundation system.

[For text of subps 6 to 8, see M.R.]

Subp. 9. **Authorized representative.** "Authorized representative" means any person, firm, ~~or~~ corporation, or employee ~~thereof~~, approved or hired by the commissioner to perform inspection services.

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

Subp. 10a. **Climatic conditions.** "Climatic conditions" means meteorological circumstances that would prevent a complying installation of a manufactured home, including, but not limited to, frost, extreme rains, or flooding.

Subp. 11. **Code.** "Code" means the manufactured home building code.

Subp. 12. **Commissioner.** "Commissioner" means the commissioner of administration or the commissioner's duly authorized ~~representative~~ representatives.

[For text of subps 13 and 14, see M.R.]

Subp. 15. **Dealer.** "Dealer" means any person ~~engaged in the sale, leasing, or distribution of a manufactured home primarily to persons who purchase or lease for purposes other than resale who engages in the business, either exclusively or in addition to any other occupation, of selling or brokering manufactured homes, new or used, or who offers to sell, solicit, broker, or advertise the sale of manufactured homes, new or used.~~

Subp. 16. **Defect.** "Defect" means a failure to comply with an applicable federal mobile home construction and safety standard, ~~as set forth in Code of Federal Regulations, title 24, part 3280 (1981),~~ that renders the manufactured home or any part or component of it not fit for the ordinary use for which it was intended, but that does not result in an unreasonable risk of injury or death to occupants of the manufactured home.

[For text of subps 17 to 19, see M.R.]

Subp. 20. **Evaluation agency.** "Evaluation agency" means an organization approved by the ~~commissioner~~ secretary which is qualified by reason of facilities, personnel, experience, and demonstrated reliability to investigate and evaluate manufactured homes.

Subp. 21. **Failure to conform.** "Failure to conform" includes noncompliance, having a defect or serious defect, and having an imminent safety hazard related to failure to comply with an applicable federal mobile home construction and safety standard in *Code of Federal Regulations*, title 42, part 3280 ~~(1981)~~. "Failure to conform" is used as a substitute for all of those terms.

[For text of subps 22 and 23, see M.R.]

Subp. 24. **Ground anchor.** "Ground anchor" means any device at the manufactured home ~~stand~~ installation site designed to transfer manufactured home anchoring loads to the ground.

Subp. 25. **Imminent safety hazard.** "Imminent safety hazard" means a hazard that presents an imminent and unreasonable risk of death or severe personal injury that may or may not be related to failure to comply with an applicable federal mobile home construction and safety standard in *Code of Federal Regulations*, title 42, part 3280 ~~(1981)~~.

Subp. 26. **Independent inspection agency.** "Independent inspection agency" means an organization approved by the ~~commissioner~~ secretary qualified to review and approve plans and specifications for manufactured homes with respect to model, structural, electrical, mechanical, and plumbing requirements and to evaluate quality control programs and make inspections.

Subp. 27. **Installation.** "Installation" of a manufactured home means assembly, at the site of occupancy, of all portions of the manufactured home, connection of the manufactured home to ~~existing~~ utility connections, and installation of support or anchoring systems.

Subp. 28. **Installation alteration.** "Installation alteration" means the replacement, addition, modification, or removal of any components of the ground support or ground anchoring systems required under ~~the provisions of~~ parts 1350.0100 to 1350.6900.

[For text of subps 29 to 31, see M.R.]

Subp. 32. **Installer.** "Installer" means a licensed manufactured home installer, according to Minnesota Statutes, sections 326.83 to 326.9.

[For text of subps 33 and 34, see M.R.]

Subp. 34a. **Limited dealer.** "Limited dealer" means the owner, as principal only, of a licensed manufactured home park authorized by license to sell, offer for sale, solicit, and advertise for sale five used manufactured homes annually within the owner's licensed manufactured home park, as defined in Minnesota Statutes, section 327.14, subdivision 3.

[For text of subps 35 to 38, see M.R.]

Subp. 39. **Manufactured home accessory structure.** "Manufactured home accessory structure" means a ~~factory built~~ building or structure which is an addition or supplement to a manufactured home and, when installed, becomes a part of the manufactured home.

Subp. 40. **Manufactured home building code.** "Manufactured home building code" means for manufactured homes manufactured after July 1, 1972, and prior to June 15, 1976, the standards code promulgated by the American National Standards Institute and identified as ANSI A119.1, including all revisions thereof in effect on May 21, 1971, or the provisions of the National Fire Protection Association identified as NFPA 501B, and further revisions adopted by the commissioner.

"Manufactured home building code" means for manufactured homes constructed after June 14, 1976, the ~~mobile~~ Manufactured Home Construction and Safety Standards promulgated by the United States Department of Housing and Urban Development which are in effect at the time of the manufactured home's manufacture.

Subp. 41. **Manufactured home installer.** "Manufactured home installer" means any person, firm, or corporation which installs manufactured homes for others at site of occupancy, ~~except manufactured homes installed on a foundation system.~~

[For text of subp 42, see M.R.]

Subp. 43. **Mobile home.** "Mobile home" is synonymous with manufactured home whenever it appears in parts 1350.0100 to ~~1350.6900~~ 1350.9200 and in other documents or on construction or installation seals.

[For text of subp 44, see M.R.]

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Proposed Rules

Subp. 45. **Noncompliance.** “Noncompliance” means a failure of a manufactured home to comply with a federal ~~mobile manu-~~
~~factured~~ home construction or safety standard that does not constitute a defect, serious defect, or imminent safety hazard.

[For text of subps 46 to 48, see M.R.]

Subp. 48a. **Replacement construction seal.** “Replacement construction seal” means a construction seal issued by the commis-
sioner to replace a construction seal or label that has been lost or removed from a manufactured home after application has been
made and verification has been received by the commissioner that the home complies with the manufactured home code.

Subp. 48b. **Retailer.** “Retailer” is synonymous with dealer wherever it appears in parts 1350.0100 to 1350.9200 and in federal
and state laws and rules relating to manufactured housing.

Subp. 49. **Seal.** “Seal” means a device or insignia issued by the commissioner to be displayed on the manufactured home to evi-
dence compliance with the manufactured home building code. “Seal” includes construction, accessory structure, and installation seals.

[For text of subp 50, see M.R.]

Subp. 51. **Serious defect.** “Serious defect” means any failure to comply with an applicable federal mobile home construction
and safety standard in *Code of Federal Regulations*, title 24, part 3280 (~~1984~~) that renders the manufactured home or any part of it
not fit for the ordinary use for which it was intended and which results in an unreasonable risk of injury or death to occupants of the
affected manufactured home.

[For text of subps 52 and 53, see M.R.]

Subp. 54. **State administrative agency.** “State administrative agency” means an agency of a state which has been approved or
conditionally approved to carry out the state plan for enforcement of the federal ~~mobile manufactured~~ home construction and safety
standards. For manufactured homes manufactured after June 14, 1976, and located or manufactured in Minnesota, the commis-
sioner of administration is the state administrative agency.

[For text of subps 55 to 60, see M.R.]

1350.0200 AUTHORIZATION.

Parts 1350.0100 to 1350.6900 are authorized by *Minnesota Statutes*, sections 327.31 to 327.36 and 327B.04, and established
through the rulemaking procedures ~~set forth~~ in *Minnesota Statutes*, sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45, to
implement, interpret, and carry out the provisions of *Minnesota Statutes*, sections 327.31 to 327.36 and 327B.04 relating to manu-
factured homes. If ~~these~~ parts 1350.0100 to 1350.6900 differ from the code promulgated by the American National Standards
Institute as ANSI A119.1, or the provisions of the National Fire Protection Association identified as NFPA 501B, ~~these parts shall~~
1350.0100 to 1350.6900 govern in all cases.

1350.0300 ENFORCEMENT.

The commissioner shall administer and enforce ~~all the provisions of~~ parts 1350.0100 to ~~1350.6900~~ 1350.9200 and the code. Any
authorized representative of the Department of Administration may enter any premises where manufactured homes are manufac-
tured, sold, offered for sale, parked in any manufactured home park in the state, or installed in the state if the installation was made
after September 1, 1974. The authorized representative may examine any records and may inspect any manufactured home, equip-
ment, or installations to ensure compliance with ~~the provisions of~~ parts 1350.0100 to ~~1350.6900~~ 1350.9200 and the code. The
authorized representative may require that a portion or portions of a manufactured home be removed or exposed in order that an
inspection may be made to determine compliance, or require that all portions of an installation be removed or exposed to make this
determination.

1350.0400 REQUIREMENT FOR SEALS, CODE COMPLIANCE, CONSTRUCTION COMPLIANCE CERTIFICATES, OR LABELS.

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

Subp. 3. **Requirement for installation seals.** No person shall install or connect to any manufactured home or manufactured
home accessory structure a ground support or anchoring system unless the system and installation comply with ~~these rules~~ parts
1350.0100 to 1350.6900. The installer shall affix the correct installation seals to the manufactured home or the manufactured home
accessory structure installed in compliance with parts 1350.0100 to 1350.6900. Evidence of compliance shall be supported by the
submission of a certificate to the commissioner and the manufactured home owner. Installation seals are not required for manufac-
tured homes installed on a foundation system in a municipality enforcing the State Building Code. A permit to install a manufac-
tured home in a municipality enforcing the State Building Code ~~may be~~ is required by the municipality.

Subp. 4. **Seals for incomplete installations.** When climatic conditions interfere with the completion of installation, the dealer or installer will assign an installation seal for the manufactured home incompletely installed and notify the commissioner stating the condition prohibiting the completion of the installation using the form issued by the commissioner. A copy of this notice shall be provided to the owner. When climatic conditions permit the completion of installation, the installation will be promptly completed and the installation seal affixed to the manufactured home. The installation compliance certificate shall be provided to the commissioner and the owner. A building official may approve, in writing, a permanent installation of a manufactured home between the dates of November 15 and March 31 if the building official determines that climatic conditions would not prevent completion of a permanent installation.

Subp. 5. **Requirement for manufactured home accessory structure seal.** No person shall install or connect to any manufactured home a subordinate structure manufactured after September 1, 1974, unless the accessory structure complies with parts 1350.0100 to ~~1350.6900~~ 1350.9200 and the code and bears a manufactured home accessory structure seal and is accompanied by a certificate by the manufacturer or dealer evidencing that it complies with the code.

1350.0500 ACQUISITION OF LABELS AND SEALS; INSTALLER REGISTRATION LICENSING.

Subpart 1. **Acquisition of labels.** United States Department of Housing and Urban Development labels are acquired by the manufacturer from the secretary pursuant to the act ~~and with submission of the fee required in part 1350.6500.~~

Subp. 2. **Acquisition of construction seals or replacement construction seals.** Any person may qualify for ~~construction~~ replacement seals by furnishing proof on forms furnished by the commissioner that the manufactured home to which the seal ~~is to be~~ or label was affixed and was manufactured in compliance with the State or Federal Manufactured Home Building Code and has not been brought out of conformance because of damage, additions, or alterations.

Subp. 3. **Acquisition of accessory structure seals.** Any manufacturer of accessory structures shall qualify for acquisition of ~~a~~ construction seal by:

~~A. obtaining plan approval pursuant to parts 1350.1300 to 1350.2000 and requesting an inspection of each manufactured home constructed pursuant to part 1350.2100;~~

~~B. an accessory structure seal by obtaining plan approval pursuant to parts 1350.1300 to 1350.2000 and quality control approval pursuant to part 1350.3500; or~~

~~C. obtaining certification by an independent agency approved by the commissioner pursuant to part 1350.1300.~~

Subp. 4. **Installer registration licensing.** Application for installer ~~registration licensing~~ shall be ~~on the form~~ issued by the ~~commissioner~~ Department of Commerce as required by *Minnesota Statutes*, section 326.89. Installer license verification must be submitted as supporting evidence to the commissioner deems necessary of administration to establish that installation seals issued to an installer will be affixed only to those manufactured homes where the support system and ground anchoring system installations comply with parts 1350.0100 to 1350.6900 and the code.

Subp. 5. **Acquisition of installation seals.** Any ~~registered licensing~~ installer shall qualify for acquisition of ~~an~~ installation seal ~~by applying for registration as an installer to the commissioner on the form issued by the commissioner~~ seals by providing proof of licensure in good standing with the Department of Commerce.

1350.0600 APPLICATION FOR SEALS.

Subpart 1. **Application for replacement construction seals.** Any person who has met the applicable requirements of part 1350.0500 shall apply for replacement construction seals using the forms issued by the commissioner. The application shall be accompanied by the replacement construction seal fee ~~set forth~~ in part 1350.6500.

Subp. 2. **Application for installation seals.** Any ~~registered~~ installer who has met the applicable requirements of part 1350.0500 shall apply for installation seals. The application shall be on forms issued by the commissioner, and the application shall be accompanied by the installation seal fee ~~set forth~~ in part 1350.6500.

Subp. 3. **Application for accessory structure seals.** Any manufacturer of manufactured home accessory structures who has met the applicable requirements of part 1350.0500 shall apply for accessory structure seals. The application shall be on the forms issued by the commissioner, and the application shall be accompanied by the accessory structure seal fee ~~set forth~~ in part 1350.6500.

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Proposed Rules

1350.0700 DENIAL AND REPOSSESSION OF SEALS.

Subpart 1. **Installation seals.** Should investigation or inspection reveal that ~~a registered an~~ installer has not installed a manufactured home according to parts 1350.0100 to 1350.6900 and the code, the commissioner may deny the installer's application for new installation seals, and any installation seals previously issued shall be confiscated. Upon satisfactory proof of modification of such installation bringing it into compliance, the installer may resubmit an application for installation seals.

Subp. 2. **Accessory seals.** Should investigation or inspection reveal that a manufacturer is not constructing manufactured home accessory structures according to plans approved by the commissioner, and the manufacturer, after having been served with a notice setting forth in what respect the provisions of parts 1350.0100 to 1350.6900 and the code have been violated, continues to manufacture manufactured home accessory structures in violation of ~~these~~ parts 1350.0100 to 1350.6900 and the code, applications for new accessory seals shall be denied, and the accessory seals previously issued shall be confiscated. Upon satisfactory proof of compliance the manufacturer may resubmit an application for accessory seals.

1350.0800 SEAL OR LABEL REMOVAL.

Subpart 1. **Construction seals or labels.** If any manufactured home bearing the construction seal or label or any manufactured home once sold to a consumer is found to be in violation of the code, the commissioner may remove the construction seal or label after furnishing the owner or the owner's agent with a written statement of the violation. The commissioner shall not issue a ~~new~~ replacement construction seal ~~or reissue a label~~ until corrections have been made and the owner or agent has requested an inspection pursuant to part 1350.2100.

[For text of subps 2 and 3, see M.R.]

1350.0900 PLACEMENT AND LOCATION OF SEALS.

Subpart 1. **Replacement construction seals or construction seals.** Each replacement construction seal or construction seal shall be assigned and affixed to a specific manufactured home. Assigned replacement construction seals or construction seals are not transferable and are void when not affixed as assigned, and all voided construction seals or labels shall be returned to, or may be confiscated by, the commissioner. ~~The construction seal shall remain the property of the commissioner and may be reappropriated by the commissioner in the event of violation of the conditions of approval. Multiple unit manufactured homes shall be assigned and bear consecutively serial numbered construction seals.~~

The construction seal shall be securely affixed to the rear of the manufactured home on the lower left corner of the exterior wall not less than six inches above the floor line.

[For text of subps 2 and 3, see M.R.]

1350.1000 LOST OR DAMAGED SEALS OR LABELS.

Subpart 1. **Construction seals or labels.** When a construction seal or label is lost or damaged, the commissioner shall be notified in writing by the owner. The owner shall identify the manufacturer, the ~~mobile manufactured~~ home serial number, the date of manufacture, and when possible, the construction seal or label serial number.

All damaged construction seals or labels shall be promptly returned. Damaged and lost construction seals or labels shall be replaced by the commissioner with a ~~new replacement~~ construction seal bearing the date of issue ~~of the original construction seal~~ upon payment of the replacement construction seal fee as provided in part 1350.6500, and proof of compliance of the manufactured home to the manufactured home code.

