

CHAPTER 3

LEGISLATURE

3.099	Members; compensation and expenses, flexible sessions.	3.739	Injury or death of conditionally released inmate.
3.21	Notice.	3.85	Legislative commission on pensions and retirement.
3.29	Repealed.	3.875	Legislative commission on economic development strategy.
3.302	Legislative reference library.	3.9223	Council on affairs of Spanish-speaking people.
3.303	Legislative coordinating commission; creation and organization.	3.9226	Council on Asian-Pacific Minnesotans.
3.351	Legislative commission on energy.	3.981	Definitions.
3.732	Settlement of claims.	3.982	Fiscal notes for state-mandated actions.
3.736	Tort claims.	3.983	Exceptions to fiscal notes.

3.099 MEMBERS; COMPENSATION AND EXPENSES, FLEXIBLE SESSIONS.

Subdivision 1. The compensation of each member of the legislature shall be due on the first day of the regular legislative session of the term and payable in equal parts on the fifteenth day of January in the first month of each term and on the first day of each month thereafter, during the term for which he was elected. The compensation of each member of the legislature elected at a special election is due on the day the member takes the oath of office and payable within ten days of taking the oath, for the remaining part of the month in which the oath was taken, and in equal parts thereafter on the first day of each month during the term for which he was elected.

Each member shall receive mileage for necessary travel in going to and returning from the place of meeting to his place of residence in such amount and for such trips as may be authorized by the senate as to senate members, and by the house of representatives as to house members.

Each member shall receive in addition to the foregoing, such per diem living expenses during a regular or special session of the legislature in such amounts and for such purposes as may be determined by the senate as to senate members and by the house of representatives as to house members; provided, that because of the salary increases provided in subdivision 2, the amount of the per diem living expenses payable pursuant to this section during the 71st legislative session shall be set at a level not to exceed \$27 for each member who has moved from his usual place of lodging during a substantial part of the session and not to exceed \$17 for each member who has not so changed his place of lodging.

On the fifteenth day of January in the first month of each term and on the first day of each month thereafter, the secretary of the senate and the chief clerk of the house of representatives, shall certify to the commissioner of finance, in duplicate, the amount of compensation then payable to each member of their respective houses, and the aggregate thereof.

[For text of subds 2 and 3, see M.S.1984]

History: *1Sp1985 c 13 s 59*

3.21 NOTICE.

At least four months preceding the election, the attorney general shall furnish to the secretary of state a statement of the purpose and effect of all amendments proposed showing clearly the form of the existing sections, and of the same as they will read if amended, except that when any section to which an amendment is proposed exceeds 150 words in length, the statement shall show that part of the

section in which a change is proposed, both in its existing form and as it will read when amended, together with portions of the context as the attorney general deems necessary to an understanding of the proposed amendment. In the month of October prior to the election, the secretary of state shall publish the statement once in all qualified newspapers of the state. The secretary of state shall furnish the statement to the newspapers in reproducible form approved by the secretary of state, set in 7-1/2-point type on an 8-point body. The maximum rate for publication shall be as provided in section 331A.06 or 18 cents per standard line, whichever is less. If any newspaper shall refuse the publication of the amendments, this refusal and failure of the publication shall have no effect on the validity of the amendments. The secretary of state shall also forward to each county auditor copies of the statement, in poster form, in quantities sufficient to supply each election district of his county with two copies thereof. The auditor shall cause two copies to be conspicuously posted at or near each polling place on election day. Willful or negligent failure by any official named to perform any duty imposed upon him by this section shall be deemed a misdemeanor.

History: *1Sp1985 c 13 s 60*

3.29 [Repealed, 1985 c 285 s 54]

3.302 LEGISLATIVE REFERENCE LIBRARY.

[For text of subds 1 and 2, see M.S.1984]

Subd. 3. The legislative reference library is a depository of all documents published by the state and shall receive such materials automatically without cost. As used in this chapter, "document" shall include any publication issued by the state, constitutional officers, departments, commissions, councils, bureaus, research centers, societies, task forces, including advisory task forces created under section 15.014 or 15.0593, or other agencies supported by state funds, or any publication prepared for the state by private individuals or organizations and issued in print, including all forms of duplicating other than by the use of carbon paper, considered to be of interest or value to the legislative reference library. Intraoffice or interoffice memos and forms and information concerning only the internal operation of an agency are not included.

