

STATE OF MINNESOTA

# Journal of the Senate

EIGHTIETH LEGISLATURE

---

SEVENTY-SIXTH DAY

St. Paul, Minnesota, Thursday, February 19, 1998

The Senate met at 8:00 a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Paul Harris.

The roll was called, and the following Senators answered to their names:

Anderson	Higgins	Krentz	Neuville	Sams
Beckman	Hottinger	Laidig	Novak	Samuelson
Belanger	Janezich	Langseth	Olson	Scheevel
Berglin	Johnson, D.E.	Larson	Ourada	Scheid
Betzold	Johnson, D.H.	Lesewski	Pappas	Solon
Cohen	Johnson, D.J.	Lessard	Pariseau	Spear
Day	Johnson, J.B.	Limmer	Piper	Stevens
Dille	Junge	Lourey	Pogemiller	Stumpf
Fischbach	Kelley, S.P.	Marty	Price	Ten Eyck
Flynn	Kelly, R.C.	Metzen	Ranum	Terwilliger
Foley	Kiscaden	Moe, R.D.	Robertson	Vickerman
Frederickson	Kleis	Morse	Robling	Wiener
Hanson	Knutson	Murphy	Runbeck	Wiger

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Mr. Berg was excused from the Session of today.

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2729 and 3095.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 19, 1998

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

**H.F. No. 2729:** A bill for an act relating to health occupations; permitting the board of dietetics and nutrition practice to waive licensure requirements for dietitians.

Referred to the Committee on Health and Family Security.

**H.F. No. 3095:** A bill for an act relating to veterans; designating a date in February as Chaplains Day in honor of four United States army chaplains who sacrificed their lives at sea for other service members; proposing coding for new law in Minnesota Statutes, chapter 10.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2688.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 2398. The motion prevailed.

**Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred**

**S.F. No. 2398:** A bill for an act relating to economic development; modifying public notice requirements for sale or lease of property by a housing and redevelopment authority; amending Minnesota Statutes 1996, section 469.029, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, before "property" insert "nonresidential" and after "property" insert "or the sale of residential property"

Page 1, line 18, delete "\$1,000,000" and insert "\$500,000 and more than \$10,000"

Page 1, line 19, delete "an official" and insert "a qualified" and delete "of general circulation"

Page 1, delete lines 20 to 22 and insert "The advertisement must specifically describe the property by address, if possible, or otherwise by legal description"

Page 1, line 23, delete everything before the period

Page 1, line 24, delete "one-eighth" and insert "1/12"

Page 1, line 25, delete everything after the period

Page 1, delete line 26

Page 2, delete line 1

Page 2, line 3, delete "\$1,000,000" and insert "\$500,000"

Page 2, line 4, after "except" insert "that" and after "advertisement" insert "also"

Page 2, line 5, before "statewide" insert "paid" and after "circulation" insert "of 100,000 or more"

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Ms. Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 1654:** A bill for an act relating to real property; providing for fee changes for filing and recording certain documents; amending Minnesota Statutes 1996, sections 357.18, subdivisions 1, 2, and 3; 508.82, subdivision 1; and 515B.1-116.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 357.18, subdivision 1, is amended to read:

Subdivision 1. The fees to be charged by the county recorder shall be as follows:

(1) for indexing and recording any deed or other ~~instrument~~ document, \$1 for each page of an ~~instrument~~ a document, with a minimum fee of \$15;

(2) for a mortgage or other document that creates a lien and assigns the mortgagee's or other lienholder's interest, a fee of \$15 for the mortgage or lien plus \$15 for each assignment and plus one \$10 administrative fee for the nonstandard processing of each mortgage or lien creating a document. The county recorder shall assign separate document numbers to the mortgage or lien, and to each assignment;

(2) (3) for documents containing multiple assignments, partial releases, or satisfactions, \$10 for each additional document number or additional book and page cited;

(3) (4) for ~~certified copies~~ a certified copy of any ~~records or papers~~ recorded document, \$1 for each page of an ~~instrument~~ a document with a minimum fee of \$5 and for affixing duplicate recording data onto a copy submitted by the customer at the time of recording, \$2 per document number assigned;

(4) (5) for an abstract of title, the fees shall be determined by resolution of the county board duly adopted upon the recommendation of the county recorder, and the fees shall not exceed \$5 for every entry, \$50 for abstract certificate, \$1 per page for each exhibit included within an abstract as a part of an abstract entry, and \$2 per name for each required name search certification;

(5) (6) for a certified copy of an official plat filed pursuant to section 505.08, the fee shall be ~~\$9.50 and an additional 50 cents shall be charged for the certification of each plat~~ \$10 for the first five pages and \$2 for each additional page;

(6) (7) for filing a ~~condominium floor plan plat~~ plat in accordance with section ~~515.13, or a condominium plat in accordance with section 515A.2-110~~, the fee shall be ~~50 cents per apartment with a minimum fee of \$30~~ chapter 505, the fee is \$50; and for filing a CIC declaration and CIC plat in the form prescribed in section 515B.2-110, paragraph (c), or an amendment to either in accordance with chapter 515, 515A, or 515B, the fee is \$70;

(7) (8) for a certified copy of a condominium or CIC floor plan filed pursuant to section ~~515.13, or a copy of a condominium plat filed in accordance with section 515A.2-110~~, chapter 515, 515A, or 515B, the fee shall be ~~\$1 for each page of the floor plan or condominium plat with a minimum fee of~~ \$10 for the first five pages and \$2 for each additional page; and

(9) for items requested to be sent by means other than first class mail, the recorder may charge a handling fee of \$5 in addition to the charge for copying, postage, and delivery.

Sec. 2. Minnesota Statutes 1996, section 357.18, subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of any general or special law to the contrary, the fees prescribed by this section shall govern the filing or recording of all instruments in the office of the county recorder other than uniform commercial code documents, and documents filed or recorded pursuant to sections 270.69, subdivision 2, paragraph (c), 272.481 to 272.488, 277.20, and 386.77, and 514.982.

Sec. 3. Minnesota Statutes 1996, section 357.18, subdivision 3, is amended to read:

Subd. 3. ~~[STATE SURCHARGE.]~~ In addition to the fees imposed in subdivision 1, clauses (1), (2), (3), (6), and (7), for each document number assigned a \$4.50 state surcharge shall be collected: on each fee charged under subdivision 1, clauses (1) and (6), and. A \$4.50 state surcharge shall also be collected for each abstract certificate under subdivision 1, clause (4) (5). Fifty cents of each surcharge shall be retained by the county to cover its administrative costs and \$4 shall be paid to the state treasury and credited to the general fund.

Sec. 4. Minnesota Statutes 1996, section 505.08, subdivision 2, is amended to read:

Subd. 2. [PUBLIC CERTIFIED COPIES.] The copies of the official plat or of the exact reproducible copy shall be compared and certified to by the county recorder in the manner in which certified copies of records are issued in the recorder's office, and the copy thereof shall be bound in a proper volume for the use of the general public and anyone shall have access to and may inspect such certified copy at their pleasure. When the plat includes both registered and nonregistered land two copies thereof shall be so certified and bound, one for such general public use in each of the offices of the county recorder and registrar of titles; provided, however, that only one such copy so certified and bound shall be provided for general public use in those counties wherein the office quarters of the county recorder and registrar of titles are one and the same. When the copy, or any part thereof, shall become unintelligible from use or wear or otherwise, at the request of the county recorder it shall be the duty of the county surveyor to make a reproduction copy of the official plat, or the exact transparent reproducible copy under the direct supervision of the county recorder, who shall compare the copy, certify that it is a correct copy thereof, by proper certificate as above set forth, and it shall be bound in the volume, and under the page, and in the place of the discarded copy. In counties not having a county surveyor the county recorder shall employ a registered land surveyor to make such reproduction copy, at the expense of the county. ~~The county recorder, or registrar of titles, or both, if both recording and filing are required, shall receive as a fee for filing these plats, as aforesaid described, 50 cents per lot, but shall receive not less than \$30 for any plat filed in the recorder's office collect filing fees as provided by law.~~ Reproductions from the exact transparent reproducible copy shall be available to any person upon request and the cost of such reproductions shall be paid by the person making such request. If a copy of the official plat is requested the county recorder shall prepare it and duly certify that it is a copy of the official plat and the cost of such copy shall be paid by the person making such request.

Sec. 5. Minnesota Statutes 1996, section 508.82, subdivision 1, is amended to read:

Subdivision 1. [STANDARD DOCUMENTS.] The fees to be paid to the registrar shall be as follows:

~~(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), (10), (12), (13), (14), (16), (17), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with 50 cents of this surcharge to be retained by the county to cover its administrative costs and \$4 to be paid to the state treasury and credited to the general fund;~~

~~(2) for registering each original certificate of title, and issuing a duplicate of it, \$30;~~

~~(3) (2) for registering filing each instrument document transferring the fee simple title for which a and issuing each new certificate of title is issued and for the issuance and registration of the new certificate of title, \$30;~~

~~(4) (3) for the filing and entry of each memorial on a certificate and endorsements upon duplicate certificates, \$15, and for entry of a memorial on each additional certificate, \$15;~~

~~(4) for a mortgage or other document that creates a lien and assigns the mortgagee's or other lienholder's interest, a fee of \$15 for the mortgage or lien plus \$15 for each assignment and plus one \$10 administrative fee for the nonstandard processing of each mortgage or lien creating a document. The registrar shall assign separate document numbers to the mortgage or lien, and to each assignment;~~

- (5) for issuing each residue certificate, \$20;
- (6) for exchange certificates, \$10 for each certificate canceled, and ~~\$10~~ \$20 for each new certificate issued;
- (7) for each certificate showing condition of the register, \$10;
- (8) for ~~any a certified copy of any instrument or writing document on file in the registrar's office, the same fees allowed by law to county recorders for like services, \$1 for each page with a minimum fee of \$5; and for affixing duplicate recording data onto a copy submitted by the customer at the time of filing subject to section 508.38, \$2 per document number assigned;~~
- (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;
- (10) for filing ~~two copies of any plat in the office of the registrar, \$30 pursuant to section 505.08 and entry as a memorial on a certificate, \$50; and for entry of a memorial on each additional certificate, \$15;~~
- (11) ~~(10)~~ for any other service under this chapter, such fee as the court shall determine;
- (12) ~~(11)~~ for issuing a duplicate certificate of title pursuant to filing a court order or the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize and issuing a duplicate certificate of title, \$50, plus \$10 to memorialize the order or directive;
- (13) ~~(12)~~ for issuing a duplicate certificate of title pursuant to a court order or the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10, \$30;
- (14) ~~(13)~~ for filing a condominium plat or an amendment to it in accordance with chapter 515 and entry as a memorial on a certificate of title, \$30 \$50; and for entry of a memorial on each additional certificate, \$15;
- (15) ~~(14)~~ for a certified copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the condominium plat with a minimum fee of an official plat, floor plan, or registered land survey, \$10 for the first five pages, and \$2 for each additional page;
- (16) ~~(15)~~ for filing a condominium CIC declaration and plat in the form prescribed in section 515B.2-110, paragraph (c), and CIC plat or an amendment to it either in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment thereto or 515B and entry as a memorial on a certificate, \$70; and for entry of a memorial on each additional certificate, \$15. If a common interest community is located on registered land, the recording fee for any document affecting two or more units is the then current fee for registering the document on the certificates of title for the first ten affected certificates, and \$5 for each additional affected certificate. This conditional provision does not apply to recording fees for deeds of conveyance, but does apply to deeds given pursuant to sections 515B.2-119 and 515B.3-112;
- (17) ~~(16)~~ for the filing of a certified copy of a plat of the survey pursuant to section 508.23 or 508.671, ~~\$10~~ \$20; and for entry of a memorial on each additional certificate, \$15;
- (18) ~~(17)~~ for filing a registered land survey in triplicate in accordance with section 508.47, subdivision 4, \$30 and entry as a memorial on a certificate, \$50; for entry of a memorial on each additional certificate, \$15;
- (19) ~~(18)~~ for furnishing a certified copy of a registered land survey in accordance with section 508.47, subdivision 4, \$10. items requested to be sent by means other than first class mail, the registrar may charge a handling fee of \$5 in addition to the charge for copying, postage, and delivery;

(19) \$1 of the fees collected under clauses (2), (3), (4), (10), (11), (12), (15), and (16) for filing or memorializing must be paid to the state treasurer and credited to the general fund; and

(20) in addition to the fees imposed in this subdivision, clauses (2), (3), (4), (5), (9), (11), (12), (13), (15), and (17), a \$4.50 state surcharge for each document number assigned shall be collected. Fifty cents of each surcharge shall be retained by the county to cover its administrative costs, and \$4 shall be paid to the state treasury and credited to the general fund.

Sec. 6. Minnesota Statutes 1996, section 508A.82, subdivision 1, is amended to read:

Subdivision 1. [STANDARD DOCUMENTS.] The fees to be paid to the registrar shall be as follows:

~~(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), (10), (12), (13), (14), (16), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with 50 cents of this surcharge to be retained by the county to cover its administrative costs and \$4 to be paid to the state treasury and credited to the general fund;~~

~~(2) for registering each original CPT, and issuing a duplicate of it, \$30;~~

~~(3) (2) for registering filing each instrument document transferring the fee simple title for which a and issuing each new CPT is issued and for the issuance and registration of the new CPT, \$30;~~

~~(4) (3) for the filing and entry of each memorial on a certificate and endorsements upon duplicate CPTs, \$15 CPT, \$15 and for entry of a memorial on each additional CPT, \$15; and for a mortgage or other document that creates a lien and assigns the mortgagee's or other lienholder's interest, a fee of \$15 for the mortgage or lien plus \$15 for each assignment and plus one \$10 administrative fee for the nonstandard processing of each mortgage or lien creating a document. The registrar shall assign separate document numbers to the mortgage or lien, and to each assignment;~~

~~(5) (4) for issuing each residue CPT, \$20 \$30;~~

~~(6) (5) for exchange CPTs, \$10 for each CPT canceled, and \$10 \$20 for each new CPT issued;~~

~~(7) (6) for each certificate showing condition of the register, \$10;~~

~~(8) (7) for any a certified copy of any instrument or writing document on file in the registrar's office, the same fees allowed by law to county recorders for like services, \$1 for each page with a minimum fee of \$5; and for affixing duplicate recording data onto a copy submitted by the customer at the time of filing subject to section 508.38, \$2 per document number assigned;~~

~~(9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;~~

~~(10) (8) for filing two copies of any plat in the office of the registrar, \$30 pursuant to section 505.08 and entry as a memorial on a CPT, \$50; and for entry of a memorial on each additional CPT, \$15;~~

~~(11) (9) for any other service under sections 508A.01 to 508A.85, the fee the court shall determine;~~

~~(12) (10) for issuing a duplicate CPT pursuant to filing a court order or the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, and issuing a duplicate CPT, \$50, plus \$10 \$15 to memorialize the order or directive;~~

~~(13) (11) for issuing a duplicate CPT pursuant to a court order or the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10~~ \$30;

~~(14) (12) for filing a condominium plat or an amendment to it in accordance with chapter 515 and entry as a memorial on a CPT, \$30~~ \$50; and for entry of a memorial on each additional CPT, \$15;

~~(15) (13) for a certified copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the plat with a minimum fee of an official plat, floor plan, or registered land survey, \$10 for the first five pages and \$2 for each additional page;~~

~~(16) (14) for filing a condominium CIC declaration and condominium plat in the form prescribed in section 515B.2-110, paragraph (c), and CIC plat or an amendment to it either in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment to it or 515B and entry as a memorial on a certificate, \$70; and for entry of a memorial on each additional certificate, \$15. If a common interest community is located on registered land, the recording fee for any document affecting two or more units is the then current fee for registering the document on the CPTs for the first ten affected CPTs, and \$5 for each additional affected certificate. This conditional provision does not apply to recording fees for deeds of conveyance, but does apply to deeds given pursuant to sections 515B.2-119 and 515B.3-112;~~

~~(17) in counties in which the compensation of the examiner of titles is paid in the same manner as the compensation of other county employees, for each parcel of land contained in the application for a CPT, as the number of parcels is determined by the examiner, a fee which is reasonable and which reflects the actual cost to the county, established by the board of county commissioners of the county in which the land is located (15) for the filing of a certified copy of a plat of the survey pursuant to section 508.23 or 508.671, \$20; and for entry of a memorial on each additional CPT, \$15;~~

~~(18) (16) for filing a registered land survey in triplicate in accordance with section 508A.47, subdivision 4, \$30 and entry as a memorial on a CPT, \$50; and for entry of a memorial on each additional CPT, \$15;~~

~~(19) (17) in counties in which the compensation of the examiner of titles is paid in the same manner as the compensation of other county employees, for each parcel of land contained in the application for a CPT, as the number is determined by the examiner, a fee that is reasonable and which reflects the actual cost to the county, established by the board of county commissioners of the county in which the land is located;~~

~~(18) for furnishing a certified copy of a registered land survey in accordance with section 508A.47, subdivision 4, \$10. items requested to be sent by means other than first class mail, the registrar may charge a handling fee of \$5 in addition to the charge for copying, postage, and delivery;~~

~~(19) \$1 of the fees collected under clauses (2), (3), (4), (10), (11), (12), (15), and (16) for filing or memorializing must be paid to the state treasurer and credited to the general fund; and~~

~~(20) the fees provided and collected under clauses (1), (2), (3), (5), (10), (11), (12), (15), and (17) include a \$4.50 state surcharge for each document number assigned. Fifty cents of each surcharge shall be retained by the county to cover its administrative costs, and \$4 shall be paid to the state treasury and credited to the general fund.~~

Sec. 7. Minnesota Statutes 1997 Supplement, section 515B.1-116, is amended to read:

515B.1-116 [RECORDING.]

(a) A declaration, bylaws, any amendment to a declaration or bylaws, and any other instrument affecting a common interest community shall be entitled to be recorded. In those counties which have a tract index, the county recorder shall enter the declaration in the tract index for each unit

affected. The registrar of titles shall file the declaration on the certificate of title for each unit affected.

(b) The recording officer shall upon request promptly assign a number (CIC number) to a common interest community to be formed or to a common interest community resulting from the merger of two or more common interest communities.