Subp. 2. **Installation seals.** When an installation seal is lost or damaged, the commissioner shall be notified in writing. The notice shall identify the construction seal serial number, the ~~mobile manufactured~~ home manufacturer, the manufacturers' serial number and the location of the installation, ~~and where available,~~ the original date of installation of the ~~mobile manufactured~~ home including the installation seal serial number. Damaged or lost installation seals shall be replaced by the commissioner upon payment of the installation seal fee as provided in part 1350.6500.

Subp. 3. **Accessory structure seals.** When an accessory structure accessory seal is lost or damaged, the commissioner shall be notified in writing by the owner. The owner shall identify the manufacturer, the ~~mobile manufactured~~ home accessory structure serial number, the date of manufacture, and when possible, the accessory structure seal serial number.

All damaged accessory structure seals shall be promptly returned. Damaged and lost accessory structure seals shall be replaced by the commissioner with a new accessory structure seal bearing the date of issue of the original accessory structure seal upon payment of the replacement accessory structure seal fee as provided in part 1350.6500.

1350.1200 COMPLIANCE CERTIFICATE.

Subpart 1. **Installation compliance certificate.** The installer shall provide the commissioner with an installation compliance certificate ~~in addition to the certificate~~ required in part 1350.0400. The installation compliance certificate shall be issued by the commissioner.

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

1350.1400 APPLICATION FOR MANUFACTURED HOME ACCESSORY STRUCTURE APPROVAL.

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

Subp. 2. **Plans and specifications.** Submissions of required plans and specifications shall be in duplicate and shall include, but not be limited to, the following:

- A. a dimensioned floor plan(s);
- B. a dimensioned foundation support plan;
- C. proposed use of rooms and method of light and ventilation;
- ~~C.~~ D. size, type, and location of windows and exterior doors;
- ~~D.~~ E. type and location of all appliances and fixtures;
- ~~E.~~ F. type, size, and location of plumbing, drain, water, gas, and electrical connections;
- ~~F.~~ G. type and location of all electrical outlets (receptacles and lights);
- ~~G.~~ H. number of outlets and appliances on each circuit and circuit rating; and
- ~~H.~~ I. installation details and instructions.

1350.1700 NONCONFORMING PLANS, SPECIFICATIONS, AND SUPPORTING DATA.

Should the plans, specifications, and supporting data not conform with ~~these~~ parts 1350.0100 to 1350.6900 and the code, the applicant shall be ~~so~~ notified in writing by the commissioner. Should the applicant fail to submit corrected information in accordance with the commissioner's request, the application will be deemed abandoned and all fees due will be forfeited to the state. Additional submissions shall be processed as new applications.

1350.2100 INSPECTION REQUESTS.

Any person manufacturing ~~mobile manufactured~~ homes or any person selling, offering for sale, or parking any ~~mobile manufactured~~ home in any mobile home park in the state, or any dealer or installer of ~~mobile manufactured~~ homes, may request the commissioner to make an inspection of any ~~mobile manufactured~~ home manufactured after July 1, 1972, if said person holds title to the house to be inspected. Additionally, any person holding title to the ~~mobile manufactured~~ home may request inspection of the ground support and anchoring system. Inspection requests should be made on "Application for Inspection" forms, available from the commissioner. In connection with requested inspections, the commissioner may require plans, specifications, calculations, and test results.

1350.2200 ACTION AFTER REQUESTED INSPECTION.

If the manufactured home inspected meets the requirements of the code, if plan approval has been obtained, and if all applicable fees have been remitted, the applicant may apply for a replacement construction seal. If the requested inspection was to determine compliance with respect to support and anchoring requirements and if all applicable fees have been remitted, the applicant may apply for an installation seal.

1350.2300 OTHER INSPECTIONS.

In addition to making inspections on request, the commissioner shall make periodic inspections of the facilities of persons who are subject to the code and parts 1350.0100 to ~~1350.6900~~ 1350.9200. The inspections shall include oversight inspections at the in-state manufactured home manufacturing facilities to review the manufacturer's consumer complaint handling and notification and correction as required by parts 1350.3900 to 1350.5700. Oversight inspections shall be made annually. The frequency of oversight inspections may be increased when the need is indicated by the number of consumer complaints received by the commissioner.

1350.2400 NOTICE OF VIOLATIONS.

When an inspection reveals that a ~~mobile manufactured~~ home is in violation of the code, or ~~these~~ parts 1350.0100 to 1350.9200, the commissioner shall serve upon the owner or the owner's agent a notice specifying the violation. An owner or agent so served shall not move ~~said mobile~~ the manufactured home from the premises until such time as the commissioner determines that the ~~mobile manufactured~~ home has been brought into compliance with the code and ~~these~~ parts 1350.0100 to 1350.9200.

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Proposed Rules

1350.2500 STABILIZING SYSTEMS FOR MANUFACTURED HOME INSTALLATION.

Stabilizing devices when installed at the site of occupancy shall comply with parts 1350.2500 to ~~1350.8200~~ 1350.3200.

1350.2600 INSTRUCTIONS AND DESIGNS.

Subpart 1. **Manufacturer's installation instructions.** Each manufactured home shall have its stabilizing system installed ~~in accordance with~~ according to the manufactured home manufacturer's installation instructions. The manufacturer's instructions shall include a typical support system designed by a registered professional engineer or architect to support the anticipated loads that the manufacturer's installation instructions specify for the design zone, including climate, of installation. The instructions shall also meet the requirements of parts 1350.3900 to 1350.5700. These instructions shall be left with the manufactured home following installation.

Footings shall be sized to support the loads shown in these instructions.

Stabilizing devices not provided with the manufactured home shall meet or exceed the design and capacity requirements of the manufactured home manufacturer and ~~these rules~~ parts 1350.2500 to 1350.3200 and shall be installed in accordance with according to the manufactured home manufacturer's installation instructions.

Foundation systems shall be in compliance with the State Building Code.

No portion of a manufactured home shall be removed during installation or when located on its home site unless it is designed to be removable and is removed ~~in accordance with~~ according to the manufacturer's instructions.

Subp. 2. **Stabilizing system design.** Mobile Manufactured homes manufactured prior to September 1974 not provided with manufacturer's instructions for stabilizing devices and their installation shall be provided with anchoring and support systems designed by a registered professional engineer or architect or shall comply with the following requirements:

A. The minimum number of ties per side for various lengths of mobile manufactured homes shall be ~~in accordance with~~ according to part 1350.3200.

B. Ties shall be as evenly spaced as practicable along the length of the mobile manufactured home with not more than eight feet open-end spacing on each end.

C. When continuous straps are provided as vertical ties, ~~such the~~ ties shall be positioned at rafters and studs. Where a vertical tie and diagonal tie are located at the same place, both ties may be connected to a single ground anchor, provided that the anchor used is capable of carrying both loadings.

D. Clerestory roofs and add-on sections of expandable mobile manufactured homes shall have provisions for vertical ties at the exposed ends.

E. Protection shall be provided at sharp corners where the anchoring system requires the use of external cables or straps. Protection shall also be provided to minimize damage to roofing or siding by the cable or strap.

F. If the alternate method incorporating baling straps specified in part 1350.3200 is used, the baling straps shall be wrapped completely around the mobile manufactured home passing under the main steel frame, with both ends of each strap fastened together under tension. The straps shall be ~~in accordance with~~ according to part 1350.2800. The method used to connect the ends of the strap shall not reduce the allowable working load and overload.

1350.2700 FOUNDATION AND SUPPORT SYSTEMS.

Subpart 1. **General.** Each manufactured home shall be installed on a foundation system or shall have a support system as specified ~~herein in this part.~~ A minimum clearance of 12 inches shall be maintained beneath the underside of the main frame (I-beam or channel beam) in the area of utility connections when the manufactured home is not installed on a foundation system.

Subp. 2. **Mobile Manufactured homes with installation instructions.** Individual footings and load-bearing piers or listed supports shall be sized and located to support the loads specified in the manufacturer's installation instructions to ~~assure~~ ensure that the manufacturer's warranty remains valid.

Subp. 3. **Mobile Manufactured homes for which installation instructions are not available.** Unless the entire support system is designed by a registered professional engineer or architect, and approved by the authority having jurisdiction prior to installation, supports shall be spaced not more than ten feet apart for mobile manufactured homes 12 feet wide or less, and not more than eight feet apart for mobile manufactured homes over 12 feet wide, beginning from the front wall of the mobile manufactured home, with not more than two feet open-end spacing at the area of the main frame. Supports shall be installed directly under the main frame (or chassis) of the mobile manufactured home. Methods other than those specified herein shall be approved prior to installation by the authority having jurisdiction. Double wide mobile manufactured homes built with a conventional frame shall have additional supports placed under the center (mating) line at each end wall, and at the support columns located at the sides of center wall openings eight feet in width or greater. The supports shall be constructed to withstand the weight calculated by multiplying one-half the

width of the opening (in feet) times one-half the width of the home (in feet) multiplied by ~~35~~ 37-1/2 pounds per square foot. (30-pound snow load and five-pound 7-1/2 pound roof load.)

Subp. 4. **Footings.** The required load-bearing capacity of individual load-bearing supports and their footings shall be calculated at not less than a combined live and dead load of ~~65~~ 85 pounds per square foot. Footings shall be adequate in size to withstand the tributary live and dead loads of the ~~mobile~~ manufactured home and any concentrated loads.

Footings shall be at least 16-inch by 16-inch by four-inch solid concrete blocks or other product approved for the use intended. As an alternate, two eight-inch by 16-inch by four-inch solid concrete blocks can be used as footings provided the joint between the blocks is parallel to the steel I-beam frame.

Footings or pier foundations, when required, shall be placed level on firm undisturbed soil or on controlled fill which is free of grass and organic materials, compacted to a minimum load-bearing capacity of 2,000 pounds per square foot (unless otherwise approved by a registered professional engineer). Where unusual soil conditions exist as determined by the authority having jurisdiction, footings shall be designed specifically for such conditions.

Subp. 5. **Piers.** Piers or load-bearing supports or devices shall be designed and constructed to evenly distribute the loads. Piers shall be securely attached to the frame of the ~~mobile~~ manufactured home or shall extend at least six inches from the centerline of the frame member. Load-bearing supports or devices shall be listed and labeled, or shall be designed by a registered professional engineer ~~or architect~~, and shall be approved for the use intended, prior to installation, or piers shall be constructed as follows:

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

C. Subject to the limitations of subpart 6, piers over 80 inches in height shall be constructed ~~as per subpart 5,~~ in compliance with item B, and they shall be laid in concrete mortar and steel reinforcing bars inserted in block cells filled with concrete. (See part 1350.3300, subparts 3 and 4).

Subp. 6. **Elevated ~~mobile~~ manufactured homes.** When more than one-fourth of the area of a ~~mobile~~ manufactured home is installed so that the bottom of the main frame members is more than three feet above ground level, the ~~mobile~~ manufactured home stabilizing system shall be designed by a qualified registered professional engineer ~~or architect~~ and the installation shall be approved prior to installation by the authority having jurisdiction.

Subp. 7. **Plates and hardwood shims.** A cushion of wood plate not exceeding two inches in thickness and hardwood shims not exceeding one inch in thickness may be used to fill any gap between the top of the pier and the main frame. Two-inch or four-inch solid concrete blocks may be used to fill the remainder of any gap. Hardwood shims shall be at least four inches wide and six inches long and shall be fitted and driven tight between the wood plate or pier and main frame.

Subp. 8. Vapor retarder. If the space under the house is to be enclosed with skirting or other material, a vapor retarder of a minimum six mil polyethylene sheeting or its equivalent that keeps out ground moisture out of the home must be installed.

Subp. 9. Skirting material. Skirting materials, when used, must be of materials resistant to decay and must have a minimum of one square foot of free area ventilation for every 150 square feet of floor area. If skirting is used, a minimum of 24-inch by 18-inch access area must be installed in the skirting. Crawlspace foundation systems must meet the requirements of the State Building Code.

1350.2800 ANCHORING EQUIPMENT.

Subpart 1. **Load requirements.** Anchoring equipment, ~~when installed, shall be~~ must be installed that is capable of resisting an allowable working load equal to or exceeding 3,150 pounds and shall be capable of withstanding a 50 percent overload (4,725 pounds total) without failure of either the anchoring equipment or the attachment point on the ~~mobile~~ manufactured home. When the stabilizing system is designed by a qualified registered professional engineer ~~or architect~~, alternative working load may be used providing the anchoring equipment is capable of withstanding a 50 percent overload.

Subp. 2. **Resistance to weather deterioration.** Anchoring equipment exposed to weathering shall have a resistance to weather deterioration at least equivalent to that provided by a coating of zinc on steel of not less than 0.625 ounces per square foot on each side of the surface coated as determined by ASTM Standard Methods of Test for Weight of Coating on Zinc-coated (galvanized) Iron or Steel Articles (ASTM A90-69 ~~(1973)~~). Note: Slit or cut edges of zinc-coated steel strapping do not need to be zinc coated.

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

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Proposed Rules

Subp. 6. **Tie strength.** Tie materials shall be capable of resisting an allowable working load of 3,150 pounds with no more than two percent elongation and shall withstand a 50 percent overload (4,725 pounds total). Ties shall comply with the weathering requirements of subpart 2. Note: Type 1, Class B, Grade 1 steel strapping, 1-1/4 inches wide and 0.035 inch thick, conforming with Federal Specification QQ-S-781G, is capable of meeting the working load and 50 percent overload specified ~~herein in this part~~.

Subp. 7. **Tie connections.** Ties shall connect the ground anchor and the main structural steel frame (I-beam or other shape) which runs lengthwise under the ~~mobile~~ manufactured home. Ties shall not connect to steel outrigger beams which fasten to and intersect the main structural frame unless specifically stated in the manufacturer's installation instructions.

Connection of the cable frame tie to the ~~mobile~~ manufactured home I-beam or equivalent main structural frame member shall be by a 5/8-inch drop forged closed eye bolt through a hole drilled in the center of the I-beam web or other approved methods. The web shall be reinforced if necessary to maintain the I-beam strength.

Cable ends shall be secured with at least three U-bolt type cable clamps with the U portion of the clamp installed on the short (dead) end of the cable to ~~assure~~ ensure strength at least equal to that required by subpart 6.

1350.2900 GROUND ANCHORS.

Subpart 1. **Placement and purpose.** Ground anchors, including means for attaching ties, shall be located to effectively match the anchoring system instructions provided by the manufactured home manufacturer, or, if there are no instructions, ~~in accordance with the requirements of~~ according to part 1350.2600, and shall be designed and installed to transfer the anchoring loads to the ground

[For text of subps 2 and 3, see M.R.]

Subp. 4. **Information on ground anchor.** Each ground anchor shall have the manufacturer's identification and listed model identification number marked ~~thereon~~ so that the number is visible after installation. Instructions shall accompany each listed ground anchor specifying the types of soil for which the anchor is suitable under the requirements of subpart 2.

Subp. 5. **Table of soil types.** NOTE: The following data gives information relative to soil types with blow counts and torque values:

Types of Soils	Blow Count (ASTM D1586)	Test Probe ¹ Torque Value ²
Sound hard rock	NA	NA
Very dense and/or cemented sands, coarse gravel and cobbles, preloaded silts, clays, and corals	40-up	more than 500 lbs. inch
Medium dense coarse sands, sandy gravels, very stiff silts and clays	24-39	350-549 lbs. inch
Loose to medium dense sands, firm to stiff clays and silts, alluvial <u>alluvial</u> fill	14-23 ³	200-349 lbs. inch

¹ The test probe is a device for measuring the torque value of soils to assist in evaluating the holding capability of the soils in which the anchor is placed. The test probe has a helix on it. The overall length of the helical section is 10.75 inches; the major diameter is 1.25 inches; the minor diameter is 0.81 inches; the pitch is 1.75 inches. The shaft must be of suitable length for anchor depth.

² A measure synonymous with moment of a force when distributed around the shaft of the test probe.

³ Below these values, a professional engineer should be consulted.