[For text of subds 3a and 4, see M.S.1984]

History: *1Sp1985 c 13 s 61*

3.303 LEGISLATIVE COORDINATING COMMISSION; CREATION AND ORGANIZATION.

[For text of subds 1 to 4, see M.S.1984]

Subd. 5. The commission shall assist state agencies in making arrangements for the accommodation and appropriate recognition of individuals or groups visiting Minnesota as direct or indirect representatives of foreign governments, other states, or any of the subdivisions or agencies of foreign governments or other states; and provide other services determined by the commission. The commission may make grants, employ staff and obtain office space, equipment, and supplies necessary to perform the designated duties.

History: *1Sp1985 c 13 s 62*

3.351 LEGISLATIVE COMMISSION ON ENERGY.*[For text of subds 1 and 2, see M.S.1984]*

Subd. 3. **Review of plans to receive and spend federal energy money.** The plan for receipt and expenditure of money resulting from litigation or settlements of alleged violations of federal petroleum pricing regulations shall be submitted to the commission for review and comment prior to submission to the federal government; provided that, if the commission fails to review and comment within 30 days, the plan may be submitted without commission review. If the use of the money is not governed by federal requirements or restrictions, the commission shall develop its own plan for the expenditure of the money. A plan developed by the commission must provide that, to the extent feasible, the money will be expended for energy projects or other public projects that provide direct benefit to classes of consumers affected by the petroleum pricing violations. The plan must allocate the money to projects that benefit classes of consumers in proportion to their consumption of petroleum products. The plan may also provide for expenditure of the money for programs of the commission. The commission shall submit its plan to the governor or the state agency eligible to receive the money from the federal government. The plan is advisory only. The commission by resolution may request the governor or any state agency eligible to receive money from the federal government for other energy programs to submit a plan for expenditure to the commission for review and comment prior to submission to the federal government. If the governor or the agency is required to submit a request to spend the money to the legislative advisory commission under section 3.3005, the commission shall forward its comments to the legislative advisory commission for consideration during its preparation of a recommendation.

*[For text of subds 4 and 5, see M.S.1984]***History:** *1Sp1985 c 13 s 63***3.732 SETTLEMENT OF CLAIMS.**

Subdivision 1. **Definitions.** As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the Minnesota housing finance agency, the Minnesota higher education coordinating board, the Minnesota higher education facilities authority, the armory building commission, the state zoological board, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors or employees of the state, members of the Minnesota national guard, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation, but does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or United States Code, title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983.

(3) "Scope of his office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned to him by competent authority.

*[For text of subds 2 to 6, see M.S.1984]***History:** *1985 c 166 s 1*

3.736 TORT CLAIMS.

Subdivision 1. **General rule.** The state will pay compensation for injury to or loss of property or personal injury or death caused by an act or omission of any employee of the state while acting within the scope of his office or employment or peace officer who is not acting on behalf of a private employer and who is acting in good faith pursuant to section 629.40, subdivision 3, under circumstances where the state, if a private person, would be liable to the claimant. Nothing in this section waives the defense of judicial or legislative immunity except to the extent provided in subdivision 8.

[For text of subd 2, see M.S.1984]

Subd. 3. **Exclusions.** Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) Any loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or regulation;

(b) Any loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) Any loss in connection with the assessment and collection of taxes;

(d) Any loss caused by snow or ice conditions on any highway or other public place, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) Any loss caused by wild animals in their natural state;

(f) Any loss other than injury to or loss of property or personal injury or death;

(g) Any loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, and appurtenances, fixtures and attachments to land that the state has neither affixed nor improved;

(h) Any loss incurred by a user within the boundaries of the outdoor recreation system and arising from the construction, operation, or maintenance of the system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, or from the construction, operation, or maintenance of a water access site created by the iron range resources and rehabilitation board, except that the state is liable for conduct that would entitle a trespasser to damages against a private person.

(i) Any loss of benefits or compensation due under a program of public assistance or public welfare, except where state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) Any loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(k) Any loss based on the usual care and treatment, or lack of care and treatment, of any person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) Any loss, damage, or destruction of property of a patient or inmate of a state institution;

(m) Any loss for which recovery is prohibited by section 169.121, subdivision 9.