(c) Documents recorded pursuant to this chapter shall in the case of registered land be filed, and references to the recording of documents shall mean filed in the case of registered land.

(d) Subject to any specific requirements of this chapter, if any document to be recorded pursuant to this chapter requires approval by a certain vote or agreement of the unit owners or secured parties, an affidavit of the secretary of the association stating that the required vote or agreement has occurred shall be attached to the document and shall constitute prima facie evidence of the representations contained therein.

(e) If a common interest community is located on registered land, the recording fee for any document affecting two or more units shall be the then-current fee for registering the document on the certificates of title for the first ten affected certificates and ~~one-third of the then-current fee~~ \$5 for each additional affected certificate. This provision shall not apply to recording fees for deeds of conveyance, with the exception of deeds given pursuant to sections 515B.2-119 and 515B.3-112.

(f) Except as permitted under this subsection, a recording officer shall not file or record a declaration creating a new common interest community, unless the county treasurer has certified that the property taxes payable in the current year for the real estate included in the proposed common interest community have been paid. This certification is in addition to the certification for delinquent taxes required by section 272.12. In the case of preexisting common interest communities, the recording officer shall accept, file, and record the following instruments, without requiring a certification as to the current or delinquent taxes on any of the units in the common interest community: (i) a declaration subjecting the common interest community to this chapter; (ii) a declaration changing the form of a common interest community pursuant to section 515B.2-123; or (iii) an amendment to or restatement of the declaration, bylaws, or CIC plat. In order for the instruments to be accepted and recorded under the preceding sentence, the assessor must certify or otherwise inform the recording officer that, for taxes payable in the current year, the assessor has allocated taxable values to each unit or has separately assessed each unit.

(g) The registrar of titles shall not require the filing on certificates of title previously issued for units in a flexible common interest community of an amendment to a declaration pursuant to section 515B.2-111 made solely to add additional real estate."

Delete the title and insert:

"A bill for an act relating to real property; providing for fee changes for filing and recording certain documents; amending Minnesota Statutes 1996, sections 357.18, subdivisions 1, 2, and 3; 505.08, subdivision 2; 508.82, subdivision 1; and 508A.82, subdivision 1; Minnesota Statutes 1997 Supplement, section 515B.1-116."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Ms. Flynn from the Committee on Transportation, to which was referred**

**S.F. No. 2592:** A bill for an act relating to transportation; providing for certain types of claims; permitting transfer or extinguishment of access rights; regulating snow fence easements, highway closures, and signs; changing distributions from the highway user tax distribution fund; providing for the costs of town highways and bridges; permitting conveyances to public bodies; providing for the revision of the state transportation plan; regulating private carriers; regulating charges for air transportation services; removing a route from the trunk highway system; amending Minnesota Statutes 1996, sections 84.63; 117.21; 160.27, by adding a subdivision; 160.296, subdivision 1; 160.80, subdivision 1, and by adding a subdivision; 161.081, subdivision 1, and by adding a subdivision; 161.082, subdivisions 1 and 2a; 161.44, subdivision 1; 174.03, subdivisions 1a and 2;



221.011, by adding a subdivision; 221.0251, subdivisions 1, 2, 3, 5, and by adding subdivisions; 221.031, subdivision 6; 221.034, subdivisions 1 and 5; 222.63, subdivision 4; 270.077; and 360.024; Minnesota Statutes 1997 Supplement, section 3.736, subdivision 3; repealing Minnesota Statutes 1996, section 161.115, subdivision 219.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, delete section 1 and insert:

"Section 1. [16B.171] [EXCEPTION FOR FEDERAL TRANSPORTATION CONTRACTS.]

Notwithstanding section 16B.17 or other law to the contrary, the commissioner of transportation may, when required by a federal agency entering into an intergovernmental contract, negotiate contract terms providing for full or partial prepayment to the federal agency before work is performed or services are provided."

Pages 5 and 6, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 1996, section 160.18, subdivision 1, is amended to read:

Subdivision 1. [CULVERT ON EXISTING HIGHWAYS.] ~~Except when the easement of access has been acquired, the a road authorities authority, other than town boards and county boards, as to highways a highway already established and constructed shall furnish one substantial culvert to an abutting owner in cases where the culvert is necessary for may grant by permit a suitable approach to such the highway. A town board shall furnish one substantial culvert to an abutting owner in cases where the culvert is necessary for suitable approach to a town road, provided that at any annual town meeting the electors of any town may by resolution authorize the town board to require that all or part of the costs of the furnishing of all culverts on the town roads of such town be paid by the abutting owner. A county board, by resolution, shall, before furnishing any culverts after August 1, 1975, establish The requesting abutting property owner shall pay for the cost and installation of any required culverts unless a road authority, other than the commissioner, adopts by resolution a policy for the furnishing of a culvert to an abutting owner when a culvert is necessary for suitable approach to a county and state-aid road, and such. The policy may include provisions for the payment of all or part of the costs of furnishing such culverts the culvert by the abutting landowner.~~

Page 7, lines 19, 23, 28, and 33, delete "facilities" and insert "businesses"

Page 7, delete lines 29 to 32 and insert "people; serve food prepared on the premises, excluding food service businesses that only reheat prepackaged, ready-to-eat food; and possess any required state or local"

Page 8, lines 1 and 4, delete "facilities" and insert "businesses"

Page 8, line 13, before "vendor" insert "logo sign"

Page 8, lines 25 and 26, delete "facilities" and insert "businesses" in both places

Page 8, delete lines 30 to 35

Page 8, line 36, delete "business panel is" and insert "exceed"

Page 10, line 24, delete the first "the" and insert "each"

Page 11, delete line 9 and insert "An amount equal to 25 percent of the county turnback (a) Money in the town bridge"

Page 12, line 17, delete the new language and strike the old language

Page 12, line 18, strike the old language and insert "(f) Money in the town road account must be"

Page 12, after line 19, insert:

"Sec. 12. Minnesota Statutes 1996, section 161.115, subdivision 38, is amended to read:

Subd. 38. [ROUTE NO. 107.] Beginning at the terminus of Route No. 10 on the westerly limits on the city of Minneapolis, thence extending in an easterly direction to a point ~~on Route No. 104 as herein established~~ at or near Washington Avenue in the city of Minneapolis.

Sec. 13. Minnesota Statutes 1996, section 161.115, subdivision 87, is amended to read:

Subd. 87. [ROUTE NO. 156.] Beginning at a point on Route No. ~~394~~ 105 in the city of Minneapolis and extending in a northerly and westerly direction to a point on Route No. 62 ~~easterly of the Great Northern Railway~~ at or near the city of Coon Rapids."

Page 12, after line 36, insert:

"Sec. 15. Minnesota Statutes 1996, section 165.03, is amended to read:

165.03 [STRENGTH OF BRIDGES; INSPECTIONS.]

Subdivision 1. [STANDARDS GENERALLY.] Each bridge, including a privately owned bridge, must conform to the strength, width, clearance, and safety standards imposed by the commissioner for the connecting highway or street. This subdivision applies to a bridge that is constructed after August 1, 1989, on any public highway or street. The bridge must have sufficient strength to support with safety the maximum vehicle weights allowed under section 169.825 and must have the minimum width specified in section 165.04, subdivision 3.

Subd. 2. [INSPECTION AND INVENTORY RESPONSIBILITIES; RULES; FORMS.] The commissioner of transportation shall adopt official inventory and bridge inspection report forms for use in making bridge inspections by the owners or highway authorities specified by this subdivision. Bridge inspections shall be made at regular intervals, not to exceed two years, by the following ~~officials~~ owner or official:

(a) The commissioner of transportation for all bridges located wholly or partially within or over the right-of-way of a state trunk highway.

(b) The county highway engineer for all bridges located wholly or partially within or over the right-of-way of any county or township road, or any street within a municipality which does not have a city engineer regularly employed.

(c) The city engineer for all bridges located wholly or partially within or over the right-of-way of any street located within or along municipal limits.

(d) The commissioner of transportation in case of a toll bridge that is used by the general public and that is not inspected and certified under subdivision 6; provided, that the commissioner of transportation may assess the owner for the costs of such inspection.

(e) The owner of a bridge over a public highway or street or that carries a roadway designated for public use by a public authority, if not required to be inventoried and inspected under paragraph (a), (b), (c), or (d).

The commissioner of transportation shall prescribe the standards for bridge inspection and inventory by rules. The specified owner or highway authorities authority shall inspect and inventory in accordance with these standards and furnish the commissioner with such data as may be necessary to maintain a central inventory.

Subd. 3. [COUNTY INVENTORY AND INSPECTION RECORDS AND REPORTS.] The county engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (b), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals not to exceed two years. A report of the inspections shall be filed annually, on or before February 15 of each year, with the county auditor or ~~township~~ town clerk, or the governing body of the municipality. The report shall contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 4. [MUNICIPAL INVENTORY AND INSPECTION RECORDS AND REPORTS.] The city engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (c), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals not to exceed two years. A report of the inspections shall be filed annually, on or before February 15 of each year, with the governing body of the municipality. The report shall contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 5. [AGREEMENTS.] Agreements may be made among the various units of governments, or between governmental units and qualified engineering personnel to carry out the responsibilities for the bridge inspections and reports, as established by subdivision 2.

Subd. 6. [TOLL OTHER BRIDGES.] The owner of a toll bridge and the owner of a bridge described in subdivision 2, paragraph (e), shall certify to the commissioner, as prescribed by the commissioner, that inspections of the bridge have been made at regular intervals not to exceed two years. The certification shall be accompanied by a report of the inspection. The report shall contain recommendations for the correction of or legal posting of load limitations if the bridge is found to be understrength or unsafe.

Subd. 7. [DEPARTMENT OF NATURAL RESOURCES BRIDGES.] (a) Notwithstanding subdivision 2, the commissioners of transportation and natural resources shall negotiate a memorandum of understanding that governs the inspection of bridges owned, operated, or maintained by the commissioner of natural resources.

(b) The memorandum of understanding must provide for:

(1) the inspection and inventory of bridges subject to federal law or regulations;

(2) the frequency of inspection of bridges described in paragraph (a); and

(3) who may perform inspections required under the memorandum of understanding.

Sec. 16. Minnesota Statutes 1996, section 162.081, subdivision 1, is amended to read:

Subdivision 1. [ACCOUNT CREATED.] A town road account is created in the county state-aid highway fund, ~~consisting of the amounts transferred from the county turnback account as provided in section 161.082.~~

Sec. 17. Minnesota Statutes 1996, section 169.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] (a) When any person driving a vehicle approaches a railroad grade crossing under any of the circumstances stated in this paragraph, the driver shall stop the vehicle not less than ten feet from the nearest railroad track and shall not proceed until safe to do so. These requirements apply when:

(1) a clearly visible electric or mechanical signal device warns of the immediate approach of a railroad train; or

~~(2) a crossing gate is lowered warning of the immediate approach or passage of a railroad train;~~  
~~or~~

~~(3) an approaching railroad train is plainly visible and is in hazardous proximity.~~

(b) The fact that a moving train approaching a railroad grade crossing is visible from the crossing is prima facie evidence that it is not safe to proceed.

(c) The driver of a vehicle shall stop and remain stopped and not traverse the grade crossing when a human flagger signals the approach or passage of a train or when a crossing gate is lowered warning of the immediate approach or passage of a railroad train. No person may drive a vehicle past a flagger at a railroad crossing until the flagger signals that the way is clear to proceed or drive a vehicle past a lowered crossing gate."

Page 13, line 6, delete "periodically" and insert "at least every six years" and delete "as determined by the commissioner"

Pages 13 to 17, delete sections 15 to 22 and insert:

"Sec. 20. Minnesota Statutes 1996, section 174A.06, is amended to read:

174A.06 [CONTINUATION OF RULES.]

Orders and directives heretofore in force, issued, or promulgated by the ~~public service commission, public utilities commission, or the department of transportation~~ under authority of chapters 174A, 216A, 218, 219, and 221, and 222 remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the commissioner of transportation regulation board. To the extent allowed under federal law or regulation, rules adopted by the ~~public service commission, public utilities commission or the department of transportation~~ under authority of the following sections are transferred to the commissioner of transportation regulation board and continue in force and effect until repealed, modified, or superseded by duly authorized rules of the transportation regulation board commissioner:

(1) section 218.041 except rules related to the form and manner of filing railroad rates, railroad accounting rules, and safety rules;

(2) section 219.40;

(3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits or certificates of convenience and necessity under section 221.031, subdivision 1;

(4) rules relating to the sale, assignment, pledge, or other transfer of a stock interest in a corporation holding authority to operate as a permit carrier as prescribed in section 221.151, subdivision 1, or a local cartage carrier under section 221.296, subdivision 8;

(5) rules relating to rates, charges, and practices under section 221.161, subdivision 4; and

(6) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits under sections 221.121, 221.151, and 221.296 or certificates of convenience and necessity under section 221.071.

The ~~board~~ commissioner shall review the transferred rules, orders, and directives and, when appropriate, develop and adopt new rules, orders, or directives ~~within 18 months of July 1, 1985.~~"

Page 19, line 8, strike "governmental" and insert "political"

Page 19, lines 13 and 17, delete "governmental" and insert " political"

Page 19, after line 13, insert:

"(1) the conveyance will not reduce the rail bank corridor to less than 50 feet;"

Page 19, line 14, delete "(1)" and insert "(2)"

Page 19, line 16, delete "(2)" and insert "(3)"

Page 19, line 19, delete "(3)" and insert "(4)"

Page 20, after line 17, insert:

"Sec. 26. Minnesota Statutes 1996, section 574.26, subdivision 1a, is amended to read:

Subd. 1a. ~~[EXEMPTION; EXEMPTIONS; CERTAIN MANUFACTURERS; COMMISSIONER OF TRANSPORTATION.]~~ (a) Sections 574.26 to 574.32 do not apply to a manufacturer of public transit buses that manufactures at least 100 public transit buses in a calendar year. For purposes of this section, "public transit bus" means a motor vehicle designed to transport people, with a design capacity for carrying more than 40 passengers, including the

driver. The term "public transit bus" does not include a school bus, as defined in section 169.01, subdivision 6.

(b) At the discretion of the commissioner of transportation, sections 574.26 to 574.32 do not apply to any projects of the department of transportation (1) costing less than \$75,000, or (2) involving the permanent or semipermanent installation of heavy machinery, fixtures, or other capital equipment to be used primarily for maintenance or repair.

Sec. 27. [SALE OF TAX-FORFEITED LAND; HENNEPIN COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Hennepin county may sell to the Minnesota department of transportation the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in the form approved by the attorney general.

(c) The land that may be conveyed is located in the city of Champlin, Hennepin county and is described as: That part of Lot 11, Block 5, Auditor's Subdivision No. 15, according to the plat thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, lying south of a line run parallel with and distant 43 feet north of the south line of Government Lot 3, Section 19, Township 120 North, Range 21 West and lying east of a line run parallel with and distant 36.5 feet east of the west line of said Government Lot 3;

together with all right of access, being the right of ingress to and egress from said Lot 11 to U.S. Highway No. 169 and Hayden Lake Road.

Subject to permanent easement for sanitary sewers granted to the metropolitan council on March 2, 1995, by the Hennepin county auditor. Subject to easements of record.

Page 20, line 19, before "Minnesota" insert:

"(a) Minnesota Statutes 1996, section 161.115, subdivision 57, is repealed.

(b)"

Page 20, line 22, delete everything after "board"

Page 20, delete line 23

Page 20, line 24, delete "and the Anoka city council"

Page 20, line 25, delete the first comma and insert "and" and delete ", and"

Page 20, line 26, delete everything before "is"

Page 20, line 29, before "The" insert "(a)"

Page 20, after line 33, insert:

"(b) The revisor of statutes is directed to change the terms "transportation regulation board," "board," "board's," "board or commissioner," "commissioner or board," "board or the commissioner," "commissioner or the board," "commissioner and the board," "commissioner and board," "board and the commissioner," "board and commissioner," "department and board," "board or department," and "board and the department," when referring to the transportation regulation board, to the term "commissioner," "commissioner's," or "commissioner of transportation," as appropriate, wherever those terms appear in Minnesota Statutes, chapters 218, 219, and 222.

Sec. 30. [TRUNK HIGHWAYS; EFFECTIVE DATES; INSTRUCTION TO REVISOR.]

Subdivision 1. [ROUTE NO. 126 DISCONTINUED; EFFECTIVE DATE.] Section 28 is effective when the transfer of jurisdiction of legislative Route No. 126 is agreed to by the commissioner of transportation and Ramsey county and a copy of the agreement, signed by the

commissioner and the chair of the Ramsey county board, has been filed in the office of the commissioner.

Subd. 2. [DESCRIPTION OF ROUTE NO. 156 CHANGED; EFFECTIVE DATE.] Section 12 is effective when the transfer of jurisdiction of a portion of the old route is agreed to by the commissioner of transportation and Hennepin county and a copy of the agreement, signed by the commissioner and the chair of the Hennepin county board, has been filed in the office of the commissioner.

Subd. 3. [INSTRUCTION TO REVISOR.] The revisor of statutes shall delete the route identified in subdivision 1 and change the description of the route identified in subdivision 2 in the next publication of Minnesota Statutes unless the commissioner of transportation informs the revisor that the conditions required to transfer a particular route were not satisfied."

Page 20, line 35, before "Sections" insert "Section 1 is effective the day following final enactment." and after the period, insert "Sections 4 and 26 are effective July 1, 1998."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to transportation; authorizing advance payment when required by federal government for transportation project; permitting transfer or extinguishment of access rights; regulating snow fence easements, highway closures, and signs; providing payment for certain culverts; changing distributions from the highway user tax distribution fund; providing for the costs of town highways and bridges; permitting conveyances to public bodies; requiring owners to inventory and inspect certain bridges; providing for the revision of the state transportation plan; regulating charges for air transportation services; modifying contractor bond requirements for certain transportation projects; authorizing conveyance of certain tax-forfeited and acquired land; making technical changes; removing a route from the trunk highway system; amending Minnesota Statutes 1996, sections 84.63; 117.21; 160.18, subdivision 1; 160.296, subdivision 1; 160.80, subdivision 1, and by adding a subdivision; 161.081, subdivision 1, and by adding a subdivision; 161.082, subdivisions 1 and 2a; 161.115, subdivisions 38 and 87; 161.44, subdivision 1; 162.081, subdivision 1; 165.03; 169.26, subdivision 1; 174.03, subdivisions 1a and 2; 174A.06; 221.034, subdivisions 1 and 5; 222.63, subdivision 4; 270.077; 360.024; and 574.26, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1996, section 161.115, subdivision 57."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2612** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2612	2335				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2612 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2612 and insert the language after the enacting clause of S.F. No. 2335, the first engrossment; further, delete the title of H.F. No. 2612 and insert the title of S.F. No. 2335, the first engrossment.