Subp. 6. **Use of concrete slabs or continuous footings.** If concrete slabs or continuous footings are used to transfer the anchoring loads to the ground, the following shall be required:

A. Steel rods cast in concrete shall be capable of resisting loads as specified in subpart 2.

B. Dead-man concrete anchors may be used in place of listed anchors if they meet the requirements of subpart 2.

C. Concrete slabs may be used in place of ground anchors provided the slab is so constructed that it provides holding strength equal to the requirements of subpart 2, and is designed by a registered engineer.

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

1350.3200 NUMBER OF TIES REQUIRED.

Number of Ties Required Per Side of Single Wide¹ ~~Mobile~~ Manufactured Homes².

This table is based on a minimum working load per anchor of 3,150 pounds with a 50 percent overload (4,725 pounds total).

1	2	3	4	5
			Alternate Method ⁴	
Length of Mobile Manu- <u>factured</u> Home ³ (Feet)	No. of Vertical Ties	No. of Diagonal Ties ⁵	No. of Baling Straps	No. of Diagonal Ties ⁶
up to 40	2	3	2	3
40-46	2	3	2	3
46-49	2	3	2	3
49-54	2	3	2	3
54-58	2	4	2	4
58-64	2	4	2	4
64-70	2	4	2	5
70-73	2	4	2	5
73-84	2	5	2	5

¹ Double-wide ~~mobile~~ manufactured homes require only the diagonal ties specified in column 3, and these shall be placed along the outer side walls.

² Except when the anchoring system is designed and approved by a registered professional engineer ~~or architect~~.

³ Length of ~~mobile~~ manufactured home (as used in this table) means length excluding draw bar.

⁴ Alternate method. When this method is used, an approved reinforcement means shall be provided. If baling is used to accomplish this reinforcement, ~~the provisions of part 1350.2600, subpart 2, item F shall apply, applies.~~

⁵ Diagonal ties in this method shall deviate at least 40 degrees from vertical.

⁶ Diagonal ties in this method shall be 45 degrees + 5 degrees from vertical and shall be attached to the nearest main frame member.

1350.3400 UTILITY CONNECTIONS.

Subpart 1. **Water connections.** Water piping to manufactured homes shall ~~be in compliance with the 1979~~ comply with the ~~1979~~ Minnesota Plumbing Code, ~~parts 4715.0200 to 4715.6000 of the Department of Health chapter 4715.~~ Pipes shall be protected from freezing. ~~A~~ Heat tape, when installed, shall be listed and installed in conformance with its listing and the manufacturer’s instructions. When the manufactured home is installed on a support system subject to ground movement due to freezing and thawing, approved flexible connectors or semirigid copper tubing shall be used to prevent pipe breakage.

Subp. 2. **Sewer connections.** Waste piping to manufactured homes shall ~~be in compliance with the 1979~~ comply with the ~~1979~~ Minnesota Plumbing Code, ~~parts 4715.0200 to 4715.6000 of the Department of Health chapter 4715.~~ When a manufactured home is installed on a support system subject to ground movement due to freezing and thawing, offsets or approved flexible connectors, or both, shall be used to prevent pipe breakage.

Subp. 3. **Gas piping.** Gas piping to the manufactured home shall be of adequate capacity rating to supply the connected load. It shall be installed in compliance with the Minnesota ~~Heating, Ventilating, Air Conditioning, and Refrigeration Code, chapter 1345 of the Department of Administration~~ State Mechanical Code, chapter 1346. When the manufactured home is installed on a support system subject to ground movement because of freezing and thawing, semirigid copper pipe or a listed manufactured home gas connector for exterior use only shall be installed to prevent pipe breakage. Gas piping shall be protected from physical damage.

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

1350.3500 OBTAINING APPROVAL OF QUALITY CONTROL.

Subpart 1. **Procedure.** To obtain quality control approval for ~~a~~ an accessory structure manufacturing facility, a manufacturer shall submit a quality control manual pursuant to subpart 2, item A, and consent to investigations and inspections at reasonable hours by the commissioner for field verification of satisfactory quality control.

Subp. 2. **Applications.** Applications for approval of quality control manuals shall contain the following:

A. an application in letter form to be accompanied by two copies of the quality control manual containing those items required by item B; and

B. an outline of the procedure which will direct the manufacturer to construct ~~mobile homes in accordance with~~ accessory structures according to the approved plans specifying:

- (1) scope and purpose;
- (2) receiving inspection procedure for basic materials;
- (3) material storage and stock rotation procedures;
- (4) types and frequency of product inspection;
- (5) sample of inspection control form used;
- (6) major pieces of production equipment;
- (7) assignments, experience, and qualifications of quality control personnel;
- (8) test equipment;
- (9) control of drawings and material specifications;
- (10) test procedures; and
- (11) recordkeeping procedures.

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

1350.3800 CONSTRUCTION ALTERATIONS.

Subpart 1. **Effect on seal or label.** Any alteration of the construction, plumbing, heating, cooling, or fuel-burning system, electrical equipment or installations or fire safety in a manufactured home which bears a seal or label shall void ~~such the~~ approval, and the seal or label shall be returned to the commissioner.

[For text of subps 2 to 6, see M.R.]

1350.4100 SCOPE.

Parts 1350.3900 to 1350.5700 set out the procedures to be followed by manufacturers, production inspection primary inspection agencies, and the commissioner to assure that manufacturers provide notification and correction with respect to their manufactured homes as required by the act. Parts 1350.3900 to 1350.5700 set out the rights of dealers under *United States Code*, title 42, section 5412 (1976), ~~as amended through March 15, 1982~~ and its amendments, to obtain remedies from manufacturers in certain circumstances.

1350.4500 NOTIFICATION PURSUANT TO MANUFACTURER'S DETERMINATION.

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

Subp. 2. **Investigations and inspections.** Whenever the manufacturer receives from any source information that may indicate the existence of a problem in a manufactured home for which the manufacturer is responsible for providing notification under subpart 1, the manufacturer shall, as soon as possible, but not later than 20 days after receiving the information, carry out any necessary investigations and inspections to determine and shall determine whether the manufacturer is responsible for providing notification under subpart 1. The manufacturer shall maintain complete records of all such information and determinations in a form that will allow the commissioner to discern readily who made the determination with respect to a particular piece of information, what the determination was, and the basis for the determination. The records shall be kept for a minimum of five years from the date the manufacturer received the information. Consumer complaints or other information indicating the possible existence of noncompliances or defects received before August 16, 1982, shall, for purposes of this ~~paragraph~~ subpart, be deemed to have been received August 16, 1982.

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

Subp. 6. **Action before plan approval.** The manufacturer may act before obtaining approval of the plan. However, such action is subject to review and disapproval by the commissioner except to the extent that agreement to the correction is obtained as described in this subpart. ~~To be assured ensure~~ that the corrective action will be accepted, the manufacturer may obtain the agreement of the commissioner that the corrective action is adequate before the correction is made regardless of whether a plan has been submitted under subpart 4. ~~If such~~ an agreement is obtained, the correction shall be accepted as adequate by the commissioner if the correction is made as agreed to and any imminent safety hazard or serious defect is eliminated.

[For text of subs 7 and 8, see M.R.]

1350.4600 RESPONSIBILITIES OF COMMISSIONER.

Subpart 1. **Consumer complaints.** The commissioner shall oversee the handling of consumer complaints by manufacturers within this state. As part of that responsibility, the commissioner shall monitor manufacturer compliance with parts ~~1350.3800~~ 1350.3900 to 1350.5700, and particularly with part 1350.4500. This monitoring will be done primarily by periodically checking the records that manufacturers are required to keep under part 1350.4500, subpart 2.

[For text of subs 2 and 3, see M.R.]

1350.4900 REIMBURSEMENT FOR PRIOR CORRECTION BY OWNER.

A manufacturer that is required to correct under part 1350.4700 or who decides to correct and obtain a waiver under part 1350.4500, subpart 7, or ~~part~~ 1350.4800, subpart 5, shall provide reimbursement for reasonable cost of correction to any owner of an affected manufactured home who chooses to make the correction before the manufacturer does.

1350.5300 COMPLETION OF REMEDIAL ACTIONS AND REPORT.

Subpart 1. **Notification.** Where a manufacturer is required to provide notification under part ~~1350.3800~~ 1350.3900 to 1350.5700, the manufacturer shall maintain in its files for five years from the date the notification campaign is completed a copy of the notice sent and a complete list of the names and addresses of those persons notified. The files shall be organized so that each notification and correction campaign can be readily identified and reviewed by the commissioner.

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

Subp. 3. **Additional notifications or corrections.** If any actions taken under parts ~~1350.3800~~ 1350.3900 to 1350.5700 are not adequate under the approved plan or an order of the commissioner, the manufacturer may be required to provide additional notifications or corrections to satisfy the plan or order.

Subp. 4. **Report.** The manufacturer shall, within 30 days after the deadline for completing any notifications and required corrections, under an approved plan or under an order of the commissioner, or any corrections required to obtain a waiver under part 1350.4500, subpart 7, or ~~part~~ 1350.4800, subpart 5, provide a complete report of the action taken to the commissioner who approved the plan under part 1350.4500, subpart 4, granted the waiver, or issued the order under part 1350.4800, subpart 3, and to any other state administrative agency or the secretary that forwarded a relevant complaint or information to the manufacturer under part 1350.4400.

1350.5500 MANUFACTURED HOMES IN THE HANDS OF DEALERS AND DISTRIBUTORS.

Subpart 1. **Responsibility of manufacturer.** The manufacturer is responsible for correcting any failures to conform and imminent safety hazards which exist in manufactured homes which have been sold or otherwise released to a distributor or dealer but which have not yet been sold to a purchaser. Generally this responsibility does not extend to failures to conform or imminent safety hazards that result solely from transit damages that occur after the manufactured home leaves the control of the manufacturer when the home is released by the manufacturer. This part 1350.5500 sets out the procedures to be followed by dealers and distributors for handling manufactured homes in these cases. Regardless of whether the manufacturer is responsible for repairing a manufactured home, no dealer or distributor may sell a manufactured home if it contains a failure to conform or an imminent safety hazard.

Subp. 2. **Notification and record.** Whenever a dealer or distributor finds a problem in a manufactured home which the manufacturer is responsible for correcting, the dealer or distributor shall contact the manufacturer, provide full information concerning the problem, and request appropriate action by the manufacturer in accord with subpart 4. Where the manufacturer agrees to correct, the manufacturer shall maintain a complete record of its actions. Where the manufacturer authorizes the dealer to make the

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necessary corrections on a reimbursable basis, the dealer or distributor shall maintain and submit a complete record of its actions to the manufacturer.

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

Subp. 4. **Manufacturer's option.** Upon a final determination by the commissioner under part 1350.4800, or upon a determination by the secretary or a court of competent jurisdiction that a manufactured home fails to conform to the standard or contains an imminent safety hazard after the manufactured home is sold or otherwise released by a manufacturer to a distributor or a dealer and prior to the sale of the manufactured home by the distributor or dealer to a purchaser, the manufacturer shall have the option to either:

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

B. immediately repurchase, at the manufacturer's expense, the manufactured home from the distributor or dealer at the price paid by the distributor or dealer, plus all transportation charges involved and a reasonable reimbursement of not less than one percent per month of the price paid prorated from the date of receipt by certified mail of notice of the imminent safety hazard, serious defect, defect, or noncompliance to the distributor. The value of the reasonable reimbursements shall be fixed by mutual agreement of the parties or by a court in an action brought under section 613(b) of the act.

This part does not apply to any manufactured home purchased by a dealer or distributor which has been leased by the dealer or distributor to a tenant for purposes other than resale. In that instance the dealer or distributor has the remedies available to a purchaser under parts ~~1350.3800~~ 1350.3900 to 1350.5700.

1350.5800 RECIPROCITY.

Upon a showing that another state provides for the sealing of mobile manufactured homes upon compliance with standards which are at least equal to those provided in the code, the commissioner may provide that a construction seal affixed under the authority of ~~such the~~ state shall have the same effect as a seal affixed under authority of this state, and thereafter any mobile manufactured home which bears the seal of such state shall not be required to bear the seal of this state as provided in part 1350.0400. The commissioner may make such reciprocity contingent upon such other granting reciprocal effect to seals affixed under authority of this state. Pursuant to ~~the provisions of~~ this part the commissioner has established reciprocity with the following states which have granted reciprocity to ~~the state of~~ Minnesota: ~~state of~~ Indiana, ~~state of~~ Illinois, and ~~state of~~ Wisconsin. This reciprocity applies to manufactured homes manufactured after July 1, 1972, and prior to June 14, 1976.

1350.5900 APPEALS.

Any person aggrieved by application of ~~these~~ parts 1350.3900 to 1350.5700 may, within 30 days of the time when the grievance arose, appeal to the commissioner. Upon receipt of a timely appeal and the submission of the appropriate fee pursuant to part 1350.6600 by appellant, the commissioner shall review the matter de novo and submit written findings to appellant.

1350.6300 HEARINGS.

Whenever the commissioner determines that a formal hearing is necessary in order to resolve the presentation of adversary views on matters governed by ~~these rules~~ parts 1350.0100 to 1350.9200, ~~such the~~ hearing shall be conducted ~~in accordance with the applicable provisions of~~ according to Minnesota Statutes, chapter 14, governing contested case hearings and applicable provisions of the administrative rules of the Office of Administrative Hearings.

1350.6400 FORM AND REMITTANCE OF FEES.

All remittances shall be in the form of checks or money orders payable to "Minnesota State Treasurer"; and addressed to: State of Minnesota Building Codes and Standards Division, ~~408 Metro Square Building, Seventh and Robert Streets~~ 121 Seventh Place East, Suite 408, Saint Paul, Minnesota 55101.

1350.6500 FEES FOR ACCESSORY STRUCTURE SEALS, REPLACEMENT CONSTRUCTION COMPLIANCE SEALS, CERTIFICATES, AND LABELS.

Subpart 1. **Construction seal fees.** Replacement manufactured home ~~and~~ or accessory structure construction seal fees are \$5 \$30 per seal. Fees include certificates.

Subp. 2. **Installation seal fees.** Manufactured home installation seal fees are ~~\$6~~ \$8 for a support/utility seal and ~~\$4~~ \$8 for an anchoring system seal. Fees include certificates.

Subp. 3. ~~Construction compliance~~ **Temporary installation certificate fee.** ~~The manufactured home and accessory structure construction compliance certificate fee is \$10.~~ A temporary installation certificate fee is \$2 per certificate.

Subp. 4. **Label fee.** The United States Department of Housing and Urban Development monitoring (label) fee ~~is \$19 per label.~~ The United States Department of Housing and Urban Development monitoring (label) fee shall be paid by the manufacturer to the secretary.

Subp. 5. **Seal order shipping and handling fee.** The shipping and handling fee for each order of seals is current postage rate plus a \$3 handling fee.

1350.6600 APPEAL FEE.

The appeal ~~fee is \$20~~ fees are as stated in *Minnesota Statutes*, section 16B.67.

1350.6700 ANNUAL REGISTRATION FEES REQUIREMENT.

An installer shall ~~pay a registration fee of \$20 annually. The fee is due January 1 of each year~~ provide a copy (proof) of a manufactured home installer's annual license issued by the Department of Commerce prior to obtaining installation certificates and seals under parts 1350.0600, subpart 2, and 1350.6500, subpart 2.

1350.6800 OTHER FEES.

For all other work performed by the Department of Administration ~~such as including~~, but not limited to, the review of plans, specifications, and independent agency reports, and quality control evaluation, a fee of ~~\$25 per department employee hour as specified under part 1302.0600, subpart 1, item B,~~ shall be charged.

LICENSING OF MANUFACTURERS, DEALERS, LIMITED DEALERS, AND DEALERS' SUBAGENCIES

1350.7000 AUTHORITY.

Parts 1350.7000 to 1350.9200 are adopted by the commissioner pursuant to *Minnesota Statutes*, section 327B.10, to implement and administer the provisions of *Minnesota Statutes*, sections 327B.01 to 327B.12, relating to the licensing of manufactured home manufacturers, dealers, limited dealers, and dealers' subagencies.

1350.7100 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 1350.7000 to 1350.9200 have the meanings given them in this ~~rule~~ part and in *Minnesota Statutes*, section 327B.01.