The state will not pay punitive damages.

[For text of subds 4 to 8, see M.S.1984]

Subd. 9. Indemnification. The state of Minnesota shall defend, save harmless, and indemnify any employee of the state against expenses, attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the employee of the state in connection with any tort, civil, or equitable claim or demand, or expenses, attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the employee of the state in connection with any claim or demand arising from the issuance and sale of any securities by the state, whether groundless or otherwise, arising out of an alleged act or omission occurring heretofore or hereafter during his period of employment if the employee provides complete disclosure and cooperation in the defense of the claim or demand and if the employee was acting within the scope of his employment. Except for elected employees, an employee of the state shall be conclusively presumed to have been acting within the scope of his employment if the employee's appointing authority issues a certificate to that effect. This determination may be overruled by the attorney general. The determination of whether an employee of the state was acting within the scope of his employment shall be a question of fact to be determined by the trier of fact based upon the circumstances of each case (i) in the absence of a certification, (ii) if a certification is overruled by the attorney general, (iii) if an unfavorable certification is made, or (iv) with respect to an elected official. The absence of the certification or an unfavorable certification shall not be evidence relevant to such a determination. It is the express intent of this provision to defend, save harmless, and indemnify any employee of the state against the full amount of any final judgment rendered by a court of competent jurisdiction arising from a claim or demand described herein, regardless of whether the limitations on liability specified in subdivision 4 or 4a hereof are, for any reason, found to be inapplicable. This subdivision does not apply in case of malfeasance in office or willful or wanton actions or neglect of duty, nor does it apply to expenses, attorneys' fees, judgments, fines, and amounts paid in settlement of claims for proceedings brought by or before responsibility or ethics boards or committees.

Subd. 9a. Peace officer indemnification. The state of Minnesota shall defend, save harmless, and indemnify a peace officer who is not acting on behalf of a private employer and who is acting in good faith pursuant to section 629.40, subdivision 3, the same as if the officer were an employee of the state.

[For text of subds 10 and 11, see M.S.1984]

History: 1985 c 84 s 1,2; 1985 c 166 s 2,3; 1Sp1985 c 13 s 64; 1Sp1985 c 16 art 1 s 1

3.739 INJURY OR DEATH OF CONDITIONALLY RELEASED INMATE.

Subdivision 1. Permissible claims. Claims and demands arising out of the circumstances described in this subdivision shall be presented to, heard, and determined as provided in subdivision 2:

(1) an injury to or death of an inmate of a state, regional, or local correctional facility or county jail who has been conditionally released and ordered to perform uncompensated work for a state agency, a political subdivision or public corporation of this state, a nonprofit educational, medical, or social service agency, or a private business or individual, as a condition of his release, while performing the work;

(2) an injury to or death of a person sentenced by a court, granted a suspended sentence by a court, or subject to a court disposition order, and who, pursuant to court order, is performing work (a) in restitution, (b) in lieu of or to work off fines or court ordered costs, (c) in lieu of incarceration, or (d) as a term or condition of a sentence, suspended sentence, or disposition order, while performing the work;

(3) an injury to or death of a person, who has been diverted from the court system and who is performing work as described in paragraph (1) or (2) pursuant to a written agreement signed by himself, and if a juvenile, by his parent or guardian; or

(4) an injury to or death of any person caused by an individual who was performing work as described in paragraph (1), (2), or (3).

Subd. 2. Evaluation and payment of claims. Claims not to exceed \$500 arising out of this section shall be investigated by the state or local agency responsible for supervising the work to determine if the claim is valid and if the loss is covered by the claimant's insurance. The investigating agency shall submit all appropriate claims to the department of corrections. The department shall pay the portion of any approved claim that is not covered by the claimant's insurance within a reasonable period of time. On or before the first day of each legislative session, the department shall submit to the appropriate committees of the senate and the house of representatives a list of the claims paid by it during the preceding calendar year, and shall be reimbursed pursuant to legislative appropriation for the claims paid. For the purposes of this paragraph, in the case of a juvenile claimant the term "claimant's insurance" includes the insurance policy of the juvenile's parents if the juvenile is covered by the policy.