And when so amended H.F. No. 2612 will be identical to S.F. No. 2335, and further recommends that H.F. No. 2612 be given its second reading and substituted for S.F. No. 2335, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2895** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2895	2293				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2895 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2895 and insert the language after the enacting clause of S.F. No. 2293; further, delete the title of H.F. No. 2895 and insert the title of S.F. No. 2293.

And when so amended H.F. No. 2895 will be identical to S.F. No. 2293, and further recommends that H.F. No. 2895 be given its second reading and substituted for S.F. No. 2293, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 1654 and 2592 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 2612 and 2895 were read the second time.

### **MOTIONS AND RESOLUTIONS**

Mr. Price moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 3156. The motion prevailed.

Mr. Vickerman moved that the name of Ms. Lesewski be added as a co-author to S.F. No. 3300. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Wiger be added as a co-author to S.F. No. 3327. The motion prevailed.

**Mr. Oliver introduced--**

**Senate Resolution No. 82:** A Senate resolution congratulating Nathan Bertelsen on being selected as Minnesota's top state high school volunteer in The Prudential Spirit of Community Awards.

Referred to the Committee on Rules and Administration.

**Messrs. Wiger and Kelly, R.C. introduced--**

**Senate Resolution No. 83:** A Senate resolution congratulating Alana Blahoski of Saint Paul,

Minnesota, on her representation of the United States and the state of Minnesota in the 1998 Winter Olympic Games in Nagano, Japan.

Referred to the Committee on Rules and Administration.

**Mr. Terwilliger introduced--**

**Senate Resolution No. 84:** A Senate resolution congratulating Jenny Schmidgall of Edina, Minnesota, on her representation of the United States and the state of Minnesota in the 1998 Winter Olympic Games in Nagano, Japan.

Referred to the Committee on Rules and Administration.

**CALENDAR**

**S.F. No. 2315:** A bill for an act relating to technology; making technical changes to show director of office of technology as member of various organizations; amending Minnesota Statutes 1996, sections 62J.451, subdivision 9; and 116O.03, subdivision 2; Minnesota Statutes 1997 Supplement, section 44A.01, subdivision 2; and Laws 1995, First Special Session chapter 3, article 12, section 7, subdivision 1, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Beckman	Higgins	Krentz	Olson	Solon
Belanger	Hottinger	Laidig	Ourada	Spear
Berglin	Janezich	Langseth	Pariseau	Stevens
Betzold	Johnson, D.E.	Larson	Piper	Stumpf
Day	Johnson, D.J.	Lesewski	Price	Ten Eyck
Dille	Junge	Lessard	Ranum	Terwilliger
Fischbach	Kelley, S.P.	Limmer	Robertson	Vickerman
Flynn	Kelly, R.C.	Metzen	Robling	Wiener
Foley	Kiscaden	Moe, R.D.	Runbeck	Wiger
Frederickson	Kleis	Morse	Sams	
Hanson	Knutson	Neuville	Scheevel	

So the bill passed and its title was agreed to.

**RECESS**

Mr. Moe, R.D. moved that the Senate do now recess until 8:40 a.m. The motion prevailed.

The hour of 8:40 a.m. having arrived, the President called the Senate to order.

**CALL OF THE SENATE**

Mr. Betzold imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.



**MOTIONS AND RESOLUTIONS**

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 3297 a Special Order to be heard immediately.

**SPECIAL ORDER**

**S.F. No. 3297:** A bill for an act relating to appropriations; appropriating money for higher education and related purposes, with certain conditions; requiring a study; amending Minnesota Statutes 1996, section 136A.101, subdivision 7b; Minnesota Statutes 1997 Supplement, section 136A.121, subdivision 5; Laws 1996, chapter 366, section 6, as amended; Laws 1997, chapter 183, article 1, section 2, subdivisions 6, 9, and 13; and article 2, section 19.

Mr. Stumpf moved that S.F. No. 3297 be laid on the table. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2532 a Special Order to be heard immediately.

**SPECIAL ORDER**

**S.F. No. 2532:** A bill for an act relating to children; clarifying certain terms and applicability of certain programs; providing for licensing assistance, outreach, and training; allowing grants for school-age child care programs; allowing certain grants for statewide adult basic education; changing child care licensing requirements for employers; providing for review of certain orders by the commissioner of children, families, and learning; establishing a cash flow account for energy assistance funds; allowing migrant and seasonal farmworkers to carry out community action programs; changing provisions for family day care licensure; appropriating money; amending Minnesota Statutes 1996, sections 119B.10, by adding a subdivision; 119B.13, subdivision 3; 119B.18, subdivision 2, and by adding subdivisions; 119B.19, subdivisions 1, 4, and by adding subdivisions; 120.1701, subdivision 5; 121.8355, by adding a subdivision; 124.26, subdivision 1c; 245A.14, subdivision 4; 256.045, subdivision 6, and by adding a subdivision; 268.52, subdivisions 1 and 2; and 268.54, subdivision 2; Minnesota Statutes 1997 Supplement, sections 119B.01, subdivision 16; 119B.061, subdivisions 1, 2, 3, and 4; 119B.075; 119B.10, subdivision 1; 119B.13, subdivision 6; 119B.21, subdivisions 2, 4, 5, and 11; 256.045, subdivision 7; 268.53, subdivision 5; and 466.01, subdivision 1; Laws 1997, chapters 162, article 1, section 18, subdivision 8; article 3, section 8, subdivision 3; and article 4, section 63, subdivisions 2 and 3; 248, section 47, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 119B; and 268.

Mr. Neuville moved to amend S.F. No. 2532 as follows:

Pages 27 and 28, delete section 1

Re-number the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2532 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson  
Beckman  
Belanger

Berglin  
Betzold  
Cohen

Day  
Dille  
Flynn

Foley  
Frederickson  
Hanson

Higgins  
Hottinger  
Janezich

Johnson, D.E.	Knutson	Metzen	Price	Stumpf
Johnson, D.H.	Krentz	Moe, R.D.	Ranum	Ten Eyck
Johnson, D.J.	Laidig	Morse	Robling	Terwilliger
Johnson, J.B.	Langseth	Murphy	Sams	Vickerman
Junge	Larson	Novak	Samuelson	Wiener
Kelley, S.P.	Lesewski	Pappas	Scheevel	Wiger
Kelly, R.C.	Lourey	Piper	Scheid	
Kleis	Marty	Pogemiller	Stevens	

Those who voted in the negative were:

Fischbach	Limmer	Olson	Pariseau	Runbeck
Kiscaden	Neuville	Ourada		

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Stumpf moved that S.F. No. 3297 be taken from the table. The motion prevailed.

**S.F. No. 3297:** A bill for an act relating to appropriations; appropriating money for higher education and related purposes, with certain conditions; requiring a study; amending Minnesota Statutes 1996, section 136A.101, subdivision 7b; Minnesota Statutes 1997 Supplement, section 136A.121, subdivision 5; Laws 1996, chapter 366, section 6, as amended; Laws 1997, chapter 183, article 1, section 2, subdivisions 6, 9, and 13; and article 2, section 19.

Mr. Johnson, D.J. moved to amend S.F. No. 3297 as follows:

Page 4, after line 7, insert:

"Notwithstanding Laws 1997, chapter 183, article 1, section 3, subdivision 2, the board of trustees shall spend one percent more in fiscal year 1999 than was spent in fiscal year 1998 on direct instruction, as reported in the federal Integrated Postsecondary Education Data System."

The motion prevailed. So the amendment was adopted.

S.F. No. 3297 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Laidig	Olson	Scheid
Beckman	Hottinger	Langseth	Ourada	Solon
Belanger	Janezich	Larson	Pappas	Spear
Berglin	Johnson, D.E.	Lesewski	Pariseau	Stevens
Betzold	Johnson, D.H.	Limmer	Piper	Stumpf
Cohen	Johnson, D.J.	Lourey	Pogemiller	Ten Eyck
Day	Johnson, J.B.	Marty	Price	Terwilliger
Dille	Junge	Metzen	Ranum	Vickerman
Fischbach	Kelley, S.P.	Moe, R.D.	Robling	Wiger
Flynn	Kelly, R.C.	Morse	Runbeck	
Foley	Kleis	Murphy	Sams	
Frederickson	Knutson	Neuville	Samuelson	
Hanson	Krentz	Novak	Scheevel	

So the bill, as amended, was passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

**REPORTS OF COMMITTEES**

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 3109, 2583, 3166, 2421, 2912, 1394, 2043 and the reports pertaining to appointments. The motion prevailed.

**Mr. Sams from the Committee on Agriculture and Rural Development, to which was referred**

**S.F. No. 3109:** A bill for an act relating to agriculture; adding requirements for manure storage structures; requiring a report on manure applicator training; requiring a generic environmental impact statement on feedlots; establishing a voluntary rural dispute resolution procedure; appropriating money; amending Minnesota Statutes 1997 Supplement, section 116.07, subdivision 7; Laws 1986, chapter 398, article 1, section 18, as amended; proposing coding for new law in Minnesota Statutes, chapter 583.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
FEEDLOTS

Section 1. Minnesota Statutes 1996, section 18C.141, is amended to read:

18C.141 [SOIL AND MANURE TESTING LABORATORY CERTIFICATION.]

Subdivision 1. [PROGRAM ESTABLISHMENT.] The commissioner shall establish a program to certify the accuracy of analyses from soil and manure testing laboratories and promote standardization of soil and manure testing procedures and analytical results.

Subd. 2. [CHECK SAMPLE SYSTEM.] (a) The commissioner shall institute a system of check samples that requires a laboratory to be certified to analyze at least ~~four~~ two multiple soil or manure check samples during the calendar year. The samples must be supplied by the commissioner or by a person under contract with the commissioner to prepare and distribute the samples.

(b) Within 30 days after the laboratory receives check samples, the laboratory shall report to the commissioner the results of the analyses for all requested elements or compounds or for the elements or compounds the laboratory makes an analytical determination of as a service to others.

(c) The commissioner shall compile analytical data submitted by laboratories and provide laboratories submitting samples with a copy of the data without laboratory names or code numbers.

(d) The commissioner may conduct check samples on laboratories that are not certified.

Subd. 3. [ANALYSES REPORTING STANDARDS.] (a) The results obtained from soil, manure, or plant analysis must be reported in accordance with standard reporting units established by the commissioner by rule. The standard reporting units must conform as far as practical to uniform standards that are adopted on a regional or national basis.

(b) If a certified laboratory offers a recommendation, the University of Minnesota recommendation or that of another land grant college in a contiguous state must be offered in

addition to other recommendations, and the source of the recommendation must be identified on the recommendation form. If relative levels such as low, medium, or high are presented to classify the analytical results, the corresponding relative levels based on the analysis as designated by the University of Minnesota or the land grant college in a contiguous state must also be presented.

Subd. 4. [REVOCATION OF CERTIFICATION.] If the commissioner determines that analysis being performed by a laboratory is inaccurate as evidenced by check sample results, the commissioner may deny, suspend, or revoke certification.

Subd. 5. [CERTIFICATION FEES.] (a) A laboratory applying for certification shall pay an application fee of \$100 and a certification fee of \$100 before the certification is issued.

(b) Certification is valid for one year and the renewal fee is \$100. The commissioner shall charge an additional application fee of \$100 if a certified laboratory allows certification to lapse before applying for renewed certification.

(c) The commissioner shall notify a certified lab that its certification lapses within 30 to 60 days of the date when the certification lapses.

Subd. 6. [RULES.] The commissioner shall adopt rules for the establishment of minimum standards for laboratories, equipment, procedures, and personnel used in soil and manure analysis and rules necessary to administer and enforce this section. The commissioner shall consult with representatives of the fertilizer industry, representatives of the laboratories doing business in this state, and with the University of Minnesota college of agriculture before proposing rules.

Sec. 2. Minnesota Statutes 1996, section 41B.046, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section:

(1) "Agricultural commodity" has the meaning given in section 17.90.

(2) "Agricultural product processing facility" means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or production of marketable products from agricultural commodities or agricultural energy resources, including waste and residues from agricultural commodities, ~~but, except as provided in subdivision 4a, not including livestock or livestock products, poultry or poultry products, or wood or wood products.~~

(3) "Value-added agricultural product" means a product derived from agricultural commodities or agricultural energy resources, including waste and residues from agricultural commodities, ~~but, except as provided in subdivision 4a, not including livestock or livestock products, poultry or poultry products, or wood or wood products,~~ which are processed by an agricultural product processing facility.

(4) "Agricultural energy resources" means energy products and resources available on and around agricultural land including wind, solar, and biomass energy.

(5) "Farm-generated wind energy production facility" means a wind energy conversion facility for the generation of electricity and its support structure, base, switch gear, and associated equipment installed on agricultural land.

Sec. 3. Minnesota Statutes 1997 Supplement, section 116.07, subdivision 7, is amended to read:

Subd. 7. [COUNTIES; PROCESSING OF APPLICATIONS FOR ANIMAL LOT PERMITS.] Any Minnesota county board may, by resolution, with approval of the pollution control agency, assume responsibility for processing applications for permits required by the pollution control agency under this section for livestock feedlots, poultry lots or other animal lots. The responsibility for permit application processing, if assumed by a county, may be delegated by the county board to any appropriate county officer or employee.

(a) For the purposes of this subdivision, the term "processing" includes:

- (1) the distribution to applicants of forms provided by the pollution control agency;
  - (2) the receipt and examination of completed application forms, and the certification, in writing, to the pollution control agency either that the animal lot facility for which a permit is sought by an applicant will comply with applicable rules and standards, or, if the facility will not comply, the respects in which a variance would be required for the issuance of a permit; and
  - (3) rendering to applicants, upon request, assistance necessary for the proper completion of an application.
- (b) For the purposes of this subdivision, the term "processing" may include, at the option of the county board, issuing, denying, modifying, imposing conditions upon, or revoking permits pursuant to the provisions of this section or rules promulgated pursuant to it, subject to review, suspension, and reversal by the pollution control agency. The pollution control agency shall, after written notification, have 15 days to review, suspend, modify, or reverse the issuance of the permit. After this period, the action of the county board is final, subject to appeal as provided in chapter 14.
- (c) For the purpose of administration of rules adopted under this subdivision, the commissioner and the agency may provide exceptions for cases where the owner of a feedlot has specific written plans to close the feedlot within five years. These exceptions include waiving requirements for major capital improvements.
- (d) For purposes of this subdivision, a discharge caused by an extraordinary natural event such as a precipitation event of greater magnitude than the 25-year, 24-hour event, tornado, or flood in excess of the 100-year flood is not a "direct discharge of pollutants."
- (e) In adopting and enforcing rules under this subdivision, the commissioner shall cooperate closely with other governmental agencies.
- (f) The pollution control agency shall work with the Minnesota extension service, the department of agriculture, the board of water and soil resources, producer groups, local units of government, as well as with appropriate federal agencies such as the ~~Soil~~ Natural Resources Conservation Service and the ~~Agricultural Stabilization and Conservation Service~~ Farm Service Agency, to notify and educate producers of rules under this subdivision at the time the rules are being developed and adopted and at least every two years thereafter.
- (g) The pollution control agency shall adopt rules governing the issuance and denial of permits for livestock feedlots, poultry lots or other animal lots pursuant to this section. A feedlot permit is not required for livestock feedlots with more than ten but less than 50 animal units; provided they are not in shoreland areas. These rules apply both to permits issued by counties and to permits issued by the pollution control agency directly.
- (h) The pollution control agency shall exercise supervising authority with respect to the processing of animal lot permit applications by a county.
- (i) After May 17, 1997, any new rules or amendments to existing rules proposed under the authority granted in this subdivision, must be submitted to the members of legislative policy committees with jurisdiction over agriculture and the environment prior to final adoption. The rules must not become effective until 90 days after the proposed rules are submitted to the members.
- (j) Any plans for a manure storage structure must be prepared or approved by a registered professional engineer or a United States Department of Agriculture, Natural Resources Conservation Service employee.
- (k) For the purposes of this subdivision, "animal unit" means a unit of measure used to compare differences in the production of animal manure that employs as a standard the amount of manure produced on a regular basis by a slaughter steer or heifer. The following equivalents apply:
- (1) one mature dairy cow, 1.4 animal units;

- (2) one slaughter steer or heifer, 1.0 animal units;
- (3) one horse, 1.0 animal units;
- (4) one mature breeding swine, 0.4 animal units;
- (5) one market swine more than 55 pounds, 0.2 animal units;
- (6) one swine less than 55 pounds, 0.03 animal units;
- (7) one sheep, 0.1 animal units;
- (8) one turkey, 0.018 animal units;
- (9) one duck, 0.01 animal units; and
- (10) one chicken, 0.005 animal units.

For animals not listed in clauses (1) to (10), the number of animal units must be calculated as the average weight of the animal divided by 1,000 pounds.

Sec. 4. Minnesota Statutes 1996, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section. Construction of an individual feedlot facility on a separate site must be considered a separate action for the purpose of determining whether environmental review is required for the facility.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. A petition submitted related to a proposed feedlot facility must contain signatures of not less than 25 individuals who reside or own property within a ten-mile radius of the proposed facility. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's

chair may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(e) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(f) Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(g) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

#### Sec. 5. [REPORT ON MANURE APPLICATOR TRAINING AND CERTIFICATION.]

The commissioner of agriculture shall conduct a study to assess the need for and feasibility of a program for manure applicator training and certification. The study must analyze and make recommendations regarding funding, program components of manure applicator training, and likely participants in the program. The commissioner must submit a report to the members of the senate and house policy committees with jurisdiction over agriculture and the environment by January 20, 1999.

#### Sec. 6. [REPEALER.]

(a) Minnesota Statutes 1996, section 41B.046, subdivision 4a, is repealed.