Subp. 2. **Applicant.** "Applicant" means a person who is applying for a manufactured home manufacturer or dealer license or limited dealer license.

Subp. 3. **Commissioner.** "Commissioner" ~~means the commissioner of administration~~ has the meaning given it in part 1350.0100, subpart 12.

Subp. 3a. **Disclosure statement.** "Disclosure statement" means a written report revealing information about the manufactured home and its installations. Disclosure statements include, but are not limited to, safety feature disclosure forms, installation statements, and formaldehyde use disclosure statements.

Subp. 4. **Distributor.** "Distributor" ~~means a manufacturer~~ has the meaning given it in part 1350.0100, subpart 19.

Subp. 5. **Length of a manufactured home.** "Length of a manufactured home" ~~means its largest overall length in the traveling mode, including cabinets and other projections which contain interior space. Length does not include bay windows, roof projections, overhangs, or eaves under which there is no interior space, or drawbars, couplings, or hitches~~ has the meaning given it in part 1350.0100, subpart 34.

[For text of subs 6 and 7, see M.R.]

Subp. 7a. **Manufactured home park.** "Manufactured home park" means a licensed manufactured home park as required in *Minnesota Statutes*, section 327.15, and defined in *Minnesota Statutes*, section 327.14.

Subp. 8. **Width of a manufactured home.** "Width of a manufactured home" ~~means its largest overall width in the traveling mode, including cabinets and other projections which contain interior space. Width does not include bay windows, roof projections, overhangs, or eaves under which there is no interior space~~ has the meaning given it in part 1350.0100, subpart 60.

1350.7200 LICENSE APPLICATION.

Subpart 1. **Forms; requirements.** An applicant shall apply for a manufacturer, dealer, limited dealer, or dealer subagency license on forms furnished by the commissioner and shall comply with ~~the requirements in~~ *Minnesota Statutes*, section 327B.04.

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

Subp. 3. **Fee.** An applicant shall submit, with the application ~~required in A.~~, the required fee set established in part 1350.8300, item A.

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

1350.7205 LIMITED LICENSE APPLICATION.

Subpart 1. Forms, requirements. An applicant shall apply for a limited dealer license on forms furnished by the commissioner and shall comply with the applicable requirements of *Minnesota Statutes*, section 327B.04.

Subp. 2. Required information. The kinds of information listed in this subpart satisfy the related requirements in *Minnesota Statutes*, section 327B.04, subdivision 8. An application for a limited dealer's license must contain the information in items A to H.

A. A photocopy of the applicant's valid driver's license clearly showing the applicant's signature and photograph, or, if the applicant has no current driver's license, some other form of identification showing a photograph and the signature of the applicant.

B. A photocopy of the manufactured home park's valid license.

C. The names, home and business addresses, and telephone numbers of the applicant, officers, limited and general partners, controlling shareholders, and affiliates.

D. The signature of the applicant verified under oath.

E. The original copy of the surety bond required by *Minnesota Statutes*, section 327B.04, subdivision 8, on a form furnished by the commissioner of administration.

F. A statement stipulating the type of business in which the applicant has previously been involved, whether directly or indirectly, for the past five years by company name, address, directors, officers, limited or general partners, controlling shareholders, or affiliated and current business status.

G. A statement indicating whether the applicant, or any of its directors, officers, limited or general partners, controlling shareholders, or affiliates, has been convicted of a crime in the past ten years that related directly to the licensed manufactured home park for which the limited license is sought, or involved fraud, misrepresentation, or misuse of funds, or has suffered a judgment in a civil action involving fraud, misrepresentation, or coercion, or has had any government license or permit suspended or revoked as a result of an action brought by a federal, state, or municipal agency in this or any other state in the past five years.

H. The applicant for limited license shall submit a current photograph which accurately depicts the principal place of business.

Subp. 3. Fees. An applicant shall submit, with the application, the required fee established in part 1350.8300, item D.

Subp. 4. Copy of applicant's records. An applicant shall copy the complete application, bond, and any revision as submitted to the commissioner and shall keep the copies on file at all times at the applicant's licensed limited dealer manufactured home park office.

1350.7300 ESTABLISHED PLACE OF BUSINESS.

Subpart 1. **Proof required.** The commissioner shall not grant a dealer license or limited dealer license until the applicant has furnished the commissioner with proof that the applicant has an established place of business, as required by *Minnesota Statutes*, section 327B.04, subdivision 4, and that the requirements in subparts 2 to 7 have been met.

Subp. 2. **Building or office space.** An applicant for a dealer license or limited dealer license must have a permanent enclosed building, other than a residence, or a commercial office space for the principal place of business and for each subagency location.

A manufactured home, other than a residence, qualifies as an established place of business if it is set up in a permanent manner, it is connected to sewer, water, and electricity, it is skirted, it is owned by the applicant, and it is not being offered for or subject to sale while being used as an office.

~~A commercial office space used as a place of business must be self-contained and must have its own entrance to a public corridor or to the exterior of the building. The commercial office space must be separated from other areas of the building by floor-to-ceiling walls.~~

Subp. 3. **Unimproved sales lots.** Unimproved lots and premises may be used for sale and display of manufactured homes if they are in proximity to ~~the applicant's~~ a licensed dealer's principal place of business or subagency location so as to avoid confusion or uncertainty as to their relationship to the business. A photo or drawing must be submitted to the commissioner clearly indicating the relationship of the unimproved lot or premises to the business location.

Subp. 4. **Unimproved storage lots.** Unimproved lots and premises may be used for storage of manufactured homes. The ~~applicant~~ licensed dealer shall notify the commissioner of the location of the unimproved lot or premises prior to storage of manufactured homes there.

Subp. 5. **Photograph.** The ~~applicant~~ licensed dealer shall submit a current photograph which accurately depicts the principal place of business, each subagency location, and unimproved lots to be used for sales and display for which the applicant is requesting a license.

Subp. 6. **Deed, contract, or lease.** The ~~applicant~~ licensed dealer shall submit a copy of a valid warranty deed, contract for deed, or lease for a term of not less than one year for the premises housing the principal place of business and each subagency.

Subp. 7. **Sole licensed occupant.** Only one licensee, as licensed dealer or limited dealer, may own or lease and occupy an established place of business or commercial office space. Two or more licensees may occupy one established place of business if they are related by means of ownership or are one legal entity.

1350.7700 POSTING OF LICENSE.

A current license must be posted at the principal place of business and at each subagency and at each manufactured home park location in a conspicuous place and clearly visible to all consumer customers. The posted license must be the license issued for the specific location at which it is posted. Only valid licenses may be posted.

1350.7900 CLOSING OF PRINCIPAL PLACE OF BUSINESS OR SUBAGENCY.

When a dealer or limited dealer closes a principal place of business or dealer subagency, the dealer or limited dealer must notify the commissioner and return the appropriate license certificate within 14 days of the closing.

1350.8000 LICENSE RENEWAL.

Subpart 1. Date of renewal. Licensees must renew their licenses pursuant to *Minnesota Statutes*, section 327B.04 and this ~~rule~~ part. The commissioner shall send out renewal notices by November 15 of the year a license expires. The renewal must be submitted on forms furnished by the commissioner for principal places of business and subagencies, accompanied by the ~~fee set~~ fees in part 1350.8300. License renewal applications must be received by the commissioner no later than December 15 of the year a license expires. All licenses expire at midnight, December 31 of the year of expiration.

Subp. 2. Limited dealer records submittal. At the date of renewal, the limited dealers shall submit photocopies of records for all manufactured home sales during the licensed period. Records submitted shall be a minimum of photocopies of title of homes sold, purchase agreements, safety feature disclosures, finance agreements, contracts for title, option agreements, and other records, instruments, or documents which are material to the transaction.

1350.8100 LIMITED DEALER AND DEALER'S RECORDS.

Subpart 1. Dealer records. A dealer shall retain copies of all records as required by *Minnesota Statutes*, section 327B.06, subdivision 1. All records must be retained in one centralized place designated by the dealer. The dealer shall notify the commissioner as to the location of the records either at the principal or subagency location. All records shall be on file at the dealers designated location within 14 days after the closing of the sales transaction.

Subp. 2. Limited dealer's records. A limited dealer shall retain copies of all records as required by Minnesota Statutes, section 327B.06, subdivision 1. All records must be retained at the limited dealer's licensed place of business.

1350.8300 FEES.

Fees for licenses and services associated with parts 1350.7000 to 1350.9200 are as follows:

- A. initial dealer license for principal location, (remainder of calendar year), ~~\$100~~ \$200. Fee is not refundable;
- B. initial dealer license for ~~dealer~~ subagency location, ~~\$25~~ \$40. Fee is not refundable;
- C. dealer license biennial renewal, principal location, ~~\$200~~ \$400; dealer subagency location, ~~\$50~~ \$80. Subagency license renewal must coincide with the principal license date;
- D. limited dealer license, \$100. Fee is not refundable;
- E. limited dealer license annual renewal from date of issue, \$100;

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- ~~D. F.~~ change of bonding company, ~~\$5~~ \$10. A corrected duplicate license or limited license is required;
- ~~E. G.~~ reinstatement of bond after cancellation, ~~\$5~~ notice has been received, \$10;
- ~~F. H.~~ duplicate license, ~~\$5~~, and or limited license, \$10;
- ~~G. I.~~ checks returned without payment, ~~\$10~~ \$15 and a corrected duplicate license or limited license is required; and
- J. change of address, \$10.

1350.8500 NOTICE TO THE COMMISSIONER.

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

Subp. 3. **Civil judgment.** A licensee shall notify the commissioner in writing within ten days of any decision of a court regarding a proceeding in which the dealer or limited dealer was named as a defendant, and in which fraud, misrepresentation, or the conversion of funds was found to have been committed by the licensee.

Subp. 4. **Disciplinary action in another state.** A licensee shall notify the commissioner in writing within ten days of the suspension or revocation of the licensee's manufactured home dealer license or limited dealer or other occupational license issued in another jurisdiction.

Subp. 5. **Criminal offense.** A dealer or limited dealer shall notify the commissioner in writing within ten days if the dealer or limited dealer is found guilty of a felony, gross misdemeanor, misdemeanor, or any comparable offense related to manufactured home sales, improper business practices, fraud, misrepresentation, misuse of funds, or violation of the consumer laws.

1350.8600 REQUIRED DOCUMENTS.

A dealer or limited dealer shall furnish to the parties to a transaction at the time the documents are signed or become available, true and accurate copies of listing agreements, earnest money receipts, purchase agreements, contracts for title, option agreements, disclosure statements, statement of sale, energy audits, the formaldehyde warning which is required by *Minnesota Statutes*, section 325F.18, and other records, instruments, or documents which are material to the transaction and which are in the dealer's possession.

~~The format of the disclosure statement must conform to that contained in sample forms provided by the commissioner and the statement must be signed by the dealer or the dealer's authorized salesperson, the buyer, and the seller. A copy of the disclosure must be kept on file by the dealer.~~

1350.8700 STANDARDS OF CONDUCT.

The methods, acts, or practices ~~set forth~~ in part 1350.8800 are standards of conduct governing the activities of a dealer or limited dealer. Failure to comply with those standards is a ground for denial, suspension, or revocation of the ~~dealer's~~ license.

1350.8800 RESPONSIBILITIES OF DEALERS AND LIMITED DEALERS.

Subpart 1. **Supervision of personnel.** Dealers or limited dealers shall closely supervise the activities of their salespersons and employees which are related to the sale of manufactured homes. Supervision includes the ongoing monitoring of listing agreements, purchase agreements, and other manufactured home documents which are prepared or drafted by the dealer's or limited dealer's salespersons or employees or which are otherwise received by the dealer's or limited dealer's office, and the review of all dealer's trust account books and records.

Subp. 2. **Preparation and safekeeping of documents.** Dealers or limited dealers are responsible for the preparation, custody, safety, and accuracy of all manufactured home contracts, documents, and records, even though another person may be assigned these duties by the dealer or limited dealer.

Subp. 3. **Resolution of complaints.** Dealers or limited dealers shall investigate and attempt to resolve complaints made regarding the practices of individuals employed by them.

Subp. 4. **Supervision of place of business.** Each principal place of business and each subagency shall be under the direction and supervision of a manager. The dealer or limited dealer shall furnish the commissioner with the name of each manager responsible for a licensed location. Designation of a manager does not relieve the dealer or limited dealer of overall responsibility for the actions of salespersons or the manager.

1350.8900 DISCLOSURES BY SALESPERSON.

All dealers or limited dealers shall require their salespersons to conduct business only under the licensed name of and on behalf of the dealer or limited dealer by whom they are employed or to whom they are under contract and to disclose in every transaction the name of the dealer or limited dealer by whom they are employed or to whom they are under contract.

1350.9000 LENGTH AND WIDTH.

The length and width of a manufactured home when shown on sales contracts, documents, and records is the length and width to the nearest foot as defined in part ~~1350.7100~~ 1350.0100, except on an application or permit to transport a manufactured home if the total length of the manufactured home is required to include drawbars, couplings, or hitches. Room additions must be noted and measured separately.

1350.9100 DISCLOSURE.

If a manufactured home being sold is located in a manufactured home park, the dealer or limited dealer, prior to the buyer's signing of the purchase agreement, shall obtain a written statement signed by the buyer acknowledging the dealer's or limited dealer's disclosure of the contents of *Minnesota Statutes*, section 327C.07, ~~subdivision 1~~, regarding in-park sales of manufactured homes.

1350.9200 ENFORCEMENT.

~~The commissioner shall administer and enforce parts 1350.7000 to 1350.9200.~~ Any authorized representative of the commissioner may at any reasonable time enter the premises where manufactured homes are manufactured, or where new or used manufactured homes are sold, solicited, brokered, or advertised for sale, and may examine the manufacturer's or dealer's or limited dealer's records to the extent necessary to enforce the provisions of parts ~~1350.7000~~ 1350.0100 to 1350.9200.

REPEALER. Minnesota Rules, parts 1350.3600; and 1350.3700, are repealed

Minnesota Housing Finance Agency

Proposed Permanent Rules Relating to Repeal of Rules Governing Disused Single Family Housing Programs

NOTICE OF INTENT TO REPEAL RULES WITHOUT A PUBLIC HEARING

Proposed Repeal of Rules Governing Disused Single Family Housing Programs, *Minnesota Rules* Chapter 4900, Minnesota Housing Finance Agency

Introduction. The Minnesota Housing Finance Agency intends to repeal 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 repeal of 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: John Silvis, Minnesota Housing Finance Agency, 400 Sibley Street, Suite 300, St. Paul, MN 55101, (651) 297-3127. TTY users may call the Minnesota Housing Finance Agency at (651) 297-2361.

Subject of Rules and Statutory Authority. The Agency is repealing rules governing disused Single Family Housing Programs, *Minnesota Rules* Chapter 4900, Minnesota Housing Finance Agency. *Minnesota Statutes*, Section 462A.06, Subdivisions 4 and 11 authorizes the Agency to adopt rules to carry out its programs. *Minnesota Statutes*, Section 14.05, subdivision 5 authorizes the Agency to repeal obsolete, unnecessary or duplicative rules. A copy of the proposed repeal of rules is published in the *State Register* and attached to this notice as mailed.

Comments. You have until 4:30 p.m. on December 15, 1999, to submit written comments 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. Comments are encouraged. Your comments 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.

<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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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 December 15, 1999. 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 repeal of 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 repeal the rules after the comment period ends. The rules and supporting documents will then be submitted to the Office of Administrative Hearings for legal review. You may request 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 to be repealed, 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: 28 October 1999

Katherine G. Hadley, Commissioner

4900.0010 DEFINITIONS.

[For text of subps 1 to 16, see M.R.]

Subp. 17. [See repealer.]

[For text of subps 18 to 22, see M.R.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. With respect to limited-unit mortgage loans pursuant to parts 4900.0310 to ~~4900.0360~~ 4900.0350, except for loans issued under parts ~~4900.0370 and 4900.0380~~, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans and grants are intended for a limited-unit development, or a dwelling unit in a planned unit development or a condominium, those persons and families whose adjusted income does not exceed the amounts set forth in the following tables or such lower amount as shall be required to assure that the interest on obligations of the agency will be exempt from federal income taxation.