Any claim in excess of \$500, and any claim that was not paid by the department may be presented to, heard, and determined by the appropriate committees of the senate and the house of representatives and, if approved, shall be paid pursuant to legislative claims procedure.

No juvenile claimant receiving payment pursuant to this section may be identified by name either in the list of claimants submitted by the department or in the legislative appropriation.

Subd. 2a. Limitations. Compensation paid under this section is limited to reimbursement for medical expenses and compensation for permanent total or partial disability or death. No compensation shall be paid pursuant to this section for pain and suffering. Payments made pursuant to this section shall be reduced by any proceeds received by the claimant from any insurance policy covering the loss. For the purposes of this section, "insurance policy" does not include the medical assistance program authorized under chapter 256B, or the general assistance medical care program authorized under chapter 256D.

[For text of subd 3, see M.S.1984]

History: 1985 c 242 s 1-3

3.85 LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT.

[For text of subs 1 to 10, see M.S.1984]

Subd. 11. Standards for pension valuations and cost estimates. The commission shall by June 30, 1985, adopt standards prescribing specific detailed methods of calculating, evaluating, and displaying current and proposed law liabilities, costs, and actuarial equivalents of all public employee pension plans in Minnesota. These standards shall be consistent with chapter 356 and shall be updated annually thereafter.

Subd. 12. Valuations and reports to legislature. (a) The commission shall contract with an established actuarial consulting firm to conduct annual valuations and financial adequacy studies for the funds specified in (b). The contract shall also

include provisions for performing cost analyses of proposals for changes in benefit and funding policies.

(b) The plans which shall be included in the contract for valuation and analysis are:

- (1) the Statewide Teachers Retirement Association;
- (2) the General Plan, Minnesota State Retirement System;
- (3) the Correctional Plan, Minnesota State Retirement System;
- (4) the State Patrol Plan, Minnesota State Retirement System;
- (5) the Judges Plan, Minnesota State Retirement System;
- (6) the Minneapolis Employees Retirement Fund;
- (7) the General Plan, Public Employees Retirement Association;
- (8) the Police and Fire Plan, Public Employees Retirement Association;
- (9) the Duluth Teachers Retirement Association;
- (10) the Minneapolis Teachers Retirement Association;
- (11) the St. Paul Teachers Retirement Association; and
- (12) the Legislator's Retirement Plan.

(c) The contract shall include the following:

(1) Every year beginning in fiscal year 1986, the contract shall specify completion of standard valuations for the preceding fiscal year with contents as described in section 356.215, subdivision 4; and cash flow forecasts through the amortization target date. For funds using a calendar year valuation period the first valuation shall be for the period ending December 31, 1985.

(2) Every four years, beginning in fiscal year 1988, the contract shall specify completion of an experience study for the four-year period ending June 30 of the preceding fiscal year. The experience study shall evaluate the appropriateness of continuing to use for future valuations the assumptions relating to: individual salary progression; rate of return on investments; payroll growth; mortality; withdrawal; disability; retirement; and any other experience-related factor that could impact the future financial condition of the retirement funds.

(d) The commission shall annually prepare a report to the legislature summarizing the results of the valuations and cash flow projections and shall include with its report recommendations concerning the appropriateness of the support rates to achieve proper funding of the retirement funds by the required funding dates. It shall also, within two months of the completion of the quadrennial experience studies, prepare a report to the legislature on the appropriateness of the valuation assumptions listed in paragraph (c), clause (2).

History: *1Sp1985 c 7 s 1,2; 1Sp1985 c 13 s 65*

3.875 LEGISLATIVE COMMISSION ON ECONOMIC DEVELOPMENT STRATEGY.

Subdivision 1. Commission created. A legislative commission on economic development strategy is created to review state economic development efforts and recommend a strategy for state economic development activities.

Subd. 2. Membership. The commission consists of ten members: five members of the senate appointed by the subcommittee on committees of the committee on rules and administration and five members of the house of representatives appointed by the speaker. The members shall elect the chair.

Subd. 3. Compensation. Members of the commission shall be compensated in the manner provided by section 3.101.

Subd. 4. **Staff assistance.** The commission may appoint an executive director in the unclassified service and hire staff who may request and shall receive reasonable assistance from other state agencies. The director of state planning, the commissioner of energy and economic development, and the commissioner of agriculture shall provide, to the extent requested by the commission, necessary office space, equipment, and staff assistance to the commission to enable the commission to carry out its duties. These agencies shall share the costs of the executive director and support staff. The legislative coordinating commission shall also provide office space and administrative support to the commission.