(b) Minnesota Statutes 1997 Supplement, section 116.07, subdivision 7, clause (j), is repealed the first time any rules referenced in Minnesota Statutes, section 116.07, subdivision 7, clause (i), are adopted.

### ARTICLE 2

#### ALTERNATIVE DISPUTE RESOLUTION

##### Section 1. [583.311] [VOLUNTARY ALTERNATIVE DISPUTE RESOLUTION.]

The administrator shall establish procedures and measures to ensure maximum use of alternative dispute resolution under this chapter for disputes in rural areas. Referrals may be accepted from courts, state agencies, local units of government, or any party to a dispute involving rural land, regulation, rural individuals, businesses, or property, or any matter affecting rural quality of life. The legislature encourages state and federal agencies and governmental subdivisions to use the services provided by the administrator under this chapter and to cooperate fully when matters under this jurisdiction are subjected to alternative dispute resolution methods.

The administrator may set fees for participation in voluntary procedures to pay all or part of the costs of providing such services.

Sec. 2. Laws 1986, chapter 398, article 1, section 18, as amended by Laws 1987, chapter 292, section 37; Laws 1989, chapter 350, article 16, section 8; Laws 1990, chapter 525, section 1; Laws 1991, chapter 208, section 2; Laws 1993, First Special Session chapter 2, article 6, section 2; Laws 1995, chapter 212, article 2, section 11; and Laws 1997, chapter 183, article 3, section 29, is amended to read:

Sec. 18. [REPEALER.]

Sections 1 to 17 and Minnesota Statutes, section 336.9-501, subsections (6) and (7), and sections 583.284, 583.285, 583.286, and 583.305, are repealed on July 1, 1998 1999.

### ARTICLE 3 ANIMAL CARE

Section 1. Minnesota Statutes 1996, section 343.22, subdivision 1, is amended to read:

Subdivision 1. [REPORTING.] Any person who has reason to believe that a violation of this chapter has taken place or is taking place may apply to any court having jurisdiction over actions alleging violation of that section for a warrant and for investigation. The court shall examine under oath the person so applying and any witnesses the applicant produces and the court shall take their affidavits in writing. The affidavits must set forth facts tending to establish the grounds for believing a violation of this chapter has occurred or is occurring, or probable cause to believe that a violation exists. If the court is satisfied of the existence of the grounds of the application, or that there is probable cause to believe a violation exists, it shall issue a signed search warrant and order for investigation to a peace officer in the county. The order shall command the officer to proceed promptly to the location of the alleged violation. ~~The order may command that a doctor of veterinary medicine accompany the officer~~ If a warrant is issued before a judicial hearing, the order must command that a Minnesota licensed doctor of veterinary medicine must accompany the officer serving the warrant.

Sec. 2. Minnesota Statutes 1996, section 343.24, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] Any person who does any of the following is guilty of a misdemeanor: (a) Carries or causes to be carried, any live animals upon any vehicle or otherwise, without providing suitable racks, cars, crates, or cages in which the animals can both stand and lie down during transportation and while awaiting slaughter; (b) Carries or causes to be carried, upon a vehicle or otherwise, any live animal ~~having feet or legs tied together, or in any other a cruel or inhuman manner~~; (c) Transports or detains livestock in cars or compartments for more than 28 consecutive hours without unloading the livestock in a humane manner into properly equipped pens for rest, water, and feeding for a period of at least five consecutive hours, unless requested to do so as provided in subdivision 2, or unless prevented by storm or unavoidable causes which cannot be anticipated or avoided by the exercise of due diligence and foresight; or (d) Permits livestock to be crowded together without sufficient space to stand, or so as to overlie, crush, wound, or kill each other.

Sec. 3. Minnesota Statutes 1996, section 343.25, is amended to read:

343.25 [DOCKING HORSES; ~~PENALTY.~~]

Except when performed by a licensed veterinarian, a person who cuts the bony part of a horse's tail for the purpose of docking it, or who causes or knowingly permits the same to be done upon premises of which the person is owner, lessee, or user, or who assists in the cutting is guilty of a misdemeanor. When a horse is found so cut, upon the premises or in the custody of any person, and the wound resulting is unhealed, that fact shall constitute prima facie evidence that the offense was committed by the person. All fines resulting from complaint made by an officer or agent of any society of this state for the prevention of cruelty to animals for any offense specified in this section shall be paid to the society whose officer or agent made the complaint.



Sec. 4. Minnesota Statutes 1996, section 343.40, subdivision 2, is amended to read:

Subd. 2. [BUILDING SPECIFICATIONS.] The shelter shall include a moistureproof and windproof structure of suitable size to accommodate the dog and allow retention of body heat. It shall be made of durable material with a solid floor raised at least two inches from the ground and with the entrance covered by a flexible windproof material or a self-closing swinging door. When appropriate for the season of the year and the breed of dog using the structure, the structure must have a windbreak at the entrance. The structure shall be provided with a sufficient quantity of suitable bedding material consisting of hay, straw, cedar shavings, blankets, or the equivalent, to provide insulation and protection against cold and dampness and promote retention of body heat.

Sec. 5. Minnesota Statutes 1996, section 346.38, subdivision 4, is amended to read:

Subd. 4. [SHELTER.] Equines must be provided a minimum of free choice protection or constructed shelter from direct rays of the sun when temperatures exceed 95 degrees Fahrenheit, from wind, and from freezing precipitation have available natural or constructed shelter during extreme weather conditions. Natural or Constructed shelters must be of sufficient size to provide the necessary protection. Constructed shelters must, be structurally sound, free of injurious matter, maintained in good repair, and ventilated.

Sec. 6. Minnesota Statutes 1996, section 346.38, subdivision 5, is amended to read:

Subd. 5. [SPACE AND CLEANLINESS REQUIREMENTS.] Constructed shelters except for tie stalls must provide space for the animal to roll with a minimum danger of being cast. Stalls must be cleaned and kept dry to the extent the animal is not required to lie or stand in fluids. Bedding must be provided in all stalls, kept reasonably clean, and periodically changed. The nature of the bedding must not pose a health hazard to the animal.

Sec. 7. [REPEALER.]

Minnesota Statutes 1996, section 343.26, is repealed.

#### ARTICLE 4 ANIMAL DISPOSAL

Section 1. Minnesota Statutes 1996, section 35.82, subdivision 2, is amended to read:

Subd. 2. [DISPOSITION OF CARCASSES.] (a) Except as provided in subdivision 1b and paragraph (d), every person owning or controlling any domestic animal that has died or been killed otherwise than by being slaughtered for human or animal consumption, shall as soon as reasonably possible bury the carcass at least three feet deep at a depth adequate to prevent scavenging by other animals in the ground or thoroughly burn it or dispose of it by another method approved by the board as being effective for the protection of public health and the control of livestock diseases. The board, through its executive secretary, may issue permits to owners of rendering plants located in Minnesota which are operated and conducted as required by law, to transport carcasses of domestic animals and fowl that have died, or have been killed otherwise than by being slaughtered for human or animal consumption, over the public highways to their plants for rendering purposes in accordance with the rules adopted by the board relative to transportation, rendering, and other provisions the board considers necessary to prevent the spread of disease. The board may issue permits to owners of rendering plants located in an adjacent state with which a reciprocal agreement is in effect under subdivision 3.

(b) Carcasses collected by rendering plants under permit may be used for pet food or mink food if the owner or operator meets the requirements of subdivision 1b.

(c) An authorized employee or agent of the board may enter private or public property and inspect the carcass of any domestic animal that has died or has been killed other than by being slaughtered for human or animal consumption. Failure to dispose of the carcass of any domestic animal within the period specified by this subdivision is a public nuisance. The board may petition the district court of the county in which a carcass is located for a writ requiring the abatement of the public nuisance. A civil action commenced under this paragraph does not preclude a criminal

prosecution under this section. No person may sell, offer to sell, give away, or convey along a public road or on land the person does not own, the carcass of a domestic animal when the animal died or was killed other than by being slaughtered for human or animal consumption unless it is done with a special permit pursuant to this section. The carcass or parts of a domestic animal that has died or has been killed other than by being slaughtered for human or animal consumption may be transported along a public road for a medical or scientific purpose if the carcass is enclosed in a leakproof container to prevent spillage or the dripping of liquid waste. The board may adopt rules relative to the transportation of the carcass of any domestic animal for a medical or scientific purpose. A carcass on a public thoroughfare may be transported for burial or other disposition in accordance with this section.

No person who owns or controls diseased animals shall negligently or willfully permit them to escape from that control or to run at large.

(d) A sheep producer may compost sheep carcasses owned by the producer on the producer's land without a permit and is exempt from compost facility specifications contained in rules of the board.

(e) A swine producer may dispose of pig carcasses weighing less than 12 pounds by reducing the carcass to a material of less than one inch in diameter and introducing the material into the liquid waste stream of the swine facility.

(f) The board shall develop best management practices for dead animal disposal and the pollution control agency feedlot program shall distribute them to livestock producers in the state."

Delete the title and insert:

"A bill for an act relating to agriculture; certification for manure testing laboratories; adding requirements for manure storage structures; defining "animal unit"; requiring a report on manure applicator training; expanding the purposes of the value-added agricultural product loan program; modifying requirements for environmental review of proposed feedlots; establishing a voluntary rural dispute resolution procedure; modifying provisions relative to animal cruelty; providing alternatives for animal disposal; amending Minnesota Statutes 1996, sections 18C.141; 35.82, subdivision 2; 41B.046, subdivision 1; 116D.04, subdivision 2a; 343.22, subdivision 1; 343.24, subdivision 1; 343.25; 343.40, subdivision 2; 346.38, subdivisions 4 and 5; Minnesota Statutes 1997 Supplement, section 116.07, subdivision 7; Laws 1986, chapter 398, article 1, section 18, as amended; proposing coding for new law in Minnesota Statutes, chapter 583; repealing Minnesota Statutes 1996, sections 41B.046, subdivision 4a; and 343.26."

And when so amended the bill do pass. Mr. Morse questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

**Ms. Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 2583:** A bill for an act relating to economic security; modifying provisions on collection of data; amending Minnesota Statutes 1997 Supplement, section 268.19.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 28, after "individuals" insert "using the Minnesota work force center system"

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Ms. Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 2677:** A bill for an act relating to commerce; regulating lien or claim waivers and subcontractor payments in building and construction contracts; modifying the redemption period

for property sold at a mechanic's lien foreclosure sale; amending Minnesota Statutes 1996, section 514.15; Minnesota Statutes 1997 Supplement, section 337.10, subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete ":(1)"

Page 1, line 20, delete the new language

Page 1, delete line 21

Page 1, line 22, delete "dispute"

Page 3, line 11, after "effective" insert "retroactive to"

Page 3, line 13, delete "confirmed" and insert "for which the first publication of the notice of sale occurs"

And when so amended the bill do pass and be re-referred to the Committee on Commerce. Amendments adopted. Report adopted.

**Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was referred**

**S.F. No. 2945:** A bill for an act relating to the military; entering into the interstate emergency management assistance compact; proposing coding for new law in Minnesota Statutes, chapter 192.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was referred**

**S.F. No. 3166:** A resolution memorializing Congress to support the admission of the Baltic States of Estonia, Latvia, and Lithuania to the North Atlantic Treaty.

Reports the same back with the recommendation that the resolution do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Mr. Solon from the Committee on Commerce, to which was referred**

**S.F. No. 2274:** A bill for an act relating to liquor; regulating malt liquor sampling; amending Minnesota Statutes 1996, section 340A.510, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 325B.01, is amended to read:

325B.01 [DEFINITIONS.]

Subdivision 1. As used in sections 325B.01 to 325B.17 and unless otherwise required by the context, the terms defined in this section have the meanings given them.

Subd. 2. "Agreement" means one or more of the following:

(a) A commercial relationship between a licensed beer wholesaler and a licensed brewer of a definite or indefinite duration, which is not required to be evidenced in writing;

(b) A relationship whereby the beer wholesaler is granted the right to offer and sell a brand or brands of beer offered by a brewer;

(c) A relationship whereby the beer wholesaler, as an independent business, constitutes a component of a brewer's distribution system;

(d) A relationship whereby the beer wholesaler's business is substantially associated with a brewer's brand or brands, designating the brewer;

(e) A relationship whereby the beer wholesaler's business is substantially reliant on a brewer for the continued supply of beer;

(f) A written or oral arrangement for a definite or indefinite period whereby a brewer grants to a beer wholesaler a license to use a brand, trade name, trademark, or service mark, and in which there is a community of interest in the marketing of goods or services at wholesale or retail.

Subd. 3. "Beer wholesaler" shall mean any ~~licensed~~ person importing or causing to be imported into this state or purchasing or causing to be purchased within this state, any beer for sale or resale to retailers or wholesalers ~~licensed under chapter 340~~, without regard to whether the business of the person is conducted under the terms of an agreement with a ~~licensed~~ brewer.

Subd. 4. "Brewer" means every ~~licensed~~ brewer or importer of beer located within or without the state of Minnesota, who enters into an "agreement" with any beer wholesaler ~~licensed to do~~ doing business in the state of Minnesota.

Subd. 5. "Person" means a natural person, corporation, partnership, trust, agency, or other entity as well as the individual officers, directors or other persons in active control of the activities of each such entity. Person also includes heirs, assigns, personal representatives and guardians.

Subd. 6. "Successor" means a person who replaces a brewer, importer, or wholesaler with regard to the right to manufacture, sell, distribute, or import a brand or brands of beer.

Subd. 7. "Territory" or "sales territory" means the area of primary sales responsibility designated by any agreement between any beer wholesaler and brewer for the brand or brands of any brewer.

Sec. 2. Minnesota Statutes 1996, section 325B.14, is amended to read:

325B.14 [OBLIGATIONS OF PURCHASER SUCCESSOR.]

~~Except for good cause, which shall include, but not be limited to (1) revocation of the wholesaler's license to do business in the state, (2) bankruptcy or insolvency of the wholesaler, (3) assignment for the benefit of creditors or similar disposition of the assets of the wholesaler, (4) failure by the wholesaler to substantially comply, without reasonable excuse or justification, with any reasonable and material requirement imposed upon the wholesaler by the brewery, the purchaser of a "brewer" as defined in sections 325B.01 to 325B.17 shall become obligated to all of the terms and conditions of the agreement in effect on the date of purchase. "Purchase", as defined for the purposes of sections 325B.01 to 325B.17, shall include, but is not limited to, the sale of stock, sale of assets, merger, lease, transfer or consolidation.~~

A successor shall become obligated to all of the terms and conditions of the agreement in effect on the date of succession. This section applies regardless of the character or form of the succession. A successor has the right to contractually require its wholesalers to comply with operational standards of performance, if the standards are uniformly established for all of the successor's wholesalers and conform to sections 325B.01 to 325B.17.

Sec. 3. Minnesota Statutes 1996, section 340A.404, is amended by adding a subdivision to read:

Subd. 4a. [STATE-OWNED RECREATION; ENTERTAINMENT FACILITIES.] Notwithstanding any other law, local ordinance, or charter provision, the commissioner may issue on-sale intoxicating liquor licenses:

(1) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Giants Ridge recreation area building or recreational improvement area owned by the state in the town of White, St. Louis county; and

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm.

Sec. 4. Minnesota Statutes 1996, section 340A.404, subdivision 10, is amended to read:

Subd. 10. [TEMPORARY ON-SALE LICENSES.] The governing body of a municipality may issue to (1) a club or charitable, religious, or other nonprofit organization in existence for at least three years, ~~or to~~ (2) a political committee registered under section 10A.14, or (3) a state university, a temporary license for the on-sale of intoxicating liquor in connection with a social event within the municipality sponsored by the licensee. The license may authorize the on-sale of intoxicating liquor for not more than four consecutive days, and may authorize on-sales on premises other than premises the licensee owns or permanently occupies. The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full-year on-sale intoxicating liquor license issued by any municipality. The licenses are subject to the terms, including a license fee, imposed by the issuing municipality. Licenses issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except sections 340A.409 and 340A.504, subdivision 3, paragraph (d), and those laws and ordinances which by their nature are not applicable. Licenses under this subdivision are not valid unless first approved by the commissioner of public safety.

A county under this section may issue a temporary license only to a premises located in the unincorporated or unorganized territory of the county.

Sec. 5. Minnesota Statutes 1996, section 340A.410, subdivision 10, is amended to read:

Subd. 10. [TEMPORARY LICENSES; RESTRICTIONS.] (a) A municipality may not issue more than three four-day, four three-day, ~~or six two-day, or 12 one-day~~ temporary licenses, in any combination not to exceed 12 days per year, under section 340A.404, subdivision 10, for the sale of alcoholic beverages to any one organization or registered political committee, or for any one location, within a 12-month period.

(b) A municipality may not issue more than one temporary license under section 340A.404, subdivision 10, for the sale of alcoholic beverages to any one organization or registered political committee, or for any one location, within any 30-day period unless the licenses are issued in connection with an event officially designated a community festival by the municipality.

(c) A municipality that issues separate temporary wine and liquor licenses may separately apply the limitations contained in paragraphs (a) and (b) to the issuance of such licenses to any one organization or registered political committee, or for any one location.

Sec. 6. Minnesota Statutes 1996, section 340A.412, subdivision 4, is amended to read:

Subd. 4. [LICENSES PROHIBITED IN CERTAIN AREAS.] (a) No license to sell intoxicating liquor may be issued within the following areas:

(1) where restricted against commercial use through zoning ordinances and other proceedings or legal processes regularly had for that purpose, except licenses may be issued to restaurants in areas which were restricted against commercial uses after the establishment of the restaurant;

(2) within the capitol or on the capitol grounds, except as provided under Laws 1983, chapter 259, section 9;

(3) on the state fairgrounds or at any place in a city of the first class within one-half mile of the fairgrounds, except as otherwise provided by charter;

(4) on the campus of the college of agriculture of the University of Minnesota or at any place in

a city of the first class within one-half mile of the campus, provided that a city may issue one on-sale wine license in this area that is not included in the area described in clause (3), except as provided by charter;

(5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other institution under the supervision or control, in whole or in part, of the commissioner of human services or the commissioner of corrections;

(6) in a town or municipality in which a majority of votes at the last election at which the question of license was voted upon were not in favor of license under section 340A.416, or within one-half mile of any such town or municipality, except that intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

(7) at any place on the east side of the Mississippi River within one-tenth of a mile of the main building of the University of Minnesota unless the licensed establishment is on property owned or operated by a nonprofit corporation organized prior to January 1, 1940, for and by former students of the University of Minnesota;

(8) within 1,500 feet of a state university, ~~except only 1,200 feet from that:~~

(i) the minimum distance in the case of Winona and Southwest State University, provided that is 1,200 feet;

(ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale intoxicating liquor licenses may be issued, measured by a direct line from the nearest corner of the administration building to the main entrance of the licensed establishment except;

(iii) at Mankato State University the distance is measured from the front door of the student union of the Highland campus; and

(iv) a temporary license under section 340A.404, subdivision 10, may be issued to a location on the grounds of a state university for an event sponsored or approved by the state university; and

(9) within 1,500 feet of any public school that is not within a city.