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

B. [Repealed, 10 SR 1557]

C. With respect to multiunit mortgage loans pursuant to parts 4900.0310 to ~~4900.0360~~ 4900.0350, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans or grants are intended for a multiunit development, those persons and families whose adjusted income does not exceed the greater of \$16,000 or 550 percent of the gross rental for the dwelling unit to be occupied; provided, however, that the gross rentals for at least 75 percent of the dwelling units in such development shall not exceed 120 percent of the fair market rents for the geographical area in which such projects are located, as determined and adjusted from time to time by the United States Department of Housing and Urban Development; provided further, that the members may allow higher gross rentals for units in any structure if the members determine that such higher gross rentals are

necessary because of prevailing levels of construction costs, unusually high or low family incomes, or similar factors relating to income available for housing or housing costs.

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

~~F. With respect to the Housing Preservation Program under parts 4900.2200 to 4900.2270, persons and families whose gross annual income does not exceed 100 percent of the median family income for the county in which the target area is located, as determined from time to time by the United States Department of Housing and Urban Development.~~

~~G. With respect to neighborhood preservation home improvement loans pursuant to parts 4900.2300 to 4900.2340, those persons and families whose gross annual income does not exceed the income limits established by any agency of the federal government with respect to federally subsidized mortgages for low- and moderate-income families.~~

~~H. E.~~ With respect to parts 4900.2900 to 4900.2907, those persons whose income is at or below 50 percent of the median income adjusted for family size of the standard metropolitan statistical area.

REPEALER. Minnesota Rules, parts 4900.0010, subpart 17; 4900.0370; 4900.0380; 4900.0381; 4900.0550; 4900.0560; 4900.0570; 4900.0580; 4900.0581; 4900.0582; 4900.0583; 4900.0584; 4900.0710; 4900.0720; 4900.0730; 4900.0740; 4900.1110; 4900.1120; 4900.1130; 4900.1140; 4900.1150; 4900.1160; 4900.1170; 4900.1180; 4900.1600; 4900.1610; 4900.1620; 4900.1630; 4900.1640; 4900.1650; 4900.2200; 4900.2210; 4900.2220; 4900.2230; 4900.2240; 4900.2250; 4900.2260; 4900.2270; 4900.2300; 4900.2310; 4900.2320; 4900.2330; and 4900.2340, are repealed.

Minnesota Housing Finance Agency

Proposed Permanent Rules Governing Single-Family Home Loan Aid Grant Programs

NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

Planned Amendments to Rules Governing Single Family Home Loan and Grant Programs, *Minnesota Rules* Chapter 4900, Minnesota Housing Finance Agency

Introduction. The Minnesota Housing Finance Agency 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: John Silvis, Minnesota Housing Finance Agency, 400 Sibley Street, Suite 300, St. Paul, MN 55101, (651) 297-3127. TTY users may call the Minnesota Housing Finance Agency at (651) 297-2361.

Subject of Rules and Statutory Authority. The Agency is amending rules that govern Single Family Home Loan and Grant Programs, *Minnesota Rules* Chapter 4900. The statutory authority to adopt rules is *Minnesota Statutes*, Section 462A.06, Subdivisions 4 and 11, which authorizes the Agency to adopt rules to carry out its programs. *Minnesota Statutes*, Section 14.05, subdivision 5 authorizes the Agency to repeal obsolete, unnecessary or duplicative rules. A copy of the proposed amendment to rules is published in the *State Register* and attached to this notice as mailed.

Comments. You have until 4:30 p.m. on December 15, 1999, to submit written comments 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. Comments are encouraged. Your comments 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 December 15, 1999. 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

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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 comment period ends. The rules and supporting documents will then be submitted to the Office of Administrative Hearings for legal review. You may request 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: 28 October 1999

Katherine G. Hadley, Commissioner

4900.0010 DEFINITIONS.

[For text of subs 1 to 22, see M.R.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

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

B. [Repealed, 10 SR 1557]

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

D. With respect to home improvement grants and rehabilitation loans pursuant to parts 4900.0610 to 4900.0700 and accessibility loans pursuant to parts 4900.0750 to 4900.0780 to be made by the agency, those persons and families whose assets do not exceed \$25,000, and

~~(1) with respect to home improvement grants and rehabilitation loans defined in part 4900.0610 as deferred loans, those persons and families whose adjusted income does not exceed \$10,000; or~~

~~(2) with respect to rehabilitation loans defined in part 4900.0610 as revolving loans and accessibility loans defined in part 4900.0770 as deferred loans, those persons and families whose adjusted income does not exceed \$18,000.~~

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

4900.0510 ELIGIBILITY REQUIREMENTS FOR APPLICATIONS FOR HOME IMPROVEMENT LOANS.

Subpart 1. **Interest in property.** Each applicant must individually or in the aggregate possess at least a one-third interest in a fee, ~~or a~~ contract for deed, ~~or a~~ life estate, or a long-term lease of public record in the property to be improved. All persons who, individually or collectively, possess the type of ownership upon which the application is based, or whose income is to be included for the purpose of determining the adjusted income, and spouses of all such persons, except separated spouses who do not live in the property to be improved, except that all spouses will be required to sign documents that convey an interest in real property, must join in the application and must execute the loan documents. However, occupancy of the property by the applicant shall not be required.

[For text of subs 2 and 3, see M.R.]

Subp. 4. **Structure.** The structure to be improved must be at least 90 days old, except when loan proceeds will be used to make a newly constructed property accessible to a resident with a disability if authorized by law. The structure to be improved must not be in violation of applicable zoning ordinances or other applicable land use guides.

Subp. 5. **Property.** The property must be used primarily for residential purposes and must not contain more than six dwelling units. ~~Mobile homes and~~ Trailers shall not be eligible for home improvement loans.

Subp. 6. **Use of proceeds.** Home improvement loan proceeds must be used to finance only improvements upon or in connection with existing structures, except when loan proceeds will be used to make a newly constructed property accessible to a resident with a disability if authorized by law.

[For text of subps 7 to 9, see M.R.]

4900.0592 ELIGIBLE PROPERTIES.

The property to be improved by a home energy loan is restricted as follows:

- A. The property to be improved may not contain more than ~~one dwelling unit~~ two dwelling units.

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

C. ~~Not more than 15 percent of the total area of~~ The property ~~to be improved may~~ must be used primarily ~~in a trade or business for residential purposes.~~

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

4900.0620 RESERVATION OF FUNDS.

Subpart 1. **Request.** For a period of at least 30 days after the agency gives notice that the funds for making rehabilitation grants or loans are available, the agency shall receive requests for reservation of funds from prospective administering entities. Requests for reservation of funds for rehabilitation grants or loans may be made by prospective administering entities to the agency, and shall contain:

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

C. ~~evidence satisfactory to the agency of the approval of the plan by the governing body of the political subdivision within which the plan is to be administered;~~

~~D.~~ the specific funding amount requested for a period of not more than 24 months and the administrative allowance, if any, required by the administering entity to defray the expenses of administering the program;

~~E.~~ D. other funding sources available to the administering entity for administration and home improvement; and

~~F.~~ E. a description of the targeting plan, if any, whereby the administering entity will establish priorities for awarding grant and loan funds based on an assessment of need within its jurisdiction, in the event that the number of applications exceeds the number of grants and loans which can be awarded. The targeting plan, if any, shall be subject to approval by the agency and may not have the effect of excluding any otherwise eligible applicant from making an application and being considered eligible for a grant or loan.

Subp. 2. **Allocation of the funds.** The agency shall allocate the funds available at any time among the several regions, based upon data assembled by the agency and accurately reflecting housing needs and related factors. ~~The agency shall submit its proposed allocation of funds to the applicable regional development commission, including the Metropolitan Council, and shall consider the comments and recommendations of the commissions with respect to the extent to which the proposed allocation assists in satisfying the housing needs for the region.~~

4900.0630 ELIGIBLE RECIPIENTS OF REHABILITATION GRANTS AND LOANS.

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

Subp. 3. **Person of low and moderate income.** Each recipient must be a person or family of low ~~and~~ or moderate income ~~as defined in part 4900.0010, subpart 23, item D, subitem (2):~~ "Low or moderate income" is defined as income not to exceed the greater of state or area median income.

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Subp. 4. **Deferred loan assets.** "Assets" for purposes of deferred loans described in parts 4900.0610 to 4900.0700 is the sum of the following, after deducting any outstanding indebtedness:

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

C. market value of all interests in real estate, exclusive of the structure to be improved and a parcel of real property of not more than two contiguous platted lots or 160 continuous acres on which such structure is located;

D. cash value of life insurance policies; and

E. all other property, exclusive of household furnishings, clothing, and one automobile, and real estate, equipment, supplies, and inventory used in a business.

[For text of subps 5 to 7, see M.R.]

4900.0640 AMOUNT OF GRANT OR LOAN.

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

Subp. 2. **Amount of loan.** The amount of the rehabilitation loan shall not exceed the lesser of ~~\$12,000~~ the amount allowed under statute, the actual cost of the work performed, or that portion of the cost of rehabilitation that the agency determines cannot otherwise be paid by the person or family without spending an unreasonable portion of the income of the person or family thereon.

4900.0650 RESPONSIBILITIES OF ADMINISTERING ENTITY.

The administering entity shall have the following responsibilities.

The administering entity shall have full responsibility for program implementation including public information, reviewing and screening applicants, choosing recipients, and certifying that the rehabilitation work is satisfactorily completed.

The administering entity shall make on-site inspections of the properties to be improved before such application is approved and after work has been completed.

The administering entity shall not charge an applicant or recipient any application, processing, or other fee.

~~The administering entity may, with the prior written consent of the agency, allocate part of its total funding, to defray a portion of the administrative costs of the program, to the extent that other sources are not available. It shall be the responsibility of the administering entity to bear~~ is responsible for all administrative costs, including, but not limited to, salaries and office rental, automobile and telephone expenses, and the costs of counseling or technical assistance. ~~The administrative allowance, if any, shall be distributed by the agency according to a budget submitted by the administering entity and approved by the agency. Disbursements of the administrative allowance shall be contingent upon the agency's review and approval of the satisfactory progress of the program. The agency may allocate part of its total funding to defray a portion of the administrative allowance.~~

4900.0770 DISTRIBUTION OF ACCESSIBILITY DEFERRED LOANS.

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

Subp. 3. **Limit on aid.** In no case shall the accessibility deferred loan for accessibility improvements, technical assistance, and related repairs inclusively exceed ~~\$10,000 for a single structure~~ the lesser of the amount allowed under statute, the actual cost of work performed, or that portion of the cost of rehabilitation that the agency determines cannot otherwise be paid by the person or family without spending an unreasonable portion of the income of the person or family thereon.

Subp. 4. **Five-year Ten-year limitation.** No property shall be eligible for an accessibility deferred loan if it has been improved through such assistance within the ~~five-year~~ ten-year period next preceding the date on which the application for such assistance is made, except in extraordinary circumstances relating to damage to the property as a result of events beyond the control of the recipient, or a significant change in the handicapped person's physical condition which requires additional accessibility improvements to enable the handicapped person to function in the property.

4900.0780 REPAYMENT.

The recipient of a deferred loan shall enter into an agreement with the agency for repayment of the loan. The recipient shall repay the entire amount of the deferred loan only in the event the property upon which the improvement is located is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, within ~~five~~ ten years after the date upon which the application for an accessibility deferred loan was approved. The agreement for the repayment of the loan shall be secured by a lien for the benefit of the agency on the property improved.

4900.1315 DEFINITIONS.

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

Subp. 2a. **At-risk homebuyer.** “At-risk homebuyer” means an individual or family who is homeless, receiving public assistance, or would otherwise be unable to afford homeownership through sources other than the program pursuant to criteria or standards established by an eligible organization and accepted by the agency.

[For text of subps 3 to 9, see M.R.]

4900.1331 HOMEOWNERSHIP ASSISTANCE FUND.

Subpart 1. **Purpose of program.** The homeownership assistance fund is established to assist persons and families of low and moderate income as specified in part 4900.1345, subpart 2, in the purchase of affordable housing according to parts 4900.1300 to 4900.1390. Toward this end, the agency may provide assistance directly to home buyers, may use funds to provide additional security for eligible loans, may provide administrative fees to entities assisting at-risk home buyers in achieving homeownership through the homeownership assistance fund, and may provide additional security for bonds issued by the agency.

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

Subp. 3. **Fund recapture.** ~~Homeownership assistance~~ The agency must provide for a reasonable likelihood of recapturing the homeownership assistance money for later use except fees as provided for under part 4900.1375, subpart 11. Homeownership assistance fund money under part 4900.1375, subparts 2 to 9, must be secured by a lien on the property being purchased with an appropriate repayment provision.

Subp. 4. **Default.** A homeownership assistance fund loan under part 4900.1375, subparts 2 to ~~§~~ 11, is in default if the recipient defaults in the timely observance and performance of a condition or covenant of the first mortgage loan or of the homeownership assistance fund loan, or sells, assigns, rents, or transfers the property, whether by deed, contract for deed, or otherwise. A transfer of the property to a surviving joint tenant, if any, by reason of the death of the recipient does not constitute a default.

In the event of default, the homeownership assistance fund loan is immediately due and payable in its entirety, at the option of the agency, and is subject to interest from the date of default until the date of payment at the same rate of interest as the first mortgage loan on the property.

4900.1345 RECIPIENTS HOMEOWNERSHIP ASSISTANCE FUND.

Subp. 2. **Income limits.** The ~~adjusted total unadjusted~~ household income of recipients of homeownership assistance fund money must not exceed 115 percent of state or area median income as determined ~~and adjusted~~ from time to time by the United States Department of Housing and Urban Development. ~~For purposes of this subpart, adjusted income is as defined in part 4900.0010, subpart 3.~~

4900.1375 USE OF HOMEOWNERSHIP ASSISTANCE FUND.

[For text of subps 1 to 7, see M.R.]

Subp. 8. **Emergency mortgage assistance.** The agency may provide interest-free emergency mortgage assistance loans or mortgage reinstatement loans for recipients who own and occupy an eligible property and who have been unable to make mortgage payments due to unemployment, medical reasons, death of a mortgagor, or other valid, substantiated reasons; are at least 60 days behind in monthly payments on a first or second residential mortgage; and have reasonable prospects for maintaining a first or second mortgage after receiving such a loan. Recipients must ~~have established an acceptable credit rating before requesting assistance under this subpart and~~ be ineligible for mortgage assistance from any federal government program. Loans may provide for installment of principal, interest, real estate taxes, hazard or flood insurance, mortgage insurance premiums, and homeowners association dues. ~~A maximum of 24 months of assistance may be provided.~~

[For text of subps 9 and 10, see M.R.]

Subp. 11. **Administrative Fees.** The agency may provide administrative fees to entities assisting homebuyers as part of a larger program to help at-risk homebuyers achieve homeownership in conjunction with other types of homeownership assistance fund assistance, as listed in this part. The fee must not exceed \$50,000 per year per administrative entity.