Subd. 5. **Duties.** The commission shall:

(1) review existing data and collect additional data when needed regarding existing, proposed, and potential economic development programs;

(2) review existing economic development programs and assess their effectiveness and appropriateness;

(3) study state economic development options and develop a long-term strategy for state economic development efforts, including suggested goals and measurable objectives; and

(4) report on the results of those matters specified by clauses (1), (2), and (3) to the legislature by February 1, 1987. The report shall include but is not limited to the strategy required by clause (3), and proposed legislation to repeal, revise, or create new or existing economic development programs.

Subd. 6. **Powers.** The commission may:

(1) contract for consulting or research services;

(2) establish advisory task forces consisting of individuals including agency heads or their designees, University of Minnesota personnel or their designees, and persons in the private sector having knowledge in commerce and economic development; and

(3) vote to discontinue its work if it reasonably concludes that it has complied with subdivision 1 and that there is nothing remaining for the commission or its staff to accomplish.

Subd. 7. **Factual considerations.** In carrying out the duties required by subdivision 6, the commission shall consider:

(1) the economic and noneconomic strengths and weaknesses of the state;

(2) economic and noneconomic costs and benefits of development, including effects on people, communities, and businesses;

(3) the proper role and limitations of government efforts to aid economic development, including any necessary reorganization of state government and any necessary interagency coordination and communication;

(4) the effect of past and present economic development policies and programs, as well as the possibility and results of cooperation with the federal government and other midwestern states;

(5) the proper role of local government, including coordination of local programs;

(6) the industries or segments of industry and types of businesses that should be the focus of state economic development efforts;

(7) whether the focus of state decision makers should be on new firms or businesses, or limited to expansion of existing firms or businesses, and what guidelines should be established to assure that the development or expansion would not occur without state assistance;

(8) the effectiveness, including cost effectiveness, considering the state's kind and number of resources, of current economic development tools, such as job training, grants, loans, loan guarantees, tax incentives, subsidies, venture capital, technical support, and project incubation;

(9) the potential effectiveness of other policies or tools not currently provided for;

(10) the importance to economic development of state educational programs, tax structures, infrastructure, and regulation;

(11) the effects of existing and potential international trade activities and federal fiscal and monetary policy on economic development within the state; and

(12) the extent to which economic development programs should be directed to industries in which Minnesota has a comparative advantage or directed to maintaining a diversified economy.

Subd. 8. **Sunset.** This section is repealed July 1, 1987.

History: *1Sp1985 c 13 s 66*

3.9223 COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE.

Subdivision 1. **Membership.** There is created a state council on affairs of Spanish-speaking people to consist of seven members appointed by the governor. The demographic composition of the council members shall accurately reflect the demographic composition of Minnesota's Spanish-speaking community, including migrant workers, as determined by the state demographer. Membership, terms, compensation, removal of members and filling of vacancies shall be as provided in section 15.0575. The council shall annually elect from its membership a chairperson and other officers it deems necessary. The council shall expire on the date provided by section 15.059, subdivision 5.

[For text of subds 2 to 7, see M.S.1984]

History: *1Sp1985 c 13 s 67*

3.9226 COUNCIL ON ASIAN-PACIFIC MINNESOTANS.

Subdivision 1. **Creation.** The state council on Asian-Pacific Minnesotans consists of 13 members. Nine members are appointed by the governor and shall be broadly representative of the Asian-Pacific community of the state. Terms, compensation, removal, and filling of vacancies for these members are as provided in section 15.059. In addition, two members of the house of representatives appointed under the rules of the house of representatives and two members of the senate appointed under the rules of the senate shall serve as nonvoting members of the council. The council shall annually elect from its membership a chairperson and other officers it deems necessary.

Subd. 2. **Definition.** For the purpose of this section, the term Asian-Pacific means a person from any of the countries in Asia or the Pacific Islands.