(b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler of intoxicating liquor or to a drugstore or to a person who had a license originally issued lawfully prior to July 1, 1967.

Sec. 7. Minnesota Statutes 1996, section 340A.510, subdivision 2, is amended to read:

Subd. 2. [MALT LIQUOR FURNISHED FOR SAMPLING.] (a) Notwithstanding section 340A.308, with respect only to sampling authorized under subdivision 1, a brewer may furnish at no cost to an off-sale retailer malt liquor the brewer manufactures if:

(1) the malt liquor is dispensed by the retailer only for tastings authorized under subdivision 1;

(2) the retailer makes available for return to the brewer any unused malt liquor and empty containers;

(3) the samples are dispensed by an employee of the retailer or brewer or by a sampling service retained by the retailer or brewer and not affiliated directly or indirectly with a brewer or malt liquor wholesaler;

(4) the brewer furnishes not more than three cases of malt liquor to the retailer for each sampling;

(5) each sampling continues for not more than eight hours;

(6) the brewer has furnished malt liquor for not more than five samplings for any retailer in any calendar year;

(7) the brewer delivers the malt liquor for the sampling to its exclusive wholesaler for that malt liquor;

(8) the brewer has at least seven days before the sampling filed with the commissioner, on a form the commissioner prescribes, written notice of intent to furnish malt liquor for the sampling, which contains (i) the name and address of the retailer conducting the sampling, (ii) the amount of malt liquor being furnished by the brewer, (iii) the number of times the brewer has furnished malt liquor to the retailer in the calendar year in which the notice is filed, (iv) the date and time of the sampling, (v) the exclusive wholesaler to whom the brewer will deliver the malt liquor, and (vi) a statement by the brewer to the effect that to the brewer's knowledge all requirements of this section have been or will be complied with; and

(9) the commissioner has not notified the brewer filing the notice under clause (8) that the commissioner disapproves the notice.

(b) For purposes of this subdivision, "retailer" means a licensed off-sale retailer of alcoholic beverages and a municipal liquor store that sells at off-sale.

Sec. 8. Laws 1994, chapter 611, section 32, as amended by Laws 1996, chapter 418, section 15, is amended to read:

Sec. 32. [EAGAN; LICENSES AUTHORIZED.]

The city of Eagan may issue not more than ~~eight~~ 12 on-sale intoxicating liquor licenses in addition to the number authorized by Minnesota Statutes, section 340A.413. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the licenses authorized by this section.

Sec. 9. [CITY OF ALBERT LEA; LIQUOR LICENSES.]

The city of Albert Lea may issue three on-sale intoxicating liquor licenses in addition to the number authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the licenses authorized under this section, except that the city may issue the licenses only to establishments that derive 50 percent or more of their gross income from food sales.

Sec. 10. [CITY OF VIRGINIA; LIQUOR LICENSES.]

The city of Virginia may issue one on-sale intoxicating liquor license in addition to the number authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized under this section.

Sec. 11. [EAST GRAND FORKS; LICENSES AUTHORIZED.]

The city of East Grand Forks may issue two on-sale intoxicating liquor licenses in addition to the number authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized under this section.

Sec. 12. [CANOSIA TOWNSHIP; OFF-SALE HOURS.]

Notwithstanding any other law, Canosia township may by ordinance permit the off-sale of intoxicating liquor until 10:00 p.m. on Monday through Saturday.

Sec. 13. [LAKE COUNTY; OFF-SALE LICENSE.]

Notwithstanding Minnesota Statutes, section 340A.405, subdivision 2, paragraph (e), the Lake county board may issue an off-sale intoxicating liquor license within one mile of the city of Two Harbors. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized under this section.

Sec. 14. [STUDY.]

The house research department, office of senate counsel and research, and applicable committee staff, in consultation with the departments of revenue and public safety, shall study issues relating to direct shipment of liquor into Minnesota. The study shall consider the legal, tax, public policy, and regulatory aspects of direct shipment. The study shall be submitted to the chairs of the commerce committees of the legislature by February 1, 1999.

Sec. 15. [EFFECTIVE DATE.]

Section 7 is effective the day following final enactment.

Section 8 is effective on approval by the Eagan city council and compliance with Minnesota Statutes, section 645.021.

Section 9 is effective upon approval by the Albert Lea city council and compliance with Minnesota Statutes, section 645.021.

Section 10 is effective upon approval by the Virginia city council and compliance with Minnesota Statutes, section 645.021.

Section 11 is effective on approval by the East Grand Forks city council and compliance with Minnesota Statutes, section 645.021.

Section 12 is effective upon approval by the Canosia town board and compliance with Minnesota Statutes, section 645.021.

Section 13 is effective upon approval by the Lake county board and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; regulating beer brewers and wholesalers; providing for the obligations of successors; allowing the commissioner of public safety to issue on-sale licenses to Giants Ridge and Ironworld Discovery Center; modifying restrictions for temporary on-sale licenses; authorizing issuance of temporary on-sale licenses to state universities; regulating malt liquor sampling; authorizing certain cities to issue additional on-sale licenses; amending Minnesota Statutes 1996, sections 325B.01; 325B.14; 340A.404, subdivision 10, and by adding a subdivision; 340A.410, subdivision 10; 340A.412, subdivision 4; and 340A.510, subdivision 2; Laws 1994, chapter 611, section 32, as amended."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Mr. Hottinger from the Committee on Health and Family Security, to which was re-referred**

**S.F. No. 2682:** A bill for an act relating to children; providing for child welfare reform; restricting release of certain information; establishing citizen review panels; clarifying jurisdiction; establishing programs for child abuse and neglect assessments and investigations and concurrent planning for permanent placement; defining terms; imposing duties; appropriating money; amending Minnesota Statutes 1996, sections 256.01, subdivision 12, and by adding a subdivision; 257.42; 257.43; 259.24, subdivision 1; 259.37, subdivision 2; 260.011, subdivision 2; 260.141, by adding a subdivision; 260.172, subdivision 1; 260.191, subdivision 1e; 260.221, as amended; and 626.556, by adding subdivisions; Minnesota Statutes 1997 Supplement, sections 144.218, subdivision 2; 245A.03, subdivision 2; 245A.04, subdivisions 3b and 3d; 257.071, subdivision 1d; 257.85, subdivision 5; 259.22, subdivision 4; 259.47, subdivision 3; 259.60, subdivision 2; 260.012; 260.015, subdivisions 2a and 29; 260.161, subdivision 2; 260.191, subdivisions 1, 1a, 3a, and 3b; and 260.241, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 257; and 626.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 11, insert:

"Sec. 2. Minnesota Statutes 1996, section 144.226, subdivision 3, is amended to read:

Subd. 3. [BIRTH CERTIFICATE COPY SURCHARGE.] In addition to any fee prescribed under subdivision 1, there shall be a surcharge of \$3 for each certified copy of a birth certificate, and for a certification that the record cannot be found. The local or state registrar shall forward this amount to the commissioner of finance for deposit into the account for the children's trust fund for



the prevention of child abuse established under section 119A.12. This surcharge shall not be charged under those circumstances in which no fee for a certified copy of a birth certificate is permitted under subdivision 1, paragraph (a). Upon certification by the commissioner of finance that the assets in that fund exceed \$20,000,000, this surcharge shall be discontinued.

Sec. 3. Minnesota Statutes 1997 Supplement, section 144.226, subdivision 4, is amended to read:

Subd. 4. [VITAL RECORDS SURCHARGE.] In addition to any fee prescribed under subdivision 1, there is a nonrefundable surcharge of \$3 for each certified and noncertified birth or death record, and for a certification that the record cannot be found. The local or state registrar shall forward this amount to the state treasurer to be deposited into the state government special revenue fund. This surcharge shall not be charged under those circumstances in which no fee for a birth or death record is permitted under subdivision 1, paragraph (a). This surcharge requirement expires June 30, 2002."

Page 4, after line 36, insert:

"Sec. 5. Minnesota Statutes 1996, section 245A.035, subdivision 4, is amended to read:

Subd. 4. [APPLICANT STUDY.] When the county agency has received the information required by section 245A.04, subdivision 3, paragraph (b), the county agency shall begin an applicant study according to the procedures in section 245A.04, subdivision 3. The commissioner may issue an emergency license upon recommendation of the county agency once the initial inspection has been successfully completed and the information necessary to begin the applicant background study has been provided. If the county agency does not recommend that the emergency license be granted, the agency shall notify the relative in writing that the agency is recommending denial to the commissioner; shall remove any child who has been placed in the home prior to licensure; and shall inform the relative in writing of the procedure to request review pursuant to subdivision 6. An emergency license shall be effective until a child foster care license is granted or denied, but shall in no case remain in effect more than ~~90~~ 120 days from the date of placement."

Page 13, line 27, reinstate the stricken "serious"

Page 13, line 31, delete "the following are deemed to be serious injuries" and insert "abuse resulting in serious injury means"

Page 14, line 4, after the period, insert "For purposes of this section, "care of a physician" is treatment received or ordered by a physician, but does not include diagnostic testing, assessment, or observation."

Page 18, after line 17, insert:

"Sec. 10. Minnesota Statutes 1997 Supplement, section 256.82, subdivision 2, is amended to read:

Subd. 2. [FOSTER CARE MAINTENANCE PAYMENTS.] Notwithstanding subdivision 1, for the purposes of foster care maintenance payments under title IV-E of the federal Social Security Act, United States Code, title 42, sections 670 to 676, during the period beginning July 1, 1985, and ending December 31, 1985, the county paying the maintenance costs shall be reimbursed for the costs from those federal funds available for that purpose together with an amount of state funds equal to a percentage of the difference between the total cost and the federal funds made available for payment. This percentage shall not exceed the percentage specified in subdivision 1 for the aid to families with dependent children program. In the event that the state appropriation for this purpose is less than the state percentage set in subdivision 1, the reimbursement shall be ratably reduced to the county. Beginning January 1, 1986, for the purpose of foster care maintenance payments under title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676, the county paying the maintenance costs must be reimbursed for the costs from the federal money available for the purpose. Beginning July 1, 1997, for the purposes of determining a child's eligibility under title IV-E of the Social Security Act, the placing agency shall use AFDC requirements in effect on ~~June 1, 1995~~ July 16, 1996."

Page 27, after line 2, insert:

"Sec. 19. Minnesota Statutes 1997 Supplement, section 259.58, is amended to read:

259.58 [COMMUNICATION OR CONTACT AGREEMENTS.]

Adoptive parents and a birth relative may enter an agreement regarding communication with or contact between an adopted minor, adoptive parents, and a birth relative under this section. An agreement may be entered between:

- (1) adoptive parents and a birth parent;
- (2) adoptive parents and a any other birth relative with whom the child resided before being adopted; or
- (2) (3) adoptive parents and any other birth relative if the child is adopted by a birth relative upon the death of both birth parents.

For purposes of this section, "birth relative" means a parent, stepparent, grandparent, brother, sister, uncle, or aunt of a minor adoptee. This relationship may be by blood or marriage. For an Indian child, birth relative includes members of the extended family as defined by the law or custom of the Indian child's tribe or, in the absence of laws or custom, nieces, nephews, or first or second cousins, as provided in the Indian Child Welfare Act, United States Code, title 25, section 1903.

(a) An agreement regarding communication with or contact between minor adoptees, adoptive parents, and a birth relative is not legally enforceable unless the terms of the agreement are contained in a written court order entered in accordance with this section. An order must be sought at the same time a petition for adoption is filed. The court shall not enter a proposed order unless the terms of the order have been approved in writing by the prospective adoptive parents, a birth relative who desires to be a party to the agreement, and, if the child is in the custody of or under the guardianship of an agency, a representative of the agency. An agreement under this section need not disclose the identity of the parties to be legally enforceable. The court shall not enter a proposed order unless the court finds that the communication or contact between the minor adoptee, the adoptive parents, and a birth relative as agreed upon and contained in the proposed order would be in the minor adoptee's best interests.

(b) Failure to comply with the terms of an agreed order regarding communication or contact that has been entered by the court under this section is not grounds for:

- (1) setting aside an adoption decree; or
- (2) revocation of a written consent to an adoption after that consent has become irrevocable.

(c) An agreed order entered under this section may be enforced by filing a petition or motion with the family court that includes a certified copy of the order granting the communication, contact, or visitation, but only if the petition or motion is accompanied by an affidavit that the parties have mediated or attempted to mediate any dispute under the agreement or that the parties agree to a proposed modification. The prevailing party may be awarded reasonable attorney's fees and costs. The court shall not modify an agreed order under this section unless it finds that the modification is necessary to serve the best interests of the minor adoptee, and:

- (1) the modification is agreed to by the adoptive parent and the birth relative; or
- (2) exceptional circumstances have arisen since the agreed order was entered that justify modification of the order."

Pages 43 and 44, delete section 25

Page 58, line 10, delete "7" and insert "11" and delete "26" and insert "30" and delete the second "and" and insert:

"(2) section 19 is effective retroactive to July 1, 1997, and applies to communication or contact agreements entered into on or after that date; and"

Page 58, line 11, delete "(2)" and insert "(3)" and delete " 23" and insert "28" and delete "27" and insert "31"

Page 58, line 17, after the semicolon, insert "SAFETY PLANS;"

Page 58, line 24, after the period, insert "Two or more counties may enter into agreements for purposes of participating together in a pilot program under this section." and after "counties" insert "or groups of counties"

Page 58, line 27, after the period, insert "In their grant application, counties shall address the extent to which they will use the child safety assessment and plan process under subdivision 6 as part of their program. In making grants, the commissioner shall ensure that at least one program includes mandatory safety assessments and plans and shall provide additional grant money to cover the cost of these assessments and plans. The commissioner shall designate a portion of each grant that must be used to fund community collaborative services under this section."

Page 59, line 13, after the period, insert "If the local social service agency receives information that does not involve current maltreatment of a child but establishes criteria for a child safety and assessment plan under subdivision 6, the local social service agency may proceed under that subdivision."

Page 60, line 32, delete "and provide services" and before the period, insert "or with resources for providing family services" and after the period, insert "Services may include, but are not limited to, marriage and family counseling, parenting classes, chemical dependency screening and treatment, psychological counseling, homemaker services, housing, day care assistance, visitation services, or transportation services."

Page 62, after line 1, insert:

"Subd. 6. [CHILD SAFETY ASSESSMENT AND PLAN.] (a) The local social service agency may follow the child safety assessment and planning process under this subdivision when the agency receives information that a child under the age of 12 months has one or both parents who:

(1) has a recent history of controlled substance or alcohol abuse;

(2) has been convicted of a crime specified in section 518.179, subdivision 2, if the victim of the crime was a family or household member; and

(3) has lost custody of a child in a contested proceeding to a person other than a parent, or previously has had another child in court-ordered out-of-home placement.

(b) This subdivision does not relieve the local social service agency of any other duties under this section, section 626.556, or other law in cases involving allegations of abuse or neglect of a child.

(c) The agency shall assess the risk to the child of future abuse and neglect and develop a safety plan, in consultation with the parents, to address risk factors that are present in the home and other service needs of the child and family. The safety plan may include:

(1) enrollment in early childhood family education;

(2) home visits under section 145A.15;

(3) chemical dependency treatment for a parent; and

(4) provision of other services identified in subdivision 4 or 7 that will enable the parents to participate in the safety plan.

(d) The safety plan must involve continued monitoring of the family as appropriate until the child is three years of age. The agency may enter into contracts with other public or private agencies with appropriate professional expertise to perform the assessment duties under this subdivision or with resources for providing family services."

Page 62, line 2, delete "6" and insert "7"

Page 62, line 7, delete "develop a comprehensive list of" and insert "coordinate"

Page 62, line 8, after the third comma, insert "parenting support groups, churches, civic groups, extension services,"

Pages 65 and 66, delete article 4

Page 66, line 12, delete "5" and insert "4"

Pages 66 and 67, delete section 1 and insert:

"Section 1. [CHILD WELFARE SERVICES PLAN.]

By January 15, 1999, the commissioner of human services shall submit to the legislature a statewide plan for child welfare services consistent with the five-year comprehensive child and family services plan required for title IV-B, 1 and 2 of the Social Security Act. The plan must establish statewide and county-specific performance targets for improved outcomes for the safety, permanency, and well-being of children and families and reform of the service delivery system. The plan must set prioritized goals and measurable objectives for a child and family service continuum that includes family support and family preservation services; child welfare services such as child abuse and neglect prevention, intervention, and treatment services; and services to support reunification, adoption, kinship care, foster care, independent living, or other permanent living arrangement. The plan should set baseline measures and timetables for accomplishment of the goals and include specific legislative, budget, or administrative recommendations necessary to implement the plan. The commissioner should incorporate in the plan baseline data from the semiannual report on children in out-of-home placement required under Minnesota Statutes, section 257.0725, and other data sources related to child welfare services including social service information.

The commissioner of human services shall also submit to the legislature by January 15 of each year a copy of the annual progress and service report of its child and family services plan required by the federal government for child welfare services under title IV-B, 1 and 2 of the Social Security Act. The document will report on specific accomplishments made in meeting the prior year's goals and objectives and describe proposed revisions in the plan's goals, objectives, and training plan.

The commissioner of human services shall make these plans available for public distribution by placing a notice of their availability in the State Register no later than ten days following the date of their submission."