4900.3220 ELIGIBLE PROGRAMS.

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

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Subp. 2. **Borrower income limits.** ~~The adjusted income of borrowers receiving mortgage loans under eligible programs may not exceed the agency's income limits as determined under applicable administrative rule except as provided in this subpart. For purposes of this subpart, adjusted income is as defined in part 4900.0010, subpart 3. In addition to the borrower income limits in *Minnesota Statutes*, section 474A.061, subdivision 2a, paragraph (b), clause (2), the program's borrower income limits must not exceed the maximum allowed for mortgage bonds under federal tax law, including section 143(e) of the *Internal Revenue Code of 1986*.~~

~~In the metropolitan area, adjusted incomes of borrowers receiving mortgage loans under eligible programs may not exceed the greater of the agency's income limits or 80 percent of the area median income as published by the United States Department of Housing and Urban Development from time to time.~~

~~If the agency's *Minnesota Statutes* provide for agency income limits and those limits are lowered during the origination period, cities may use the income limits in effect at the time the bonds were issued for the duration of the origination period. If the agency's income limits are raised during the origination period, cities may use the higher income limits for the duration of the origination period.~~

Subp. 3. **House price limits.** ~~House price limits for homes that are security for mortgages under eligible programs may not exceed. In addition to the house price limits in *Minnesota Statutes*, section 474A.061, subdivision 2a, paragraph (b), clause (3), the program's house price limits must not exceed the maximum allowed for mortgage bonds under federal tax law, including section 143(e) of the *Internal Revenue Code of 1986*.~~

~~A. the greater of agency house price limits or the median house purchase price in the city for which the bonds are to be sold up to a maximum of 80 percent of the safe harbor limits for existing housing provided under section 143(e) of the *Internal Revenue Code of 1986*, as amended through December 31, 1990; or~~

~~B. for a new construction affordability initiative as described in subpart 4, item D, the greater of 115 percent of the agency house price limits or 90 percent of the median house purchase price in the city for which the bonds are to be sold up to a maximum of 80 percent of the safe harbor limitation for existing housing provided under section 143(e) of the *Internal Revenue Code of 1986* as amended through December 31, 1990. If *Minnesota Statutes* provides for agency house price limits, house price limits may exceed the agency house price limits only if a subsidy is used to reduce the effective purchase price of the property to the above levels.~~

~~If the agency's *Minnesota Statutes* provides for agency house price limits and those limits are lowered during the origination period, cities may use the house price limits in effect at the time the bonds were issued for the duration of the origination period. If the agency's house price limits are raised during the origination period, cities may use the higher house price limits for the duration of the origination period.~~

~~Cities requesting house price limits higher than the agency's house price limits must include data establishing the median purchase price in the city in the application. The data may be provided in the form of an independent study conducted by the city which reflects at least six months of real estate activity pertaining to closed house sales within the city during the previous 12 month period. Data may be accumulated from multiple listing services, appraisers or real estate agents, filings pertaining to closed real estate sales, records from the county auditor pertaining to real estate sales, or other sources that are demonstrated to provide accurate data pertaining to city real estate activity.~~

Subp. 4. **Limits on new construction in metropolitan area.** ~~During the first ten months of an origination period, the agency or cities may not make mortgage loans for the purchase of newly constructed housing in the metropolitan area unless one of the following conditions is met: New construction is limited by *Minnesota Statutes*, section 462A.073, and any related rules.~~

~~A. The newly constructed housing is located in a redevelopment area.~~

~~B. The new housing is replacing a structurally substandard structure or structures.~~

~~C. The new housing is located on a parcel purchased by the city or conveyed to the city under *Minnesota Statutes*, section 282.01, subdivision 1.~~

~~D. The new housing is part of a housing affordability initiative, other than those financed with the proceeds from the sale of mortgage revenue bonds, in which federal, state, or local assistance is used to substantially improve the terms of financing or to substantially write down the purchase price of the new housing. A housing affordability initiative must meet one or more of the following criteria:~~

~~(1) The new construction program is accepted or designated under The United States Department of Housing and Urban Development (HUD) Affordable Housing Program or any successor program sponsored by HUD to encourage affordable, newly constructed housing.~~

~~(2) The program provides that financial resources other than those necessary to complete the mortgage revenue bond sale are applied to reduce the cost of the housing or improve the terms of the mortgage loans provided through the sale. A contribution~~

greater than or equal to five percent of the purchase price of each newly constructed home to be financed with mortgage revenue bond proceeds must be provided to meet this criterion. The contributions may be provided either in whole or in part from federal, state, or local government resources or programs, private foundations, or the Federal Housing Finance Board.

~~(3) The program provides that the applicable local government authority in the jurisdiction in which the houses are to be constructed takes affirmative steps to relax regulation to result in greater housing affordability. The steps must demonstrably reduce the cost of the housing by at least five percent.~~

~~(4) The program supports the efforts of housing groups that support self help or owner built housing initiatives in which at least 15 percent of the labor or materials or both needed to complete the construction of each house is acquired or donated through the efforts of such groups.~~

~~5) The program provides that the housing is constructed by a nonprofit entity as defined in part 4900.0010, subpart 21, that has a primary purpose the provision or development of affordable housing to low and moderate income homebuyers.~~

Subp. 5. [See repealer.]

Subp. 6. [See repealer.]

Subp. 7. [See repealer.]

Subp. 8. [See repealer.]

4900.3230 APPLICATION FOR MORTGAGE REVENUE BOND AUTHORITY.

Subpart 1. **General.** Cities may apply to the agency for mortgage revenue bond authority from the housing pool as provided in subparts 2 and 3, ~~except that no city in an entitlement county may apply for or be allocated authority to issue bonds from the housing pool. Upon application and selection for mortgage revenue bond authority, cities may elect to either issue mortgage revenue bonds for eligible programs on their own behalf or through joint powers agreements, or have the agency issue bonds on their behalf.~~

Subp. 2. **Application period.** In the event that bonding authority is available in the housing pool on the dates prescribed, cities may submit applications to the agency for single-family mortgage revenue bond authority for eligible programs ~~after April 1 through April 15, and after July 1 through July 15, of each year.~~

Subp. 3. **Application requirements.** Cities that wish to apply for single-family mortgage revenue bond authority ~~may do so by providing the information described in this subpart. The agency may develop a form and format by which the information may be provided, but also will accept submittals from cities that do not meet the agency developed form and format and meet the requirements of this subpart. must submit:~~

A. ~~The city may submit a housing plan as described in *Minnesota Statutes*, section 462C.03, subdivisions 1 and 1a, or may submit an application on a form developed by the agency which describes the program and demonstrates that the program meets a locally identified housing need and is economically viable.~~

B. ~~The city must provide information which clearly that establishes that the program to be funded with mortgage revenue bonds meets the requirements of part 4900.3220, subparts 2 to 7, 4, and *Minnesota Statutes*, section 474A.061, subdivision 2a;~~

C. ~~The city must request a specific allocation from the housing pool which may not exceed the lesser of \$4,000,000 or 20 percent of the total amount available for allocation on the first Tuesday after the first Monday in April. The minimum allocation that may be requested shall be \$250,000.~~

D. ~~The city must describe, if applicable, the steps it will initiate in nonmetropolitan areas to encourage loans for existing housing before new housing under the conditions in part 4900.3220, subpart 5.~~

E. ~~The city must submit B. an application deposit by check payable to the Department of Finance equal to one percent of the requested allocation from the housing pool; and~~

C. an application fee as described in *Minnesota Statutes*, section 474A.03, subdivision 4.

4900.3250 APPLICANT SELECTION.

Subpart 1. ~~**Negotiations of allocation**~~ **Agency developed list.** Within a reasonable period after the application periods specified in ~~part 4900.3230, subpart 2~~ *Minnesota Statutes*, section 474A.061, subdivision 2a, but in no circumstances later than 30 days after

<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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the end of an application period, the agency shall ~~convene a meeting to allocate the available funds from the housing pool. Before the meeting, applicants shall designate their representatives to the meeting in writing to the agency. At the meeting, the agency and a representative for each applicant shall negotiate the terms of an agreement regarding the available bonding authority among the applicants. The agreement must allot available bonding authority among the applicants. At the meeting, the agency and a representative for each applicant may discuss matters pertaining to the terms under which the agency would issue bonds on behalf of cities~~ develop a list specifying the amounts allotted to each application according to *Minnesota Statutes*, section 474A.061, subdivision 2a, paragraph (b), clause (4).

Subp. 2. ~~Notification to finance commissioner.~~ Upon the establishment of an agreement with cities, The agency shall forward a copy of the list to the commissioner of finance the amounts allotted to each applicant under the agreement. The agency shall also forward the application fee. The agreement must specify the amount allotted to each applicant. A copy of the agreement list forwarded to the commissioner of finance shall be sent to each applicant.

Subp. 3. ~~Designation of issuance.~~ Upon the establishment of the agreement list in subpart 1, the city must designate within 15 days of the date of the agreement list whether it plans to issue mortgage revenue bonds on its own behalf or through a joint powers agreement, or whether it plans to ask the agency to issue mortgage revenue bonds on its behalf. ~~If the city does not choose to have the agency issue bonds on its behalf, it shall proceed according to part 4900.3290. If the city plans to have the agency issue bonds on its behalf, it shall proceed according to part 4900.3270.~~

4900.3300 SCOPE.

Parts 4900.3300 to ~~4900.3360~~ 4900.3320 govern the financing of new housing under the agency's mortgage revenue bond programs to finance the purchase of single-family housing as required by *Minnesota Statutes*, section 462A.073.

4900.3310 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of parts 4900.3300 to ~~4900.3360~~ 4900.3320, the following terms have the meanings given them. Except as defined otherwise in this part, terms defined in *Minnesota Statutes*, section 462A.073, subdivision 1, have the meanings given them in *Minnesota Statutes*, section 462A.073.

[For text of subs 2 and 3, see M.R.]

Subp. 4. [See repealer.]

Subp. 5. [See repealer.]

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

Subp. 7. [See repealer.]

Subp. 8. [See repealer.]

[For text of sub 9, see M.R.]

Subp. 10. [See repealer.]

[For text of sub 11, see M.R.]

Subp. 12. [See repealer.]

4900.3320 LIMITATIONS ON NEW CONSTRUCTION; METROPOLITAN AREA.

~~During the first ten months of an origination period, the agency may not make mortgage loans for the purchase of new housing in the metropolitan area unless one of the conditions in items A to D is met. *Minnesota Statutes*, section 462A.073, limits new construction in the seven-county Twin Cities metropolitan area. The statute allows new housing that is part of a housing affordability initiative that meets one or more of the criteria in items A to F.~~

~~A. The new housing is located in a redevelopment area.~~

~~B. The new housing is replacing a structurally substandard structure or structures.~~

~~C. The new housing is located on a parcel purchased by a city or conveyed to a city under *Minnesota Statutes*, section 282.01, subdivision 1.~~

~~D. The new housing is part of a housing affordability initiative, other than those financed with the proceeds from the sale of mortgage revenue bonds, in which federal, state, or local assistance is used to substantially improve the terms of financing or to substantially write down the purchase price of the new housing. A housing affordability initiative must meet one or more of the criteria in subitems (1) to (5).~~

~~(4) A. The program is accepted or designated under the United States Department of Housing and Urban Development (HUD) Affordable Housing Program or any successor program sponsored by HUD to encourage affordable new housing.~~

(2) **B.** The program provides that financial resources other than those necessary to complete the mortgage revenue bond sale are applied to reduce the cost of the housing or improve the terms of the mortgage loans provided through the sale. A contribution greater than or equal to five percent of the purchase price of each newly constructed home to be financed with mortgage revenue bond proceeds must be provided to meet this criterion. The contribution may be provided either in whole or in part from federal, state, or local government resources or programs, private foundations, or the Federal Housing Finance Board.

(3) **C.** The program provides that the applicable local government authority in the jurisdiction in which the new housing is to be constructed takes affirmative steps to relax regulation to result in greater housing affordability. The steps must demonstrably reduce the cost of the housing by at least five percent.

(4) **D.** The program supports the efforts of housing groups that support self-help or owner built housing initiatives in which at least 15 percent of the labor or materials or both needed to complete the new housing is acquired or donated through the efforts of such groups.

(5) **E.** The program provides that the new housing is constructed by a nonprofit entity as defined in part 4900.0010, subpart 21, that has as a primary purpose the provision or development of affordable housing to low- and moderate-income homebuyers.

F. The new housing is located on a parcel purchased by the city or conveyed to the city under *Minnesota Statutes*, section 282.01, subdivision 1.

REPEALER. *Minnesota Rules*, parts 4900.3210, subparts 6, 10, 13, 14, and 16; 4900.3220, subparts 5, 6, 7, and 8; 4900.3270, subpart 1; 4900.3290; 4900.3310, subparts 4, 5, 7, 8, 10, and 12; 4900.3330; 4900.3340; 4900.3350; and 4900.3360, are repealed.

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.

Board of Medical Practice

Adopted Permanent Rules Relating to Obsolete Rules

The rules proposed and published at *State Register*, Volume 23, Number 44, pages 2108-2110, May 3, 1999 (23 SR 2108), are adopted as proposed.

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.

Emergency Expedited Rules

Provisions exist for the Commissioners of some state agencies to 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. Specific *Minnesota Statutes* citations accompanying these emergency expedited rules detail the agency's rulemaking authority.

Department of Natural Resources

Adopted Expedited Emergency Game and Fish Rules; Fisher and Pine Marten Limits; Mud-Bardwell Refuge Goose Hunt

NOTICE IS HEREBY GIVEN that the above entitled rule has been adopted through the process prescribed by *Minnesota Statutes*, sections 84.027, subdivision 13 (b). The statutory authority for the contents of this rule is *Minnesota Statutes*, sections 97A.091, 97B.605, 97B.731, and 97B.803.

Dated: 5 November 1999

Allen Garber
Commissioner of Natural Resources

6234.1700 TAKING FISHER.

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

Subp. 2. **Bag limits.** The combined limit for fisher and pine marten is four per season, in aggregate, of which not more than two may be fisher. A person may not ~~take more than two fisher per season or~~ possess more than two fisher and not more than four fisher and marten in aggregate at a time, except that a person may possess additional fisher and marten pelts that the person lawfully took, tagged, and registered during previous seasons.

[For text of subps 3 and 4, see M.R.]

6234.1800 TAKING PINE MARTEN.

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

Subp. 3. **Bag limits.** The combined limit for fisher and pine marten is four per season, in aggregate, of which not more than two may be fisher. A person may not ~~take more than two pine marten per season or~~ possess more than ~~two~~ four pine marten and not more than four fisher and marten in aggregate at a time, except that a person may possess additional fisher and marten pelts which the person has lawfully taken, tagged, and registered during previous seasons.

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

6240.1850 GAME REFUGES OPEN TO THE TAKING OF GEESE.

The following refuges are open to the taking of geese, as specified:

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

C. The Harstad Slough waterfowl refuge in Stevens county is open to Canada goose hunting during the early September goose season. The Mud-Bardwell waterfowl refuge in Martin county is open to Canada goose hunting from ~~November 1 the Saturday on or nearest November 20~~ to the end of the regular goose season, except there is no goose hunting within 100 yards of Mud and Bardwell lakes.

EFFECTIVE PERIOD. The emergency amendments to Minnesota Rules, parts 6234.1700 and 6234.1800, expire December 31, 1999. The emergency amendments to Minnesota Rules, part 6240.1850, expire 18 months after adoption. After the emergency amendments expire, the permanent rules as they read prior to those amendments again take effect, except as they may be amended by permanent rule.

Revenue Notices

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 # 99-12: Sales and Use Tax - Food, Candy and Soft Drinks

This revenue notice revokes and supersedes Revenue Notice # 92-09, which was published on February 18, 1992. It provides guidance for the application of the sales and use tax to food, candy and soft drinks.

Food Prepared for Immediate Consumption

Minnesota Statutes, § 297A.01, subdivision 3(c)(3)(ii), provides that food or drinks prepared by a retailer for immediate consumption either on or off the retailer's premises are taxable.

“... ‘food or drinks prepared for immediate consumption’ includes any food product upon which an act of preparation including, but not limited to, cooking, mixing, sandwich making, blending, heating, or pouring has been performed by the retailer so the food product may be immediately consumed by the purchaser.”

Slicing is not considered to be preparation for immediate consumption. For example, bulk sales of meat and cheese, sliced, wrapped and sold by the pound, are not taxable.

Single or Individual Servings and Bulk Containers or Bulk Packaging

Minnesota Statutes, § 297A.01, subdivision 3(c)(3)(iii), provides that single or individual servings of ice cream, ice milk, frozen yogurt products, or frozen novelties are taxable. *Minnesota Statutes*, § 297A.01, subdivision 3(c)(3)(xi), provides that single or individual servings of bakery products sold from concession stands, vehicles, bars, and restaurants are taxable. “Single or individual servings” does not include products when sold in bulk containers or bulk packaging.

“Bulk containers or bulk packaging” means two or more servings that are pre-packaged together for sale. Individual servings selected by the customer and put in a bag or container by the seller are not considered bulk packaging. Bulk containers of ice cream, ice milk, or yogurt (pints, quarts, half gallons, etc.), or bulk packaging of frozen novelties, and ice cream cakes and pies are not taxable.