Subd. 3. **Duties.** The council shall:

(1) advise the governor and the legislature on issues confronting Asian-Pacific people in this state, including the unique problems of non-English-speaking immigrants and refugees;

(2) advise the governor and the legislature of administrative and legislative changes necessary to ensure Asian-Pacific people access to benefits and services provided to people in this state;

(3) recommend to the governor and the legislature any revisions in the state's affirmative action program and other steps that are necessary to eliminate underutilization of Asian-Pacific people in the state's work force;

(4) recommend to the governor and the legislature legislation designed to improve the economic and social condition of Asian-Pacific people in this state;

(5) serve as a conduit to state government for organizations of Asian-Pacific people in the state;

(6) serve as a referral agency to assist Asian-Pacific people in securing access to state agencies and programs;

(7) serve as a liaison with the federal government, local government units, and private organizations on matters relating to the Asian-Pacific people of this state;

(8) perform or contract for the performance of studies designed to suggest solutions to the problems of Asian-Pacific people in the areas of education, employment, human rights, health, housing, social welfare, and other related areas;

(9) implement programs designed to solve the problems of Asian-Pacific people when authorized by other law;

(10) publicize the accomplishments of Asian-Pacific people and their contributions to this state;

(11) work with other state and federal agencies and organizations to develop small business opportunities and promote economic development for Asian-Pacific Minnesotans;

(12) supervise development of an Asian-Pacific trade primer, outlining Asian and Pacific customs, cultural traditions, and business practices, including language usage, for use by Minnesota's export community; and

(13) cooperate with other state and federal agencies and organizations to develop improved state trade relations with Asian and Pacific countries.

Subd. 4. Review of grant applications and budget requests. State departments and agencies shall consult with the council concerning any application for federal money that will have its primary effect on Asian-Pacific Minnesotans before development of the application. The council shall advise the governor and the commissioner of finance concerning any state agency request that will have its primary effect on Asian-Pacific Minnesotans.

Subd. 5. Powers. (a) The council may contract in its own name but may not accept or receive a loan or incur indebtedness except as otherwise provided by law. Contracts must be approved by a majority of the members of the council and executed by the chairperson and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the powers and duties specified in this section.

(b) The council shall appoint an executive director who is experienced in administrative activities and familiar with the problems and needs of Asian-Pacific people. The council may delegate to the executive director any powers and duties under this section that do not require council approval. The executive director serves in the unclassified service and may be removed at any time by the council. The executive director shall recommend to the council, and the council may appoint, the appropriate staff necessary to carry out the duties of the council. All staff members serve in the unclassified service. The commissioner of administration shall provide the council with necessary administrative services, for which the council shall reimburse the commissioner.

Subd. 6. State agency assistance. On the request of the council, state agencies shall supply the council with advisory staff services on matters relating to the

jurisdiction of the council. The council shall cooperate and coordinate its activities with other state agencies to the highest possible degree.

Subd. 7. **Report.** The council shall prepare and distribute a report to the governor and legislature by November 15 of each even-numbered year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting Asian-Pacific people, and list the specific objectives that the council seeks to attain during the next biennium.

Subd. 8. **Repealer.** This section is repealed June 30, 1988.

History: *1Sp1985 c 13 s 68*

3.981 DEFINITIONS.

Subdivision 1. **Scope.** The terms used in sections 3.981 to 3.983 and 14.131 have the meanings given them in this section.

Subd. 2. **Costs mandated by the state.** "Costs mandated by the state" means increased costs that a local agency or a school district is required to incur as a result of:

(a) a law enacted after June 30, 1985, which mandates a new program or an increased level of service of an existing program;

(b) an executive order issued after June 30, 1985, which mandates a new program;

(c) an executive order issued after June 30, 1985, which implements or interprets a state statute and, by this implementation or interpretation, increases program levels above the levels required before July 1, 1985;

(d) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which implements or interprets a federal statute or regulation and, by this implementation or interpretation, increases program or service levels above the levels required by this federal statute or regulation;

(e) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which implements or interprets a statute or amendment adopted or enacted pursuant to the approval of a statewide ballot measure by the voters and, by this implementation or interpretation, increases program or service levels above the levels required by the ballot measure;

(f) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which removes an option previously available to local agencies and thus increases program or service levels or prohibits a specific activity and so forces local agencies to use a more costly alternative to provide a mandated program or service;

(g) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which requires that an existing program or service be provided in a shorter time period and thus increases the cost of the program or service;

(h) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which adds new requirements to an existing optional program or service and thus increases the cost of the program or service as the local agencies have no reasonable alternatives other than to continue the optional program;

(i) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which creates new revenue losses stemming from new property or sales and use tax exemptions; or

(j) a statute enacted after June 30, 1985, or executive order issued after June 30, 1985, which requires costs previously incurred at local option that have subsequently been mandated by the state.