Page 67, line 16, delete "6" and insert "5"

Page 67, after line 27, insert:

## "ARTICLE 6

### CHILD PROTECTIVE SERVICES

Section 1. Minnesota Statutes 1996, section 260.191, subdivision 1e, is amended to read:

Subd. 1e. [CASE PLAN.] For each disposition ordered, the court shall order the appropriate agency to prepare a written case plan developed after consultation with any foster parents, and consultation with and participation by the child and the child's parent, guardian, or custodian, guardian ad litem, and tribal representative if the tribe has intervened. The case plan shall comply with the requirements of section 257.071, where applicable. The case plan shall, among other matters, specify the actions to be taken by the child and the child's parent, guardian, foster parent, or custodian to ensure the child's safety and to comply with the court's disposition order, and the services to be offered and provided by the agency to the child and the child's parent, guardian, or custodian. The court shall review the case plan and, upon approving it, incorporate the plan into its disposition order. The court may review and modify the terms of the case plan in the manner provided in subdivision 2. For each disposition ordered, the written case plan shall specify what reasonable efforts shall be provided to the family. The case plan must include a discussion of:

(1) the availability of appropriate prevention and reunification services for the family to safely prevent the removal of the child from the home or to safely reunify the child with the family after removal;

(2) any services or resources that were requested by the child or the child's parent, guardian, foster parent, or custodian since the date of initial adjudication, and whether those services or resources were provided or the basis for denial of the services or resources;

(3) the need of the child and family for care, treatment, or rehabilitation;

(4) the need for participation by the parent, guardian, or custodian in the plan of care for the child;

(5) the visitation rights and obligations of the parent or other relatives, as defined in section 260.181, subdivision 3, during any period when the child is placed outside the home; and

(6) a description of any services that could safely prevent placement or reunify the family if such services were available; and

(7) the need for continued monitoring of the child and family by the appropriate local social services agency once the family has completed all services required in the case plan.

A party has a right to request a court review of the reasonableness of the case plan upon a showing of a substantial change of circumstances.

Sec. 2. Minnesota Statutes 1996, section 626.556, subdivision 10, is amended to read:

Subd. 10. [DUTIES OF LOCAL WELFARE AGENCY AND LOCAL LAW ENFORCEMENT AGENCY UPON RECEIPT OF A REPORT.] (a) If the report alleges neglect, physical abuse, or sexual abuse by a parent, guardian, or individual functioning within the family unit as a person responsible for the child's care, the local welfare agency shall immediately conduct an assessment and offer protective social services for purposes of preventing further abuses, safeguarding and enhancing the welfare of the abused or neglected minor, and preserving family life whenever possible. If the report alleges a violation of a criminal statute involving sexual abuse, physical abuse, or neglect or endangerment, under section 609.378, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of its investigation. In cases of alleged child maltreatment resulting in death, the local agency may rely on the fact-finding efforts of a law enforcement investigation to make a determination of whether or not maltreatment occurred. When necessary the local welfare agency shall seek authority to remove the child from the custody of a parent, guardian, or adult with whom the child is living. In performing any of these duties, the local welfare agency shall maintain appropriate records.

(b) When a local agency receives a report or otherwise has information indicating that a child who is a client, as defined in section 245.91, has been the subject of physical abuse, sexual abuse, or neglect at an agency, facility, or program as defined in section 245.91, it shall, in addition to its other duties under this section, immediately inform the ombudsman established under sections 245.91 to 245.97.

(c) Authority of the local welfare agency responsible for assessing the child abuse or neglect report and of the local law enforcement agency for investigating the alleged abuse or neglect includes, but is not limited to, authority to interview, without parental consent, the alleged victim and any other minors who currently reside with or who have resided with the alleged offender. The interview may take place at school or at any facility or other place where the alleged victim or other minors might be found or the child may be transported to, and the interview conducted at, a place appropriate for the interview of a child designated by the local welfare agency or law enforcement agency. The interview may take place outside the presence of the alleged offender or parent, legal custodian, guardian, or school official. Except as provided in this paragraph, the parent, legal custodian, or guardian shall be notified by the responsible local welfare or law enforcement agency no later than the conclusion of the investigation or assessment that this

interview has occurred. Notwithstanding rule 49.02 of the Minnesota rules of procedure for juvenile courts, the juvenile court may, after hearing on an ex parte motion by the local welfare agency, order that, where reasonable cause exists, the agency withhold notification of this interview from the parent, legal custodian, or guardian. If the interview took place or is to take place on school property, the order shall specify that school officials may not disclose to the parent, legal custodian, or guardian the contents of the notification of intent to interview the child on school property, as provided under this paragraph, and any other related information regarding the interview that may be a part of the child's school record. A copy of the order shall be sent by the local welfare or law enforcement agency to the appropriate school official.

(d) When the local welfare or local law enforcement agency determines that an interview should take place on school property, written notification of intent to interview the child on school property must be received by school officials prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school property. For interviews conducted by the local welfare agency, the notification shall be signed by the chair of the local social services agency or the chair's designee. The notification shall be private data on individuals subject to the provisions of this paragraph. School officials may not disclose to the parent, legal custodian, or guardian the contents of the notification or any other related information regarding the interview until notified in writing by the local welfare or law enforcement agency that the investigation or assessment has been concluded. Until that time, the local welfare or law enforcement agency shall be solely responsible for any disclosures regarding the nature of the assessment or investigation.

Except where the alleged offender is believed to be a school official or employee, the time and place, and manner of the interview on school premises shall be within the discretion of school officials, but the local welfare or law enforcement agency shall have the exclusive authority to determine who may attend the interview. The conditions as to time, place, and manner of the interview set by the school officials shall be reasonable and the interview shall be conducted not more than 24 hours after the receipt of the notification unless another time is considered necessary by agreement between the school officials and the local welfare or law enforcement agency. Where the school fails to comply with the provisions of this paragraph, the juvenile court may order the school to comply. Every effort must be made to reduce the disruption of the educational program of the child, other students, or school staff when an interview is conducted on school premises.

(e) Where the alleged offender or a person responsible for the care of the alleged victim or other minor prevents access to the victim or other minor by the local welfare agency, the juvenile court may order the parents, legal custodian, or guardian to produce the alleged victim or other minor for questioning by the local welfare agency or the local law enforcement agency outside the presence of the alleged offender or any person responsible for the child's care at reasonable places and times as specified by court order.

(f) Before making an order under paragraph (e), the court shall issue an order to show cause, either upon its own motion or upon a verified petition, specifying the basis for the requested interviews and fixing the time and place of the hearing. The order to show cause shall be served personally and shall be heard in the same manner as provided in other cases in the juvenile court. The court shall consider the need for appointment of a guardian ad litem to protect the best interests of the child. If appointed, the guardian ad litem shall be present at the hearing on the order to show cause.

(g) The commissioner, the ombudsman for mental health and mental retardation, the local welfare agencies responsible for investigating reports, and the local law enforcement agencies have the right to enter facilities as defined in subdivision 2 and to inspect and copy the facility's records, including medical records, as part of the investigation. Notwithstanding the provisions of chapter 13, they also have the right to inform the facility under investigation that they are conducting an investigation, to disclose to the facility the names of the individuals under investigation for abusing or neglecting a child, and to provide the facility with a copy of the report and the investigative findings.

(h) The local welfare agency shall collect available and relevant information to ascertain

whether maltreatment occurred and whether protective services are needed. Information collected includes, when relevant, information with regard to the person reporting the alleged maltreatment, including the nature of the reporter's relationship to the child and to the alleged offender, and the basis of the reporter's knowledge for the report; the child allegedly being maltreated; the alleged offender; the child's caretaker; and other collateral sources having relevant information related to the alleged maltreatment. The local welfare agency may make a determination of no maltreatment early in an assessment, and close the case and retain immunity, if the collected information shows no basis for a full assessment or investigation.

Information relevant to the assessment or investigation must be asked for, and may include:

(1) the child's sex and age, prior reports of maltreatment, information relating to developmental functioning, credibility of the child's statement, and whether the information provided under this clause is consistent with other information collected during the course of the assessment or investigation;

(2) the alleged offender's age, a record check for prior reports of maltreatment, and criminal charges and convictions. The local welfare agency must provide the alleged offender with an opportunity to make a statement. The alleged offender may submit supporting documentation relevant to the assessment or investigation;

(3) collateral source information regarding the alleged maltreatment and care of the child. Collateral information includes, when relevant: (i) a medical examination of the child; (ii) prior medical records relating to the alleged maltreatment or the care of the child and an interview with the treating professionals; and (iii) interviews with the child's caretakers, including the child's parent, guardian, foster parent, child care provider, teachers, counselors, family members, relatives, and other persons who may have knowledge regarding the alleged maltreatment and the care of the child; and

(4) information on the existence of domestic abuse and violence in the home of the child.

Nothing in this paragraph precludes the local welfare agency from collecting other relevant information necessary to conduct the assessment or investigation. Notwithstanding the data's classification in the possession of any other agency, data acquired by the local welfare agency during the course of the assessment or investigation are private data on individuals and must be maintained in accordance with subdivision 11.

(i) In the initial stages of an assessment or investigation, the local welfare agency shall conduct a face-to-face observation of the child reported to be maltreated and a face-to-face interview of the alleged offender. The interview with the alleged offender may be postponed if it would jeopardize an active law enforcement investigation.

(j) The local welfare agency shall use a question and answer interviewing format with questioning as nondirective as possible to elicit spontaneous responses. The following interviewing methods and procedures must be used whenever possible when collecting information:

(1) audio recordings of all interviews with witnesses and collateral sources; and

(2) in cases of alleged sexual abuse, audio-video recordings of each interview with the alleged victim and child witnesses.

Sec. 3. Minnesota Statutes 1997 Supplement, section 626.556, subdivision 10e, is amended to read:

Subd. 10e. [DETERMINATIONS.] Upon the conclusion of every assessment or investigation it conducts, the local welfare agency shall make two determinations: first, whether maltreatment has occurred; and second, whether child protective services are needed. When maltreatment is determined in an investigation involving a facility, the investigating agency shall also determine whether the facility or individual was responsible for the maltreatment using the mitigating factors in paragraph (d). Determinations under this subdivision must be made based on a preponderance of the evidence.

(a) For the purposes of this subdivision, "maltreatment" means any of the following acts or omissions committed by a person responsible for the child's care:

- (1) physical abuse as defined in subdivision 2, paragraph (d);
- (2) neglect as defined in subdivision 2, paragraph (c);
- (3) sexual abuse as defined in subdivision 2, paragraph (a); or
- (4) mental injury as defined in subdivision 2, paragraph (k).

(b) For the purposes of this subdivision, a determination that child protective services are needed means that the local welfare agency has documented conditions during the assessment or investigation sufficient to cause a child protection worker, as defined in section 626.559, subdivision 1, to conclude that a child is at significant risk of maltreatment if protective intervention is not provided and that the individuals responsible for the child's care have not taken or are not likely to take actions to protect the child from maltreatment or risk of maltreatment.

(c) This subdivision does not mean that maltreatment has occurred solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, in lieu of medical care. However, if lack of medical care may result in serious danger to the child's health, the local welfare agency may ensure that necessary medical services are provided to the child.

(d) When determining whether the facility or individual is the responsible party for determined maltreatment in a facility, the investigating agency shall consider at least the following mitigating factors:

(1) whether the actions of the facility or the individual caregivers were according to, and followed the terms of, an erroneous physician order, prescription, individual care plan, or directive; however, this is not a mitigating factor when the facility or caregiver was responsible for the issuance of the erroneous order, prescription, individual care plan, or directive or knew or should have known of the errors and took no reasonable measures to correct the defect before administering care;

(2) comparative responsibility between the facility, other caregivers, and requirements placed upon an employee, including the facility's compliance with related regulatory standards and the adequacy of facility policies and procedures, facility training, an individual's participation in the training, the caregiver's supervision, and facility staffing levels and the scope of the individual employee's authority and discretion; and

(3) whether the facility or individual followed professional standards in exercising professional judgment.

(e) The commissioner shall work with the maltreatment of minors advisory committee established under Laws 1997, chapter 203, to make recommendations to further specify the kinds of acts or omissions that constitute physical abuse, neglect, sexual abuse, or mental injury. The commissioner shall submit the recommendation and any legislation needed by January 15, 1999. Individual counties may implement more detailed definitions or criteria that indicate which allegations to investigate, as long as a county's policies are consistent with the definitions in the statutes and rules and are approved by the county board. Each local welfare agency shall periodically inform mandated reporters under subdivision 3 who work in the county of the definitions of maltreatment in the statutes and rules and any additional definitions or criteria that have been approved by the county board.

Sec. 4. Minnesota Statutes 1996, section 626.556, is amended by adding a subdivision to read:

Subd. 10j. [RELEASE OF DATA TO MANDATED REPORTERS.] A local social service or child protection agency may provide relevant private data on individuals obtained under this section to mandated reporters who have an ongoing responsibility for the health, education, or welfare of a child affected by the data. The commissioner shall consult with the maltreatment of



minors advisory committee to develop criteria for determining which records may be shared with mandated reporters under this subdivision.

Sec. 5. Minnesota Statutes 1996, section 626.556, is amended by adding a subdivision to read:

Subd. 10k. [RELEASE OF CERTAIN INVESTIGATIVE RECORDS TO OTHER COUNTIES.] Records maintained under subdivision 11c, paragraph (a), may be shared with another local welfare agency that requests the information because it is conducting an investigation under this section of the subject of the records.

Sec. 6. Minnesota Statutes 1997 Supplement, section 626.556, subdivision 11c, is amended to read:

Subd. 11c. [WELFARE, COURT SERVICES AGENCY, AND SCHOOL RECORDS MAINTAINED.] Notwithstanding sections 138.163 and 138.17, records maintained or records derived from reports of abuse by local welfare agencies, court services agencies, or schools under this section shall be destroyed as provided in paragraphs (a) to (d) by the responsible authority.

(a) If upon assessment or investigation there is no determination of maltreatment or the need for child protective services, the records may must be maintained for a period of four years. After the individual alleged to have maltreated a child is notified under subdivision 10f of the determinations at the conclusion of the assessment or investigation, upon that individual's request, records shall be destroyed within 30 days or after the appeal rights under subdivision 10i have been concluded, whichever is later. Records under this paragraph may not be used for employment, background checks, or purposes other than to assist in future risk and safety assessments.

(b) All records relating to reports which, upon assessment or investigation, indicate either maltreatment or a need for child protective services shall be maintained for at least ten years after the date of the final entry in the case record.

(c) All records regarding a report of maltreatment, including any notification of intent to interview which was received by a school under subdivision 10, paragraph (d), shall be destroyed by the school when ordered to do so by the agency conducting the assessment or investigation. The agency shall order the destruction of the notification when other records relating to the report under investigation or assessment are destroyed under this subdivision.

(d) Private or confidential data released to a court services agency under subdivision 10h must be destroyed by the court services agency when ordered to do so by the local welfare agency that released the data. The local welfare agency shall order destruction of the data when other records relating to the assessment or investigation are destroyed under this subdivision.

Sec. 7. Minnesota Statutes 1996, section 626.556, is amended by adding a subdivision to read:

Subd. 15. [AUDITING.] The commissioner of human services shall regularly audit for accuracy the data reported by counties on maltreatment of minors.

Sec. 8. [RISK ASSESSMENT; PERFORMANCE MEASURES; EXTERNAL REVIEW.]

Subdivision 1. [RISK ASSESSMENT ALTERNATIVES.] Notwithstanding any rule to the contrary, the commissioner of human services may authorize local welfare agencies to research and conduct pilot projects for alternative methods of child protection risk assessment. The commissioner shall give priority to the establishment of at least one pilot project that includes a study of domestic abuse and violence in the home as a risk factor for children. The commissioner shall report to the appropriate committees in the house of representatives and the senate on the outcomes of research and risk assessment pilot projects by January 15, 2000.

Subd. 2. [PERFORMANCE MEASUREMENT.] (a) The commissioner of human services shall establish a task force of county and state officials to identify:

(1) statewide measures of the performance of child welfare services, including, but not limited to, screening, early intervention services, assessment, number, episodes, and length of stay in

out-of-home placement, permanency, and adoption, and steps needed to collect reliable information on these measures; and

(2) potentially useful practices that individual counties could use to monitor and evaluate child welfare services.

(b) The task force shall report its findings to the commissioner by January 15, 1999. The commissioner shall recommend to appropriate committees of the legislature during the 1999 regular session any legislative action required to implement task force recommendations.

Subd. 3. [COORDINATION OF CHILD WELFARE AND DOMESTIC ABUSE SERVICES.] The commissioner of human services shall work with the maltreatment of minors advisory committee established under Laws 1997, chapter 203, to study and evaluate the opportunities for coordination or integration of child welfare and domestic abuse services for children and parents. The commissioner shall consult with consumers and child protection and domestic abuse advocates. The commissioner shall submit a report to the legislature by January 15, 1999, that includes recommendations for improving coordination between the domestic abuse and child welfare systems for further integration of services.

Sec. 9. [PLAN FOR EXTERNAL REVIEWS.]

By January 15, 1999, the commissioner of human services shall present to the appropriate committees in the senate and the house of representatives a plan for periodic external reviews of:

- (1) county compliance with state statutes and rules in the area of child protection; and
- (2) the appropriateness of decisions by county child protection agencies in selected individual cases.

Nothing in section 8 or 9 prevents the commissioner from developing and implementing performance measurement plans for periodic reviews and best practices before January 15, 1999."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to children; providing for child welfare reform; restricting release of certain information; establishing citizen review panels; clarifying jurisdiction; establishing programs for child abuse and neglect assessments and investigations and concurrent planning for permanent placement; defining terms; imposing duties; expanding certain case plans; providing for consideration of domestic abuse in child protection risk assessments; authorizing rulemaking; providing for sharing of certain data; changing records retention requirements; requiring review and audits; requiring task forces and a plan; appropriating money; amending Minnesota Statutes 1996, sections 144.226, subdivision 3; 245A.035, subdivision 4; 256.01, subdivision 12, and by adding a subdivision; 257.42; 257.43; 259.24, subdivision 1; 259.37, subdivision 2; 260.011, subdivision 2; 260.141, by adding a subdivision; 260.172, subdivision 1; 260.191, subdivision 1e; 260.221, as amended; and 626.556, subdivision 10, and by adding subdivisions; Minnesota Statutes 1997 Supplement, sections 144.218, subdivision 2; 144.226, subdivision 4; 245A.03, subdivision 2; 245A.04, subdivisions 3b and 3d; 256.82, subdivision 2; 257.071, subdivision 1d; 257.85, subdivision 5; 259.22, subdivision 4; 259.47, subdivision 3; 259.58; 259.60, subdivision 2; 260.012; 260.015, subdivisions 2a and 29; 260.161, subdivision 2; 260.191, subdivisions 1, 1a, 3a, and 3b; 260.241, subdivision 3; and 626.556, subdivisions 10e and 11c; proposing coding for new law in Minnesota Statutes, chapters 257; and 626."