Bakery Products

Regardless of whether sold as single servings or in bulk packaging, bakery products prepared by the retailer for consumption on the retailer's premises, sold at a place that charges admission, or sold from a vending machine are taxable.

Food Sold from Concession Stands and Vehicles

Minnesota Statutes, § 297A.01, subdivision 3(c)(3)(viii), provides that all food sold for immediate consumption from concession stands and vehicles is taxable. Food sold in bulk from concession stands or vehicles would not be considered sold for immediate consumption and consequently would not be taxable.

Sales of raw food products such as fresh fruit, vegetables and frozen seafood sold from roadside stands, farmers' markets and vehicles are not taxable.

Candy

Minnesota Statutes, §297A.01, subdivision 3(c)(3)(v), provides that gum, candy, and candy products are taxable, except when sold for fundraising purposes by a nonprofit organization that provides educational and social activities primarily for young people 18 years of age and under.

Products that are commonly packaged and sold as candy, including health and diet food products, are subject to sales tax. Fruit, nuts, or popcorn which are combined with chocolate, carob, sugar, honey, candy, or other natural or artificial sweeteners are also considered candy and are subject to sales tax. Individually wrapped items ordinarily considered to be candy, such as Twix bars, are taxable whether sold individually or in quantity as candy, or as cookies.

The following are examples of candy subject to sales tax. Brand names are specified only to illustrate types of items considered to be candy. They do not imply that these are the only taxable brands in any category.

- breath mints, including sugarless
- candy bars
- caramel apples
- caramel corn
- chocolate stars

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- chocolate- or carob-covered nuts, raisins, etc.
- chocolate-covered insects
- cough drops (taxable as health product)
- Cracker Jack
- Crunch and Munch
- Fiddle Faddle
- honey-covered nuts
- licorice
- nature snacks with 50% or more candy
- peanut brittle
- sugarless candy
- throat lozenges (taxable as health product)
- yogurt-covered raisins, nuts, etc.

Products that are commonly sold as ingredients for cooking or baking purposes or as a meal substitute, e.g., breakfast bars, are not candy products and are exempt from tax. The following are examples of exempt products. Again, brand names are specified for illustrative purposes only.

- baking chocolate
- breakfast bars
- cakes
- candied fruit for baking
- candy cake decorations
- cheese popcorn
- chocolate or carob chips
- chocolate-covered donuts
- confectioners bark
- cookies
- dried fruit snacks
- Frito Lay's peanut butter bars
- fruit or pudding roll-ups, fruit pieces
- granola bars or clusters
- honey-roasted nuts
- marshmallows
- nature snacks with less than 50% candy
- peanuts
- pies
- Pop-tarts
- popcorn (except when prepared by the vendor)
- PowerBars
- sunflower seeds
- sweetened cereals

Food, Diet and Nutritional Products

Appetite suppressants and/or stimulants, or food supplements such as vitamins and minerals, are taxable whether sold in liquid, capsule, tablet or powder form.

Food substitutes eaten in place of a meal, such as powdered drink mixes, diet bars and soup mixes, are exempt.

Soft Drinks

Minnesota Statutes, § 297A.01, subdivision 3 (c)(3)(iv), provides that soft drinks and other beverages including all carbonated and noncarbonated beverages or drinks sold in liquid form are taxable, except beverages or drinks which contain milk or milk products, beverages or drinks containing 15 or more percent fruit juice, and noncarbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size. Beverages that are labeled fruit juice when the percentage of fruit juice content is not specified are exempt.

Soft drinks include all carbonated beverages and all nonalcoholic beverages which contain less than 15 percent fruit juice. Diet drinks that meet the definition of soft drinks are taxable. Beverages that are labeled fruit drink, fruit ade, or fruit nectar, when the percentage of fruit juice content is not specified, are taxable soft drinks.

The following are examples of taxable soft drinks and beverages:

- carbonated beverages containing less than 15% fruit juice
- Gatorade containing less than 15% fruit juice
- Hawaiian Punch containing less than 15% fruit juice
- Hi-C containing less than 15% fruit juice
- near beer (nonalcoholic beer)
- sparkling catawba juices containing less than 15% fruit juice
- tea and coffee (bottled or canned)
- water (carbonated)
- water (noncarbonated) when the container size is less than 1/2 gallon

The following packaged items are not taxable unless they are prepared and sold in glasses or cups (eat-in or take-out), or from vending machines:

- apple cider
- nonalcoholic cocktail mixes (powdered, liquid, and frozen) such as daiquiri or Manhattan mixes
- cocoa mix, cocoa, milk, chocolate flavored beverage containing milk
- coffee beans, ground coffee, coffee substitutes
- cranberry juice cocktail
- frozen juice concentrate
- Hawaiian Punch containing 15% or more fruit juice
- Kool-Aid (powdered)
- drinks made from milk derivatives, powders, and concentrates, either liquid or frozen
- fruit juice drinks containing 15% or more of fruit juices
- ReaLemon
- Roses Lime Juice
- Tang or other powdered fruit drinks
- tea bags and leaves
- vegetable juices
- water (noncarbonated) when the container size is 1/2 gallon or larger

The taxability of new products should be determined using the guidelines in this revenue notice.

Dated: 15 November 1999

Jennifer L. Engh
Assistant Commissioner for Tax Policy

Department of Revenue

Revenue Notice # 99-13: MinnesotaCare Tax - Examinations for Utilization Reviews, Insurance, Litigation and Employment

This Revenue Notice addresses a new exemption from the MinnesotaCare tax for examinations for purposes of utilization reviews, insurance claims or eligibility, litigation, and employment. It also modifies Revenue Notices # 93-18 and # 94-20 with regard to services provided for employment purposes.

Minnesota Statutes, § 295.53, subdivision 1(21), exempts from the MinnesotaCare tax the following payments received by a hospital, surgical center, or health care provider (“provider”): “payments received for examinations for purposes of utilization reviews, insurance claims or eligibility, litigation, and employment, including reviews of medical records for those purposes.” This exemption is effective for services provided after December 31, 1998.

Following is an explanation of some of the terms used in the exemption:

Examinations: Examinations are procedures or tests that seek information about the existence, nature, or severity of an individual’s physical or mental impairment, or that seek information regarding an individual’s physical or psychological health. Examinations include physical as well as psychological examinations, independent medical exams, X-rays, lab work, and the review of medical records.

Utilization Reviews: Utilization reviews as defined in *Minnesota Statutes*, § 62M.02, subdivision 20, mean the evaluation of the necessity, appropriateness, and efficacy of the use of health care services, procedures, and facilities, by a person or entity acting as a

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utilization review organization, other than the attending health care professional, for the purpose of determining the medical necessity of the service or admission.

Examples of Exempt Services

- Review by a person, other than the attending physician, of medical records for utilization review;
- A second opinion examination for utilization review;
- Review of medical records for purpose of determining continuation of benefits;
- Confirmatory consultations required by a third party payor on the necessity or appropriateness of a previously recommended medical treatment (including but not limited to procedures required to be coded under the following American Medical Association Current Procedural Terminology (CPT) codes: 99456 and 99271 through 99275 (modifier '32'));

Insurance Claims Or Eligibility: Examinations for the purpose of obtaining insurance coverage and examinations for the purpose of determining whether the insured is eligible for benefits are exempt.

Examples of Exempt Services

- Review of medical records for purposes of insurance claims or eligibility;
- Life insurance or disability insurance eligibility examinations (including but not limited to the following CPT codes: 99450, 99455, and 99456);
- Second opinion examinations when they are required by a third party payor (including but not limited to procedures required to be coded under the following CPT codes: 99271 through 99275 (modifier '32'));
- Examinations required for any authorizations of a medical procedure;
- An independent medical examination for purposes of an auto insurance claim; and
- An independent medical examination for purposes of a Workers' Compensation claim. Therapeutic services that are paid for by Workers' Compensation are taxable.

Employment: Examinations for employment purposes include examinations for obtaining and retaining employment, and examinations for purposes of employment promotions.

Examples of Exempt Services or Payments

- Review of medical records for purposes of employment;
- Required school bus driver and truck driver physical examinations;
- Pre-employment, or continuing employment physical examinations (including but not limited to procedures required to be coded under the following CPT codes: 99455, and 99456);
- Drug and psychological tests required for employment; and
- Annual employment-related surveillance physicals.

Litigation: Litigation includes civil and criminal proceedings, administrative proceedings and civil commitment hearings.

Examples of Exempt Services

- Reviews of medical records for purposes of litigation;
- Expert witness preparation for depositions, depositions, testimony and affidavits (including but not limited to procedures required to be coded under the following CPT codes: 99075);
- Examinations ordered by a court; and
- Medical record review and examinations conducted by a medical expert in preparation for litigation.

Dated: 15 November 1999

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 Auto Theft Prevention Program

Notice of Meeting of the Board of Directors

The Minnesota Auto Theft Prevention Program, will be holding its Board of Directors meeting on the following dates: Thursday, December 14, 1999; and Thursday, January 13, 2000. Meetings will begin at 9:00 a.m. and will be held at the Minnesota Auto Theft Prevention Program (MATPP) office located at 1110 Centre Pointe Curve, Suite 405, Mendota Heights, MN (Hwy. 110 and Lexington Avenue, west of Hwy. 35W (South on the south side of the GNB Technologies Bldg.)) Meetings are open to the public. For more information you may contact the MATPP office at (651) 405-6155.

Minnesota Comprehensive Health Association

Notice of Meeting of the Finance Committee

NOTICE IS HEREBY GIVEN that a meeting of the Minnesota Comprehensive Health Association's (MCHA), Finance Committee will be held at 1:00 p.m. on Friday, November 19, 1999. The meeting will be at the MCHA Executive Office, 5775 Wayzata Blvd., Suite 910, St. Louis Park.

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

Environmental Quality Board

Power Plant Siting and Transmission Line Routing Program

Notice of Annual Hearing

NOTICE IS HEREBY GIVEN that the Minnesota Environmental Quality Board will hold the annual public hearing on the Power Plant Siting and Transmission Line Routing Program at 10:00 a.m., Saturday, December 4, 1999 in Conference Room 301 of the Centennial Office Building, 658 Cedar Street, St. Paul, Minnesota. Parking is available in the ramp east of the building and the building may only be entered on the east side of the building.

The annual hearing is intended to afford interested persons an opportunity to be heard regarding any aspects of the Board's activities, duties, or policies pursuant to the Power Plant Siting Act, *Minnesota Statutes* 116C.51-.69, or its Power Plant and Transmission Line Siting Rule, Minnesota Rules, *Minnesota Rules* part 4400.

In particular, comments are requested on the possible modification of *Minnesota Statutes* § 116C.57 Subd. 5a, *Exemption of Certain Sites*. This subdivision provides for an exemption from the Act, of the construction at a proposed site of an electric power generating plant with a capacity between 50 and 80 megawatts. There have been suggestions that the cap of 80 megawatts could be removed from the statute or a provision for a partial exemption (a streamlined review and permitting process) could be added to the statute, which would remove the need to consider multiple sites. Environmental review would still be carried out to determine if there is a potential for significant human and environmental impact and if found the exemption would be denied.

All persons will be afforded an opportunity to be heard through the presentation of oral or written statements. Written statements marked for the annual hearing record may also be submitted for inclusion in the record by delivery to the Board's office by the close of business December 17, 1999.

Direct all inquiries regarding the annual hearing to: Suzanne Steinhauer, Power Plant Siting Program, Environmental Quality Board, 3000 Centennial Building, 658 Cedar Street, St. Paul, MN 55155, Phone 651-296-2878.

Department of Labor and Industry
Labor Standards Unit

Notice of Correction to Highway/Heavy Prevailing Wage Rates

Corrections have been made to the Highway/Heavy Prevailing Wage Rates certified 10/25/99, for **Group 4, Heavy Equipment in Regions 6 and 7.**

Copies of the corrected certifications 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 (651) 296-6452. Charges for the cost of copying and mailing are \$.65 for each page. Make check or money order payable to the State of Minnesota

Gretchen Maglich
Commissioner

Pollution Control Agency

Notice of Intent to Approve the Creation of the Duluth/North Shore Sanitary District in Accordance with *Minnesota Statutes* §§ 115.18 to 115.20

The Township of Lakewood, the Township of Duluth, and the City of Duluth have petitioned the Minnesota Pollution Control Agency (MPCA) to approve the creation of a sanitary district to be known as the Duluth/North Shore Sanitary District. The purpose of the sanitary district is to promote the public health and welfare by providing the residents within its boundaries an adequate and efficient system and means of collecting, conveying, pumping, treating and disposing of domestic sewage. The territory of the proposed district consists of that part of Saint Louis County, Minnesota bounded on the West by the center line of the Lester River, as it is depicted in the United States Government Survey on file in the Office of the County Recorder in Saint Louis County, Minnesota; bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61; bounded on the East by the easterly border of Saint Louis County, Minnesota; and bounded on the Southeast by the Lake Superior shoreline. The territory of the proposed sanitary district is legally described as:

That part of Township 50 North, Range 13 West, Section 8, bounded on the West by the Center Line of the Lester River, as depicted in the United States Government Survey on file in the Office of the County Recorder in Saint Louis County, Minnesota, bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 50 North, Range 13 West, Section 9, bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 50 North, Range 13 West, Section 4, bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 50 North, Range 13 West, Section 3 bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 13 West, Section 33 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61; and

that part of Township 51 North, Range 13 West, Section 34 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 13 West, Section 35 bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 13 West, Section 26 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 13 West, Section 25 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 13 West, Section 24 bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 19 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 18 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61; and

that part of Township 51 North, Range 12 West, Section 20 bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 17 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 16 bounded on the South by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 8 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61; and

that part of Township 51 North, Range 12 West, Section 9 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 10 bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 4 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61; and

that part of Township 51 North, Range 12 West, Section 3 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 2 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 51 North, Range 12 West, Section 1 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline; and

that part of Township 52 North, Range 12 West, Section 36 bounded on the Northwest by the Southeasterly right of way of Minnesota State Highway 61, and bounded on the Southeast by the Lake Superior shoreline.

A map displaying the boundaries of the proposed district 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 that meets the requirements of *Minnesota Rules*. 7000.1800 and 7000.1900. The written comments or a written request for a hearing must be submitted to the MPCA by 4:30 p.m. on December 15, 1999. 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 requesting that the MPCA Citizens' Board make the decision on approval of the petition for creation of the Duluth/North Shore 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 on 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 made by the MPCA Citizens' Board.

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

Amy Lockheart
Regular Facilities and Site Remediation Section
Policy and Planning Division
Minnesota Pollution Control Agency
520 Lafayette Road North, Saint Paul, MN 55155-4194

Telephone: (651) 296-5426
Toll-free: 1-800-657-3864
TTY: (651) 282-5332
Fax: (651) 297-8676

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

Lisa J. Thorvig
Deputy Commissioner

Official Notices

Minnesota State Retirement System

Board of Directors, Regular Meeting

The Board of Directors of the Minnesota State Retirement System will be meeting on Thursday, November 18, 1999, at 9:00 p.m. in the office of the System, 175 W. Lafayette Frontage Road, Suite 300, St. Paul, Minnesota 55107.

Public Employees Retirement Association

Notice of Meeting of the Board of Trustees

The regular meeting of the Board of Trustees of the Public Employees Retirement Association (PERA) will be held on Thursday, November 18, 1999, at 9:30 a.m., in the PERA offices, 514 St. Peter Street, Suite 200 – Skyway Level, Saint Paul, Minnesota.

Minnesota Department of Public Safety

State Patrol Division

Request for Comments on Planned Amendments to Rules Governing Wheelchair Safety Devices, *Minnesota Rules*, Chapter 7450

Subject of Rules. The Minnesota Department of Public Safety requests comments on its planned amendments to rules governing wheelchair safety devices. The Department is considering rule amendments that would update the minimum standards for frame-attached devices to coincide with accepted federal standards. Any technical/housekeeping changes that are found to be necessary will also be handled in this rulemaking.

Persons Affected. These amendments would likely affect school bus drivers, commercial vehicle inspectors, school district officials, independently owned pupil transportation providers, school bus manufacturers and the Minnesota Department of Transportation.