Subd. 3. **Executive order.** "Executive order" means an order, plan, requirement, or rule issued by the governor, an official serving at the pleasure of the governor, or an agency, department, board, or commission of state government. "Executive order" does not include an order, plan, requirement, or rule issued by a regional water quality control board.

Subd. 4. **Local agency.** "Local agency" means a home rule charter or statutory city, county, town, or special district.

Subd. 5. **Mandate.** A "mandate" means a requirement which applies to a local agency or school district and which, if not complied with, results in civil liability, criminal penalty, substantial economic sanction such as loss of funding, or severe administrative sanctions such as closure or nonlicensure of a facility or program. "To mandate" means to impose such a requirement.

Subd. 6. **Requiring an increased level of service.** "Requiring an increased level of service" includes requiring that an existing service be provided in a shorter time.

Subd. 7. **Rule.** "Rule" means a rule, order, or standard of general application adopted by a state agency to implement, interpret, or make specific the law it enforces or administers or to govern its procedure. "Rule" includes an amendment to a rule. "Rule" does not include rules that relate only to the internal management of a state agency.

Subd. 8. **Savings.** "Savings" includes budget reductions and the freeing of staff or resources to be reassigned to a local agency's or school district's other areas of concern.

Subd. 9. **School district.** "School district" includes school districts, community college districts, and county superintendents of schools.

History: *ISp1985 c 10 s 34*

3.982 FISCAL NOTES FOR STATE-MANDATED ACTIONS.

When the state proposes to mandate that a local agency or school district take an action, and when reasonable compliance with that action would force the local agency or school district to incur costs mandated by the state, a fiscal note shall be prepared as provided in section 3.98, subdivision 2 and shall be made available to the public upon request. If the action is among the exceptions listed in section 3.983, a fiscal note need not be prepared.

When a bill proposing a mandate is introduced and referred to a standing committee, the chairman of the standing committee to which the bill is referred shall request the appropriate state agency or department to prepare a fiscal note before the bill is heard in the committee. Before a proposed mandate is issued in an executive order, the governor or appropriate agency head assigned by the governor shall prepare the fiscal note and make it available to the public.

History: *ISp1985 c 10 s 35*

3.983 EXCEPTIONS TO FISCAL NOTES.

Subdivision 1. **Costs resulting from inflation.** A fiscal note need not be prepared for increases in the cost of providing an existing service if the increases result directly from inflation. "Resulting directly from inflation" means attributable to maintaining an existing level of service rather than increasing the level of service. A cost-of-living increase in welfare benefits is an example of a cost resulting directly from inflation.

Subd. 2. **Costs not result of new program or increased service.** A fiscal note need not be prepared for increased local costs that do not result from a new program or an increased level of service.

Subd. 3. **Miscellaneous exceptions.** A fiscal note need not be prepared for the cost of a mandated action if the law containing the mandate:

- (a) accommodates a specific local request;
- (b) results in no new local government duties;
- (c) leads to revenue losses from exemptions to taxes other than sales, use, or property taxes;
- (d) provides only clarifying or conforming, nonsubstantive changes on local government;
- (e) imposes additional net local costs which are minor (less than \$200 for any single local government if the mandate does not apply statewide or less than one-tenth of a mill times the entire value of taxable property in the state if the mandate is statewide) and do not cause a financial burden on local government;
- (f) is a legislative mandate or executive order enacted before July 1, 1985, or a regulation initially implementing legislation enacted before July 1, 1985;
- (g) implements something other than a state statute or executive order, such as a federal, court, or voter-approved mandate;
- (h) appears in rules that are permissive or discretionary in nature;
- (i) defines a new crime or redefines an existing crime or infraction;
- (j) provides, or falls within the purview of existing, revenue sources or other financing mechanisms; or
- (k) results in savings that equal or exceed costs.

History: *1Sp1985 c 10 s 36*