And when so amended the bill do pass and be re-referred to the Committee on Human Resources Finance. Amendments adopted. Report adopted.

**Mr. Solon from the Committee on Commerce, to which was referred**

**S.F. No. 2421:** A bill for an act relating to consumer protection; regulating telecommunication commerce; appropriating money; amending Minnesota Statutes 1997 Supplement, section

609.2336, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 171; and 325G.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 4, delete sections 1 and 2

Pages 4 and 5, delete section 4

Page 5, line 14, delete "3" and insert "1"

Page 5, delete section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete everything before "proposing"

Page 1, line 6, delete "chapters 171; and" and insert "chapter"

And when so amended the bill do pass and be re-referred to the Committee on State Government Finance.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

#### **Ms. Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 3207:** A bill for an act relating to health; providing for civil commitment for prenatal alcohol abuse; requiring reporting; amending Minnesota Statutes 1997 Supplement, sections 253B.02, subdivision 2; 253B.07, subdivision 1; and 626.556, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 626.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [626.5563] [REPORTING PRENATAL EXPOSURE TO ALCOHOL ABUSE.]

Subdivision 1. [DEFINITION.] For purposes of this section, "abuse of alcohol" means:

(1) the person has required detoxification for alcohol intoxication during the pregnancy; or

(2) the person is found to be an alcohol abuser through use of a validated chemical use assessment conducted according to rules adopted by the commissioner of human services under section 254A.03, subdivision 3.

Subd. 2. [REPORT PERMITTED.] (a) If a person mandated to report under section 626.556, subdivision 3, knows or has reason to believe that a woman is pregnant and has knowingly abused alcohol after she knows of the pregnancy, the person may:

(1) arrange for a chemical use assessment conducted according to rules adopted by the commissioner of human services under section 254A.03, subdivision 3, and confirm that the recommendations indicated by the assessment are followed; or

(2) immediately report to the local welfare agency or maternal child substance abuse project.

(b) If the woman is referred for a chemical use assessment under paragraph (a), clause (1), and fails to obtain an assessment or refuses to comply with the recommendations of the assessment, a report must be made to the local welfare agency or maternal child substance abuse project providing services to the area where the woman resides.

(c) Any adult household member may make a voluntary report if the person knows or has reason to believe that a woman in the household is pregnant and has abused alcohol during the pregnancy.

(d) A report shall be of sufficient content to identify the pregnant woman, the nature and extent of the abuse of alcohol, any health risk associated with the abuse of alcohol, if known, and the name and address of the reporter.

Subd. 3. [LOCAL WELFARE AGENCY.] (a) A local welfare agency receiving a report under subdivision 2 shall, within five working days, conduct an appropriate assessment and offer services indicated under the circumstances. The local welfare agency may meet this requirement by referral to a local maternal child substance abuse project.

(b) Services offered must include a chemical use assessment conducted according to rules adopted by the commissioner of human services under section 254A.03, subdivision 3. If the chemical use assessment indicates that the woman is in need of chemical dependency treatment, the local welfare agency must arrange for provision of the indicated level of chemical dependency care.

(c) If the woman refuses to comply with the recommendations of the chemical use assessment or is found by a maternal child substance abuse project to be continuing the abuse of alcohol, the noncompliance must be reported to the local welfare agency.

Subd. 4. [IMMUNITY.] A person making a report under subdivision 2 or assisting in an assessment under subdivision 3 is immune from civil or criminal liability if the person acted in good faith in making the report. If a person mandated to report under section 626.556, subdivision 3, does not make a report under subdivision 2, that person is not subject to the penalties of section 626.556, subdivision 6, for failure to report. No civil, criminal, or administrative proceeding may be instituted against a person for not making a report under subdivision 2.

Subd. 5. [DATA ON REPORTERS.] Data on persons making reports under this section are confidential data on individuals as defined in section 13.02.

## Sec. 2. [REPORT REQUIRED.]

The commissioner of human services shall evaluate the impact of the changes in the reporting provisions in section 1 and submit a report to the legislature by February 1, 2001. For purposes of this evaluation, local welfare agencies and maternal child substance abuse projects shall provide summary data to the commissioner on the number of reports and referrals that they receive and the number of women who receive or refuse services.

## Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1999."

Delete the title and insert:

"A bill for an act relating to health; providing for voluntary reporting of alcohol abuse by a pregnant woman; providing for assessments and services; proposing coding for new law in Minnesota Statutes, chapter 626."

And when so amended the bill do pass and be re-referred to the Committee on Health and Family Security. Amendments adopted. Report adopted.

## **Mr. Hottinger from the Committee on Health and Family Security, to which was referred**

**S.F. No. 3000:** A bill for an act relating to health; establishing preventive measures for adolescent pregnancies; appropriating money; amending Minnesota Statutes 1996, section 145.925, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 145.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [145.9248] [ADOLESCENT PREGNANCY PREVENTION PLAN.]

By January 15, 1999, the commissioners of health, human services, and children, families, and learning, in consultation with community representatives throughout the state, shall establish a comprehensive adolescent pregnancy prevention plan for the state.

Sec. 2. Minnesota Statutes 1996, section 145.925, is amended by adding a subdivision to read:

Subd. 10. [ACCOUNTING OF FUNDS.] By January 15, 2000, and every year thereafter, the commissioner shall report to the legislature the following information regarding the use of money granted under this section:

- (1) the number of individuals who received family planning services throughout the state;
- (2) the number of specific types of medical services provided, including the number of pap smears, breast exams, mammograms, and other specific family planning services;
- (3) the amount spent on publication of informational brochures or other public education materials;
- (4) the number of grantees and the geographic area in which each grantee provides family planning services; and
- (5) the extent to which family planning needs were unmet throughout the state.

Sec. 3. [145.9253] [SECOND CHANCE HOMES.]

The commissioner of health, in collaboration with the commissioners of human services and children, families, and learning, shall study and make recommendations to the legislature by January 15, 1999, on designing a pilot program to establish structured residential living arrangements to meet the needs of pregnant and parenting teens not able to live in the household of a parent, legal guardian, or other adult relative. The recommendations shall address the requirements of an adult-supervised supportive living arrangement specified in section 256J.14 and shall include programming to provide the minor parent with supportive services including counseling, guidance, independent living skills training, and adult supervision.

Sec. 4. [145.9254] [PUBLIC EDUCATION CAMPAIGN.]

The commissioner of health shall conduct a public education campaign designed to reduce adolescent pregnancy by educating the public about the laws that allow criminal prosecution of males who father children by unmarried minor mothers.

Sec. 5. [145.926] [ABSTINENCE EDUCATION GRANT PROGRAM.]

The commissioner of health shall expend federal funds for abstinence education programs provided under United States Code, title 42, section 710, and state matching funds for abstinence education programs only to an abstinence education program that complies with the state plan that has been submitted to and approved by the federal Department of Health and Human Services."

Delete the title and insert:

"A bill for an act relating to health; establishing preventive measures for adolescent pregnancies; amending Minnesota Statutes 1996, section 145.925, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 145."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Mr. Vickerman from the Committee on Local and Metropolitan Government, to which was referred**

**S.F. No. 2912:** A bill for an act relating to lawful gambling; licensing employees eligible to

make sales on behalf of a distributor; amending Minnesota Statutes 1996, sections 349.12, by adding a subdivision; 349.151, subdivision 4; 349.155, subdivision 3; 349.161; and 349.169, subdivision 3.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Governmental Operations and Veterans.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Mr. Metzen from the Committee on Governmental Operations and Veterans**, to which was referred the following appointment as reported in the Journal for January 20, 1998:

DEPARTMENT OF EMPLOYEE RELATIONS  
COMMISSIONER  
Karen L. Carpenter

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

**Mr. Metzen from the Committee on Governmental Operations and Veterans**, to which were referred the following appointments as reported in the Journal for February 12, 1998:

BOARD OF THE ARTS  
Warren Satterlee  
Lois West  
Elizabeth Whitbeck  
STATE OFFICE OF ADMINISTRATIVE HEARINGS  
CHIEF ADMINISTRATIVE LAW JUDGE  
Ken Nickolai

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

**Ms. Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 1394:** A bill for an act relating to civil actions; establishing two-year limitation in action against health care provider for transmission of the HIV virus; amending Minnesota Statutes 1996, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 541.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1997 Supplement, section 541.07, is amended to read:

541.07 [TWO- OR THREE-YEAR LIMITATIONS.]

Except where the Uniform Commercial Code, this section, section 148A.06, ~~or section 541.073, or 541.076~~ otherwise prescribes, the following actions shall be commenced within two years:

(1) for libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, occupational therapists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156,

hospitals, sanitariums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counterclaim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist, occupational therapists, or other health care professional or veterinarian, hospital or sanitarium, after the limitations herein described notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) upon a statute for a penalty or forfeiture, except as provided in sections 541.074 and 541.075;

(3) for damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the preemption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;

(5) for the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years. (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages" means single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) for damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.

Sec. 2. [541.076] [LIMITATION ON CERTAIN MEDICAL MALPRACTICE ACTIONS.]

The following actions by a patient or former patient against a health care provider shall be commenced within two years after the patient or former patient discovers or reasonably should have discovered the injury, cause and alleged malpractice, error, mistake, or failure to cure:

(1) an action based on transmission of communicable disease by the health care provider to the patient or former patient;

(2) an action based on the misdiagnosis of cancer, leukemia, or lymphoma; and

(3) an action based on the leaving of a foreign object which has no therapeutic or diagnostic purpose or effect in the patient or former patient's body.

In no event shall an action under this section be brought more than six years after the date on which the limitations period would have begun to run under section 541.07, clause (1), had the action been subject to that provision.

Sec. 3. [EFFECTIVE DATE; APPLICATION.]

Sections 1 and 2 are effective August 1, 1998, and apply to actions commenced on or after that date."

Delete the title and insert:

"A bill for an act relating to civil actions; modifying the limitation on actions for certain medical malpractice claims; amending Minnesota Statutes 1997 Supplement, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 541."

And when so amended the bill do pass and be re-referred to the Committee on Health and Family Security.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Mr. Solon from the Committee on Commerce, to which was referred**

**S.F. No. 2043:** A bill for an act relating to commerce; increasing continuing education requirements and contractor recovery fund fees for building contractors; modifying statutory housing warranties; extending the statute of limitations for actions relating to improvements to real property; amending Minnesota Statutes 1996, sections 16B.65, subdivision 7; 326.87, subdivision 2; 326.975, subdivisions 1, 2, and 3; 327A.01, subdivisions 2 and 5; 327A.02, subdivisions 1 and 3; 327A.03; and 541.051, subdivisions 1 and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 16B.61, is amended by adding a subdivision to read:

Subd. 3b. [RESIDENTIAL VENTILATION.] For a new residential building on which construction is begun on or after March 1, 1999, the code must require a mechanical ventilation system.

Sec. 2. Minnesota Statutes 1996, section 16B.65, subdivision 7, is amended to read:

Subd. 7. [CONTINUING EDUCATION.] Subject to sections 16B.59 to 16B.75, the commissioner may by rule establish or approve continuing education programs for municipal building officials dealing with matters of building code administration, inspection, and enforcement.

Effective January 1, 1985, each person certified as a building official for the state must satisfactorily complete applicable educational programs established or approved by the commissioner every three calendar years to retain certification, including at least three hours in programs relating to the state energy code.

Each person certified as a building official must submit in writing to the commissioner an application for renewal of certification within 60 days of the last day of the third calendar year following the last certificate issued. Each application for renewal must be accompanied by proof of satisfactory completion of minimum continuing education requirements and the certification renewal fee established by the commissioner.

For persons certified prior to January 1, 1985, the first three-year period commences January 1, 1985.

Sec. 3. Minnesota Statutes 1996, section 326.87, subdivision 2, is amended to read:

Subd. 2. [HOURS.] A qualifying person of a licensee must provide proof of completion of seven ~~ten~~ hours of continuing education per year. At least three hours of continuing education per year must relate to requirements of the state energy code. To the extent the commissioner considers it appropriate, courses or parts of courses may be considered to satisfy both continuing education requirements under this section and continuing real estate education requirements.

Sec. 4. Minnesota Statutes 1996, section 326.951, is amended to read:

326.951 [DISCLOSURES.]

If a licensee sells or offers to sell residential property, constructed by the licensee, which is or has been occupied by the licensee, the licensee must, prior to entering into a binding purchase agreement, provide to the buyer a written disclosure which states that any claims that arise as a



result of the licensee's construction of the property: (1) will not be covered under the statutory warranty established by chapter 327A, and (2) if the licensee has occupied the residential property for one year or more, will not be eligible for reimbursement from the contractor's recovery fund. A licensee must, prior to entering into a binding purchase agreement with a buyer for residential property constructed by the licensee, provide to the buyer a copy of chapter 327A and a written disclosure informing the buyer that warranty claims must be reported to the vendor in writing within 14 months of discovery of any problem.

Sec. 5. Minnesota Statutes 1996, section 326.975, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) In addition to any other fees, each applicant for a license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund. The contractor's recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.34 with the following exceptions:

(1) each licensee who renews a license shall pay in addition to the appropriate renewal fee an additional fee which shall be credited to the contractor's recovery fund. The amount of the fee shall be based on the licensee's gross annual receipts for the licensee's most recent fiscal year preceding the renewal, on the following scale:

Fee	Gross Receipts
\$100	under \$1,000,000
\$150	\$1,000,000 to \$5,000,000
\$200	over \$5,000,000

Any person who receives a new license shall pay a fee based on the same scale;

(2) the sole purpose of this fund is to compensate any aggrieved owner or lessee of residential property who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance or breach of warranty arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after April 1, 1994;

(3) nothing may obligate the fund for more than \$50,000 per claimant, nor more than \$50,000 per licensee; and

(4) nothing may obligate the fund for claims based on a cause of action that arose before the licensee paid the recovery fund fee set in clause (1), or as provided in section 326.945, subdivision 3.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least ~~\$40,000~~ \$50,000.

Sec. 6. [326.985] [CONSUMER INFORMATION.]

The commissioner shall provide information to consumers on residential construction issues.

Sec. 7. Minnesota Statutes 1996, section 327A.01, subdivision 5, is amended to read:

Subd. 5. [MAJOR CONSTRUCTION DEFECT.] "Major construction defect" means actual damage to the load-bearing portion of the dwelling or the home improvement, including damage due to subsidence, expansion or lateral movement of the soil, which affects the load-bearing

function and which ~~vitaly~~ vitaly substantially affects or is imminently likely to ~~vitaly~~ vitaly substantially affect use of the dwelling or the home improvement for residential purposes. "Major construction defect" does not include damage due to movement of the soil caused by flood, earthquake or other natural disaster.

Sec. 8. Minnesota Statutes 1996, section 327A.02, subdivision 1, is amended to read:

Subdivision 1. [WARRANTIES BY VENDORS.] (a) In every sale of a completed dwelling, and in every contract for the sale of a dwelling to be completed, the vendor shall warrant to the vendee that:

(a) (1) during the ~~one-year~~ two-year period from and after the warranty date the dwelling shall be free from defects caused by faulty workmanship and defective materials due to noncompliance with building standards;

(b) (2) during the ~~two-year~~ three-year period from and after the warranty date, the dwelling shall be free from defects caused by faulty installation of plumbing, electrical, heating, and cooling systems; and

(c) (3) during the ten-year period from and after the warranty date, the dwelling shall be free from major construction defects.

Sec. 9. Minnesota Statutes 1996, section 327A.02, subdivision 3, is amended to read:

Subd. 3. [HOME IMPROVEMENT WARRANTIES.] (a) In a sale or in a contract for the sale of home improvement work involving major structural changes or additions to a residential building, the home improvement contractor shall warrant to the owner that:

(1) during the ~~one-year~~ two-year period from and after the warranty date the home improvement shall be free from defects caused by faulty workmanship and defective materials due to noncompliance with building standards; and

(2) during the ten-year period from and after the warranty date the home improvement shall be free from major construction defects.

(b) In a sale or in a contract for the sale of home improvement work involving the installation of plumbing, electrical, heating or cooling systems, the home improvement contractor shall warrant to the owner that, during the ~~two-year~~ three-year period from and after the warranty date, the home improvement shall be free from defects caused by the faulty installation of the system or systems.

(c) In a sale or in a contract for the sale of any home improvement work not covered by paragraph (a) or (b), the home improvement contractor shall warrant to the owner that, during the ~~one-year~~ two-year period from and after the warranty date, the home improvement shall be free from defects caused by faulty workmanship or defective materials due to noncompliance with building standards.

Sec. 10. Minnesota Statutes 1996, section 327A.03, is amended to read:

327A.03 [EXCLUSIONS.]

The liability of the vendor or the home improvement contractor under sections 327A.01 to 327A.07 is limited to the specific items set forth in sections 327A.01 to 327A.07 and does not extend to the following:

(a) Loss or damage not reported by the vendee or the owner to the vendor or the home improvement contractor in writing within ~~six months~~ 14 months after the vendee or the owner discovers or should have discovered the loss or damage;

(b) Loss or damage caused by defects in design, installation, or materials which the vendee or the owner supplied, installed, or directed to be installed;

(c) Secondary loss or damage such as personal injury or property damage;

- (d) Loss or damage from normal wear and tear;
- (e) Loss or damage from normal shrinkage caused by drying of the dwelling or the home improvement within tolerances of building standards;
- (f) Loss or damage from dampness and condensation due to insufficient ventilation after occupancy, when the insufficient ventilation is solely attributable to conditions resulting from substantial compliance with requirements of the state energy code in effect at the time construction has begun;
- (g) Loss or damage from negligence, improper maintenance or alteration of the dwelling or the home improvement by parties other than the vendor or the home improvement contractor;
- (h) Loss or damage from changes in grading of the ground around the dwelling or the home improvement by parties other than the vendor or the home improvement contractor;
- (i) Landscaping or insect loss or damage;
- (j) Loss or damage from failure to maintain the dwelling or the home improvement in good repair;
- (k) Loss or damage which the vendee or the owner, whenever feasible, has not taken timely action to minimize;
- (l) Loss or damage which occurs after the dwelling or the home improvement is no longer used primarily as a residence;
- (m) Accidental loss or damage usually described as acts of God, including, but not limited to: fire, explosion, smoke, water escape, windstorm, hail or lightning, falling trees, aircraft and vehicles, flood, and earthquake, except when the loss or damage is caused by failure to comply with building standards;
- (n) Loss or damage from soil movement which is compensated by legislation or covered by insurance;
- (o) Loss or damage due to soil conditions where construction is done upon lands owned by the vendee or the owner and obtained by the vendee or owner from a source independent of the vendor or the home improvement contractor;
- (p) In the case of home improvement work, loss or damage due to defects in the existing structure and systems not caused by the home improvement.