Statutory Authority. *Minnesota Statutes*, section 299A.12, subdivision 4 requires the Commissioner of Public Safety to adopt rules as necessary to set standards for the operation, strength, and use of wheelchair securement devices.

Public Comment. Interested persons or groups may submit comments or information on these planned rules in writing until further notice is published in the *State Register* that the Department intends to adopt or to withdraw the rules. The Department does not contemplate appointing a separate rulemaking advisory committee to comment on the planned rules.

Rules Drafts. The Department is currently working on a draft of the planned rules amendments. The Department anticipates that a draft will be completed and available before the publication of the proposed rules.

Agency Contact Person. Written comments, questions, requests to receive a draft of the rules when it has been prepared, and requests for more information on these planned rules should be addressed to: Major Dennis Lazenberry, Pupil Transportation Safety Director, Minnesota Department of Public Safety, State Patrol Division, 444 Cedar Street, Suite 130, St. Paul, Minnesota 55101-5130, phone 651-282-6875. TTY users may call the Department at 651-282-6555.

Alternative Format. Upon request, this Request for Comments 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.

Note: Comments received in response to this notice will not necessarily be included in the formal rulemaking record submitted to the administrative law judge when a proceeding to adopt rules is started. The agency is required to submit to the judge only those written comments received in response to the rules after they are proposed.

Dated: 1 November 1999

Charles Weaver, Jr.
Commissioner, Department of Public Safety

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 Natural Resources

Local Grants Unit, Office of Management and Budget Services

Notice of Request for Proposals for a Bear Center Grant

The Local Grants Unit, Office of Management and Budget Services, Department of Natural Resources announces the availability of a Request for Proposals (RFP) for a total of \$20,000 in funds authorized by the 1999 Minnesota Legislature for a grant to a bear center to develop a business plan, marketing study, facility predesign, and exhibit design. (*Laws of Minnesota 1999*, Chap. 231, Sec. 16, Subd. 11(d) Bear Center.)

Local governments or private organizations interested in establishment of a center to provide for information, education, research, study and/or tourism related activities related to bears are encouraged to contact Wayne Sames, Local Grants Unit, at (651) 296-1567 for a copy of the RFP and additional information about this grant. Proposals must be received by the Local Grants Unit no later than 4:30 p.m. on Wednesday, December 15, 1999, and must be addressed or delivered to:

Wayne M. Sames
Local Grants Unit
Minnesota Department of Natural Resources
Office of Management and Budget, Box 10
500 Lafayette Road
Saint Paul, MN 55155-4010

Department of Public Safety

Office of Drug Policy and Violence Prevention

Notice of Availability of Funds for Expanding Local Capacity to Combat Gangs

Notice of availability of funds. The Minnesota Department of Public Safety announces the availability of funds to local law enforcement agencies and city and county attorneys' offices to expand the capacity of the agency or office to successfully investigate and prosecute crimes committed by criminal gangs. A total of \$2,000,000.00 is made available through the Minnesota Omnibus Crime Act of 1999 and *Minnesota 1997 Session Laws*, Chapter 239. Local law enforcement agencies, city and county attorneys' offices may apply. The deadline for grant submission is 4:00 P.M. October 15, 1999. To receive an application contact:

Nancy Franke
Office of Drug Policy and Violence Prevention
Minnesota Department of Public Safety
444 Cedar Street
Suite 100 Town Square
St. Paul, MN 55101
Telephone: 651-284-3334
TTY: 651-282-6555

State Grants & Loans

Department of Public Safety Office of Drug Policy and Violence Prevention

Notice of Availability of Funds for Tire Deflators

The Minnesota Department of Public Safety announces the availability of funds to reimburse local law enforcement agencies for the cost for purchasing tire deflators. A total of \$200,000.00 is made available through the *Minnesota Session Laws*, Chapter 216. A fifty- percent match of non-state funds is required for this program. Local and state law enforcement agencies may apply. The deadline for grant submission is 4:00 P.M. December 3, 1999. To receive an application contact:

Nancy Franke
Office of Drug Policy and Violence Prevention
Minnesota Department of Public Safety
444 Cedar Street
Suite 100 Town Square
St. Paul, MN 55101
Telephone: 651-284-3334
TTY: 651-282-6555

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 to printed in the *State Register*. These procedures also require that the following information be included in the notice: name of contact person, agency name and address, description of project and tasks, cost estimate, and final submission date of completed contract proposal. Certain quasi-state agencies are exempted from some of the provisions of this statute. In accordance with *Minnesota Rules* Part 1230.1910, certified Targeted Group Businesses and individuals submitting proposals are prime contractors shall receive the equivalent of a 6% preference in the evaluation of their proposal. For information regarding certification, call the Materials Management Helpline (651) 296-2600 or [TTY (651) 297-5353 and ask for 296-2600].

Department of Trade and Economic Development

Notice of Request for Proposals for Development of New Production Database and Business Application for the Minnesota Office of Tourism

NOTICE IS HEREBY GIVEN that the Department of Trade and Economic Development is requesting proposals for the development of a new production database for the Minnesota Office of Tourism. Design of this database is being completed under a previous contract and will be completed by December 31, 1999.

A detailed Request for Proposals has been prepared by Department of Trade and Economic Development. It describes the purpose, provides the background information on Tourism operations, as well status information on the design being currently completed, the current database application, objectives for the new database application, deliverables, project activities, deadlines and desired proposal format.

The estimated cost for this project is between \$38,000-\$530,000. This proposal does not obligate the agency to spend the estimated dollar amount.

Potential responders interested in submitting a proposal on this project should call or write for the full RFP which will be sent free of charge to interested vendors. Proposals must be submitted to the department contact listed below. Other department personnel are NOT allowed to discuss the Request for Proposal with anyone, including responders, before the proposal submission deadline. Proposals must be received by DTED no later than 3:00 p.m. Wednesday, December 8, 1999.

Contact Person: Dan Quillin
Department of Trade and Economic Development
500 Metro Square Building
121 East 7th Place
St. Paul, MN 55101-2146
Telephone: (651) 296-8282
FAX: (651) 296-8833
E-Mail: dan.quillin@state.mn.us

Department of Transportation

Notice of Time Extension for Hiawatha Light Rail Transit (LRT) Phase I Request for Proposals (RFP)

The Minnesota Department of Transportation is announcing the extension of the clarification period and submission date for the Phase I RFP for the Hiawatha LRT design-build contract. The clarification period has been extended to November 17, 1999. The clarification procedure remains the same as was announced in the Phase I RFP, notice of which was published in the *State Register* on October 11, 1999.

The Phase I proposal due date has been extended to 1:00 p.m. Central Standard Time, December 6, 1999.

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 *State 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.

Metropolitan Airports Commission

Request for Proposals for Food and Beverage Facilities and Retail Shops for New Concession Opportunities at Minneapolis / St. Paul International Airport

Minneapolis / St. Paul International Airport (MSP) is creating additional concession opportunities. Upcoming expansion presents new opportunities for experienced developers/operators of airport concessions. The Metropolitan Airports Commission (MAC) will be issuing two separate Request for Proposals (RFP), one for food and beverage facilities and one for retail shops. The retail RFP will offer at least fourteen new shops totaling approximately 24,000 sq. ft. The food & beverage RFP will offer at least 22 new food locations totaling approximately 35,000 sq. ft. There is a **mandatory** pre-proposal meeting at the Airport on November 30, 1999. This **mandatory** meeting has two purposes, first to answer any questions that the developer/operators have after reading the RFP's. Secondly, to encourage networking between the developer/operators and interested individual concessionaries who would be interested in negotiating with the successful developer/operator to operate one or more of the available facilities. Developer/operators interested in receiving a copy of either RFP are to contact Joe D. Anderson at (612) 794-4199 at the Metropolitan airports Commission.

Non-State Public Bids, Contracts & Grants

Metropolitan Council

Request for Bids for HVAC Equipment for Chaska Lift Station – REISSUE

Sealed bids will be received in the office of the Metropolitan Council, Environmental Services Division, (MCES), Mears Park Centre, 230 East 5th Street, St. Paul, Minnesota 55101, for HVAC Equipment for Chaska Lift Station.

Bids will be received until TUESDAY, November 30, 1999 at 3:00 p.m., at which time and place the bids will be publicly opened and read aloud.

Copies of the specifications and bid instructions may be obtained from the offices of the Metropolitan Council or by calling 651-602-1499 or via Fax request at 651-602-1083.

All bids to be considered must be submitted on **Council approved bid forms**.

The award will be based upon, but not necessarily limited to, factors of price, lead time, agreement to the terms and conditions and past experience with the Metropolitan Council.

The Metropolitan Council shall consider all bids received and intends to award a contract to the responsive and responsible bidder submitting the lowest total cost to the Council, by the due date and time, provided, however, that the Metropolitan Council reserves the right to reject all bids, to investigate the qualifications and experience of any bidder, to reject any provisions of any bid, to obtain new bids, or to proceed to do the work otherwise.

BY ORDER OF THE METROPOLITAN COUNCIL,
ENVIRONMENTAL SERVICES DIVISION,
Helen Boyer
Division Director

Metropolitan Council

Notice of Request for Proposals (RFP) for Year 2000 Aerial Photography and Digital Orthophotography, Metropolitan Council Contract Number C-99-95

The Metropolitan Council is requesting proposals for Year 2000 Aerial Photography and Digital Orthophotography for the 7-County Twin Cities Metropolitan Area.

Receive letters of interest	November 1999
Issue Request for Proposals	November 1999
Receive Proposals	December 1999
Evaluate and Rank Proposals	December 1999
Contract negotiated, executed, NTP	January 2000

All firms interested in being considered for this project and desiring to receive an RFP package are invited to submit a Letter of Interest to:

Jan Bevins, Senior Administrative Assistant, Contracts and Procurement Unit
Metropolitan Council Environmental Services
Mears Park Centre
230 East Fifth Street
St. Paul, MN 55101

Inquiries regarding technical aspects of the project should be directed to Tanya Mayer at 651-602-1604.

Minnesota Statutes, Section 473.144 and 363.073, and *Minnesota Rules*, Parts 5000.3400 to 5000.3600 will be incorporated into any contract based upon the Proposal or any modifications to it. If a contract for the project is awarded in excess of \$100,000, the requirements of *Minnesota Rules* 5000.3530 will be applicable.

Metropolitan Council

Solicitations for Low Floor Light Rail Vehicles

The Metropolitan Council is soliciting proposals for 22 low floor light rail vehicles as part of the Hiawatha Corridor Light Rail Transit Project, with options for up to 25 more vehicles over a three-year period. A pre-proposal meeting will be held at 9:00 a.m. on December 1, 1999. Proposals are due by 4:00 p.m. on February 18, 2000.

Proposals must be submitted in accordance with the Solicitation Package document available from:

Metropolitan Council
Metro Transit Purchasing Department
515 N. Cleveland Avenue
St. Paul, MN 55114-1878
(612) 349-5060

Southern Minnesota Health Initiative

Notice of Request for Proposals from the Southern Minnesota Health Initiative for a Demonstration Project for Persons With Disabilities

The Southern Minnesota Health Initiative (SMHI) is seeking proposals from qualified Service Delivery Organizations as defined in *Minnesota Statutes*, Section 256B.77, subd. 2(y), to provide acute care services to persons who are eligible for Medical Assistance, disabled, and under age 65. The covered populations include persons with developmental disabilities and related conditions; adults with serious and persistent mental illness; children with severe emotional disturbance; and persons who are physically disabled according to SSI eligibility criteria.

SMHI, a joint-powers authority consisting of Blue Earth, Freeborn, and Sibley counties, is a site for the Demonstration Project for Persons with Disabilities (DPPD) pursuant to *Minnesota Statutes*, Section 256B.77, which is scheduled for implementation in mid-2000.

SDOs qualified to respond to this Request for Proposals (RFP) must be able to provide all MA-covered acute-care services and service coordination as provided in the RFP, and must also be able to accept financial risk. Risk-adjusted capitation rates have been set by the Minnesota Department of Human Services in consultation with an independent actuary.

This solicitation is subject to the approval of a pending request by the State of Minnesota to the federal Health Care Financing Administration to issue a waiver pursuant to Section 1115 of the Social Security Act to enable the State and SMHI to implement the DPPD. If the waiver request is not granted, the demonstration project will not go forward, and SMHI will withdraw the RFP.

Contracts will be awarded based on: (1) Experience in providing services to the populations covered by the DPPD; (2) Experience in working cooperatively with county and state governments to deliver services to Medicaid recipients; (3) Ability to deliver each of the services described in the RFP; and (4) Ability to accept risk.

Interested parties may receive a copy of the RFP by contacting:

Kathleen Kading, Project Supervisor
Southern Minnesota Health Initiative
P.O. Box 3526
410 S. Fifth St.
Mankato, MN 56001-3526
FAX: (507) 389-8379
kathie.kading@co.blue-earth.mn.us

Prospective respondents with questions regarding this RFP may write, fax or e-mail Kathleen Kading at the above address. Ms Kading is the only person at SMHI who is authorized to answer questions regarding the RFP. A bidders' conference for prospective respondents is scheduled for November 30, 1999, from 1 to 3 p.m. at the following location:

Blue Earth County Government Center
Steamboat Center
410 S. Fifth St.
Mankato, MN 56001

Non-State Public Bids, Contracts & Grants

All responses to this RFP are due at SMHI, ATTN: Kathleen Kading, P.O. Box 3526, 410 S. Fifth St., Mankato, MN 56001-3526, by 5 p.m., Central Time, Dec. 10, 1999. Please note: Prospective respondents are required to submit a written notice of the respondent's intention to submit a proposal by 5 p.m., Central Time, Nov. 26, 1999, to the address above.

ORGANIZATIONS THAT DO NOT SUBMIT A NOTICE OF THEIR INTENTION TO SUBMIT A PROPOSAL BY NOV. 26, 1999, WILL BE DISQUALIFIED FROM CONSIDERATION FOR THIS CONTRACT.

University of Minnesota

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 Request for Bids/Proposals through its web based Bid Information Services (BIS). Subscriptions to BIS are \$75/year. Visit our web site at bidinfo.umn.edu or call the BIS Coordinator at 612-625-5534.

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

Minnesota Workers' Compensation Assigned Risk Plan

Notice of Request for Proposals ("RFP") for General Administrative and Managed Care Services to be Provided to the Minnesota Workers' Compensation Assigned Risk Plan ("Plan")

NOTICE IS HEREBY GIVEN that the Plan is seeking joint proposals, submitted by two partnered entities, to provide general administrative and managed care services. Only proposals that provide both general administrative and managed care services will be accepted. An entity may participate in more than one proposal. General administrative services include but are not limited to: policy issuance and premium collection services; premium audit services; and loss control services. Managed care services include but are not limited to: medical management and disability management. Claims administration services may be provided by either vendor (to the extent allowed by law) or a combination of both vendors.

An entity proposing to provide general administrative services must either be an insurance company licensed pursuant to *Minnesota Statutes* Sect. 60A.06 subd. 1, clause (5), paragraph (b), or a self-insurance administrator licensed pursuant to *Minnesota Statutes* Sect. 176.81, subd. 2, clause (2), paragraph (a). An entity proposing to provide managed care services must be certified by the Minnesota Department of Labor and Industry.

Minnesota Statutes Sect. 79.251, subd. 1, clause (6) specifies that the Plan is not a state agency. Accordingly, the RFP process is not governed by the contracting procedures applicable to state agencies set forth in Minnesota Statutes and Rules. Any entity that responds to this RFP must expressly acknowledge in its proposal its understanding that the contracting procedure requirements that apply to state agencies do not apply to the Plan.

Interested parties may obtain the RFP by written request to Mark R. Sheehan, Plan Administrator, Minnesota Workers' Compensation Assigned Risk Plan, 4500 Park Glen Road Suite 410, Minneapolis, MN 55416. Written requests will also be accepted by fax at (612) 922-5423. Interested parties may request the RFP be available for pick up at the Plan Administrator's Office or that it be sent via email. Written requests that do not specify personal pick up or email delivery will be sent via first class mail. Response to the RFP will be due by 4:00 p.m. on Monday, January 24, 2000.