Sec. 11. Minnesota Statutes 1996, section 541.051, subdivision 1, is amended to read:

Subdivision 1. (a) Except where fraud is involved, no action by any person in contract, tort, or otherwise to recover damages for any injury to property, real or personal, or for bodily injury or wrongful death, arising out of the defective and unsafe condition of an improvement to real property, nor any action for contribution or indemnity for damages sustained on account of the injury, shall be brought against any person performing or furnishing the design, planning, supervision, materials, or observation of construction or construction of the improvement to real property or against the owner of the real property more than ~~two~~ four years after discovery of the injury or, in the case of an action for contribution or indemnity, accrual of the cause of action, nor, in any event shall such a cause of action accrue more than ten years after substantial completion of the construction. Date of substantial completion shall be determined by the date when construction is sufficiently completed so that the owner or the owner's representative can occupy or use the improvement for the intended purpose.

(b) For purposes of paragraph (a), a cause of action accrues upon discovery of the injury or, in the case of an action for contribution or indemnity, upon payment of a final judgment, arbitration award, or settlement arising out of the defective and unsafe condition.

(c) Nothing in this section shall apply to actions for damages resulting from negligence in the

maintenance, operation or inspection of the real property improvement against the owner or other person in possession.

(d) The limitations prescribed in this section do not apply to the manufacturer or supplier of any equipment or machinery installed upon real property.

Sec. 12. Minnesota Statutes 1996, section 541.051, subdivision 4, is amended to read:

Subd. 4. This section shall not apply to actions based on breach of the statutory warranties set forth in section 327A.02, or to actions based on breach of an express written warranty, provided such actions shall be brought within ~~two~~ four years of the discovery of the breach.

Sec. 13. [DISCLOSURE, CATEGORY 1; CATEGORY 2.]

Prior to March 1, 1999, a builder shall disclose in writing to a purchaser before execution of a purchase contract whether the residential building to be constructed is a category 1 or category 2 building, as defined in Minnesota Rules, part 7670.0470, subpart 6, item A. The disclosure shall include an explanation of the difference between the categories in respect of ventilation systems.

Sec. 14. [EFFECTIVE DATE.]

Sections 7 to 10 are effective for housing warranties applicable to construction commenced on or after June 1, 1999.

Section 13 is effective May 1, 1998."

Delete the title and insert:

"A bill for an act modifying the state building code; increasing continuing education requirements for building contractors; modifying statutory housing warranties; extending the statute of limitations for actions related to improvements to real property; providing for disclosure; amending Minnesota Statutes 1996, sections 16B.61, by adding a subdivision; 16B.65, subdivision 7; 326.87, subdivision 2; 326.951; 326.975, subdivision 1; 327A.01, subdivision 5; 327A.02, subdivisions 1 and 3; 327A.03; and 541.051, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 326."

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

## SECOND READING OF SENATE BILLS

S.F. Nos. 2945, 2274 and 3000 were read the second time.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Stumpf moved that S.F. No. 2945, on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Stumpf moved that S.F. No. 2943, No. 90 on General Orders, be stricken and re-referred to the Committee on Taxes. The motion prevailed.

Pursuant to Rule 40, Mrs. Pariseau, first author, moved that S.F. No. 792 be withdrawn from the Committee on Crime Prevention, given a second reading and placed on General Orders.

**CALL OF THE SENATE**

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Pariseau motion.

The roll was called, and there were yeas 21 and nays 41, as follows:

Those who voted in the affirmative were:

Day	Johnson, J.B.	Lesewski	Pariseau	Stevens
Dille	Kiscaden	Limmer	Robertson	
Fischbach	Kleis	Neuville	Robling	
Frederickson	Knutson	Olson	Runbeck	
Hanson	Larson	Ourada	Scheid	

Those who voted in the negative were:

Anderson	Hottinger	Laidig	Pappas	Stumpf
Beckman	Janezich	Langseth	Piper	Ten Eyck
Belanger	Johnson, D.E.	Lourey	Pogemiller	Vickerman
Berglin	Johnson, D.H.	Marty	Price	Wiener
Betzold	Johnson, D.J.	Metzen	Ranum	Wiger
Cohen	Junge	Moe, R.D.	Sams	
Flynn	Kelley, S.P.	Morse	Samuelson	
Foley	Kelly, R.C.	Murphy	Solon	
Higgins	Krentz	Novak	Spear	

The motion did not prevail.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Ms. Junge moved that S.F. No. 2407, No. 96 on General Orders, be stricken and re-referred to the Committee on State Government Finance. The motion prevailed.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

**Mr. Pogemiller introduced--**

**S.F. No. 3331:** A bill for an act relating to education; providing for staff development; appropriating money; amending Minnesota Statutes 1996, section 124A.29, subdivision 1; Laws 1997, First Special Session chapter 4, article 5, section 28, subdivision 12.

Referred to the Committee on Children, Families and Learning.

**Ms. Berglin introduced--**

**S.F. No. 3332:** A bill for an act relating to crime; appropriating money for grants for the substance abuse intervention neighborhood program.

Referred to the Committee on Crime Prevention.

**Ms. Johnson, J.B. introduced--**

**S.F. No. 3333:** A bill for an act relating to cemeteries; clarifying and reorganizing the law on cemeteries; amending Minnesota Statutes 1996, section 525.14; proposing coding for new law as Minnesota Statutes, chapter 306A; repealing Minnesota Statutes 1996, sections 306.01; 306.02; 306.023; 306.025; 306.027; 306.03; 306.04; 306.05; 306.06; 306.07; 306.08; 306.09; 306.10;

306.11; 306.111; 306.12; 306.13; 306.14; 306.141; 306.15; 306.16; 306.17; 306.18; 306.19; 306.20; 306.21; 306.22; 306.23; 306.24; 306.241; 306.242; 306.243; 306.245; 306.246; 306.25; 306.26; 306.27; 306.28; 306.29; 306.31; 306.32; 306.33; 306.34; 306.35; 306.36; 306.37; 306.38; 306.39; 306.40; 306.41; 306.42; 306.43; 306.44; 306.45; 306.46; 306.47; 306.48; 306.49; 306.50; 306.51; 306.52; 306.53; 306.54; 306.55; 306.56; 306.57; 306.58; 306.59; 306.60; 306.61; 306.62; 306.63; 306.64; 306.65; 306.66; 306.67; 306.68; 306.69; 306.70; 306.71; 306.72; 306.73; 306.74; 306.75; 306.76; 306.761; 306.762; 306.77; 306.773; 306.78; 306.79; 306.80; 306.81; 306.82; 306.83; 306.84; 306.85; 306.851; 306.86; 306.87; 306.88; 306.90; 306.93; 306.95; 306.97; and 306.99.

Referred to the Committee on Judiciary.

**Messrs. Laidig, Morse, Ms. Krentz, Messrs. Stumpf and Frederickson introduced--**

**S.F. No. 3334:** A bill for an act relating to the environment; creating the heritage lakes initiative; proposing coding for new law as Minnesota Statutes, chapter 103J.

Referred to the Committee on Environment and Natural Resources.

**Mr. Neuville, Mrs. Pariseau and Mr. Stevens introduced--**

**S.F. No. 3335:** A bill for an act relating to natural resources; providing that the department of natural resources may not acquire property by prescriptive easement; proposing coding for new law in Minnesota Statutes, chapter 84.

Referred to the Committee on Environment and Natural Resources.

**Mr. Laidig introduced--**

**S.F. No. 3336:** A bill for an act relating to state lands; authorizing the public sale of certain tax-forfeited land bordering on public waters in Washington county.

Referred to the Committee on Environment and Natural Resources.

**Mr. Vickerman introduced--**

**S.F. No. 3337:** A bill for an act relating to agriculture; appropriating money for beaver damage control.

Referred to the Committee on Agriculture and Rural Development.

**Messrs. Stevens and Kleis introduced--**

**S.F. No. 3338:** A bill for an act relating to appropriations; requiring Benton county to apportion reimbursement for liability among local units of government.

Referred to the Committee on Local and Metropolitan Government.

**Messrs. Stevens and Ourada introduced--**

**S.F. No. 3339:** A bill for an act relating to appropriations; authorizing state bonds; appropriating money for an office facility/interpretive center in Sand Dunes State Forest.

Referred to the Committee on Environment and Natural Resources.

**Mr. Lessard introduced--**

**S.F. No. 3340:** A bill for an act relating to property taxes; authorizing additional enterprise zone allocations for tax reductions; amending Minnesota Statutes 1996, section 469.169, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

**Mr. Terwilliger introduced--**

**S.F. No. 3341:** A bill for an act relating to taxation; abolishing withholding taxes on wages; providing for payment of estimated taxes on wages; amending Minnesota Statutes 1996, sections 289A.09, subdivision 1; 289A.31, subdivision 5; 289A.38, subdivision 14; 289A.50, subdivision 3; 289A.60, subdivision 11; 290.92, subdivisions 1, 2a, 4a, 9, 12, 23, 25, 26, 27, 28, and 29; and 290.9201, subdivision 7; Minnesota Statutes 1997 Supplement, sections 289A.09, subdivision 2; 289A.20, subdivision 2; and 290.92, subdivision 24; proposing coding for new law in Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1996, sections 270B.06, subdivision 3; 289A.63, subdivision 5; 290.92, subdivisions 3, 5, 5a, 10, 16, 19, and 22; Minnesota Statutes 1997 Supplement, section 290.92, subdivision 30.

Referred to the Committee on Taxes.

**Mr. Samuelson introduced--**

**S.F. No. 3342:** A bill for an act relating to natural resources; establishing a state trail in Morrison county; appropriating money; amending Minnesota Statutes 1996, section 85.015, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

**Mr. Stumpf introduced--**

**S.F. No. 3343:** A bill for an act relating to the cities of East Grand Forks and Breckenridge; appropriating money for a loan to the cities for construction of levees; authorizing a means of repayment of the loan.

Referred to the Committee on Environment and Natural Resources.

**Mr. Morse introduced--**

**S.F. No. 3344:** A bill for an act relating to education; modifying the calculation of debt service equalization for independent school district No. 300, La Crescent-Hokah.

Referred to the Committee on Children, Families and Learning.

**Messrs. Kelly, R.C.; Spear; Neuville; Johnson, D.J. and Knutson introduced--**

**S.F. No. 3345:** A bill for an act relating to criminal justice; appropriating money for the judicial branch, public safety, corrections, criminal justice, crime prevention programs, and related purposes; modifying various fees, assessments, and surcharges; implementing, clarifying, and modifying certain criminal and juvenile provisions; prescribing, clarifying, and modifying certain penalty provisions; establishing, clarifying, expanding, and making permanent various pilot programs, grant programs, task forces, working groups, reports, and studies; providing for the collection, maintenance, and reporting of certain data; expanding, clarifying, and modifying the powers of the commissioner of corrections; making various changes to the 1997 omnibus criminal justice funding bill; providing for the coordination of services for disasters; clarifying and modifying certain laws involving public defenders; appropriating public defender reimbursements to the board of public defense; requesting the supreme court to amend the Rules of Criminal Procedure; accelerating the repeal of the automobile theft prevention program; limiting the entities that must have an affirmative action plan approved by the commissioner of human rights; conveying state land to the city of Faribault; amending Minnesota Statutes 1996, sections 3.739, subdivision 1; 12.09, by adding a subdivision; 13.99, by adding a subdivision; 168.042, subdivisions 12 and 15; 169.121, subdivision 5a; 171.16, subdivision 3; 241.01, subdivision 7, and by adding a subdivision; 242.32, subdivision 1; 299C.06; 299C.09; 299F.04, by adding a subdivision; 357.021, by adding subdivisions; 488A.03, subdivision 11; 588.01, subdivision 3;

609.3241; 611.14; 611.20, subdivision 3; 611.26, subdivisions 2 and 3; and 611.27, subdivisions 1 and 7; Minnesota Statutes 1997 Supplement, sections 97A.065, subdivision 2; 168.042, subdivision 11a; 169.14, subdivision 5d; 171.29, subdivision 2; 241.277, subdivisions 6, 9, and by adding a subdivision; 357.021, subdivision 2; 363.073, subdivision 1; 401.13; 609.101, subdivision 5; 609.113, subdivision 3; and 611.25, subdivision 3; amending Laws 1996, chapter 408, article 2, section 16; and Laws 1997, chapter 239, article 1, sections 7 and 12; proposing coding for new law in Minnesota Statutes, chapters 169; 241; 299C; 609; and 611A; repealing Minnesota Statutes 1996, sections 609.101, subdivision 1; 609.563, subdivision 2; 611.216, subdivision 1a; 611.26, subdivision 9; 611.27, subdivision 2; and 626.861; Minnesota Statutes 1997 Supplement, section 611.27, subdivision 4.

Referred to the Committee on Human Resources Finance.

**Messrs. Samuelson, Sams, Ms. Berglin, Mr. Stevens and Ms. Kiscaden introduced--**

**S.F. No. 3346:** A bill for an act relating to human services; appropriating money; changing provisions for long-term care, health care programs and provisions, including MA and GAMC, MinnesotaCare, welfare reform, and regional treatment centers; imposing penalties; amending Minnesota Statutes 1996, sections 16A.124, subdivision 4a; 119B.24; 144.701, subdivisions 1, 2, and 4; 144.702, subdivisions 1, 2, and 8; 144A.09, subdivision 1; 144A.44, subdivision 2; 214.03; 245.462, subdivisions 4 and 8; 245.4871, subdivision 4; 245A.03, by adding a subdivision; 245A.14, subdivision 4; 256.014, subdivision 1; 256.969, subdivisions 16 and 17; 256B.03, subdivision 3; 256B.04, by adding a subdivision; 256B.055, subdivision 7, and by adding a subdivision; 256B.057, subdivision 3a, and by adding subdivisions; 256B.0625, subdivisions 17, 20, 34, and by adding a subdivision; 256B.0627, subdivision 4; 256B.0911, subdivision 4; 256B.0916; 256B.41, subdivision 1; 256B.431, subdivisions 2b, 4, 11, 22, and by adding a subdivision; 256B.501, subdivision 2; 256B.69, by adding subdivisions; 256D.03, subdivision 4, and by adding subdivisions; 256D.051, by adding a subdivision; 256D.46, subdivision 2; 256I.04, subdivisions 1, 3, and by adding a subdivision; and 256I.05, subdivision 2; Minnesota Statutes 1997 Supplement, sections 62J.69, subdivisions 1, 2, and by adding a subdivision; 62J.75; 103I.208, subdivision 2; 144.1494, subdivision 1; 144A.071, subdivision 4a; 171.29, subdivision 2; 214.32, subdivision 1; 245B.06, subdivision 2; 256.01, subdivision 2; 256.031, subdivision 6; 256.9657, subdivision 3; 256.9685, subdivision 1; 256.9864; 256B.04, subdivision 18; 256B.056, subdivisions 1a and 4; 256B.06, subdivision 4; 256B.062; 256B.0625, subdivision 31a; 256B.0627, subdivision 5; 256B.0645; 256B.0911, subdivisions 2 and 7; 256B.0913, subdivision 14; 256B.0915, subdivisions 1d and 3; 256B.0951, by adding a subdivision; 256B.431, subdivisions 3f and 26; 256B.433, subdivision 3a; 256B.434, subdivision 10; 256B.69, subdivisions 2 and 3a; 256B.692, subdivisions 2 and 5; 256B.77, subdivisions 3, 7a, 10, and 12; 256D.03, subdivision 3; 256D.05, subdivision 8; 256J.02, subdivision 4; 256J.03; 256J.08, subdivisions 11, 26, 28, 40, 60, 68, 73, 83, and by adding subdivisions; 256J.09, subdivisions 6 and 9; 256J.11, subdivision 2, as amended; 256J.12; 256J.14; 256J.15, subdivision 2; 256J.20, subdivisions 2 and 3; 256J.21; 256J.24, subdivisions 1, 2, 3, 4, and by adding a subdivision; 256J.26, subdivisions 1, 2, 3, and 4; 256J.28, subdivisions 1, 2, and by adding a subdivision; 256J.30, subdivisions 10 and 11; 256J.31, subdivisions 5 and 10; 256J.32, subdivisions 4, 6, and by adding a subdivision; 256J.33, subdivisions 1 and 4; 256J.35; 256J.36; 256J.37, subdivisions 1, 2, 9, and by adding subdivisions; 256J.38, subdivision 1; 256J.39, subdivision 2; 256J.395; 256J.42; 256J.43; 256J.45, subdivisions 1, 2, and by adding a subdivision; 256J.46, subdivisions 1 and 2; 256J.47, subdivision 4; 256J.48, subdivisions 2, 3, and by adding a subdivision; 256J.49, subdivision 4; 256J.50, subdivision 5, and by adding a subdivision; 256J.52, subdivision 4; 256J.54, subdivisions 2, 3, 4, and 5; 256J.55, subdivision 5; 256J.56; 256J.57, subdivision 1; 256J.74, subdivision 2; 256J.75, by adding a subdivision; 256K.03, subdivision 5; 256L.01; 256L.02, subdivisions 2 and 3; 256L.03, subdivisions 1, 3, 4, 5, and by adding subdivisions; 256L.04, subdivisions 1, 2, 7, 8, 9, 10, and by adding subdivisions; 256L.05, subdivisions 2, 3, 4, and by adding subdivisions; 256L.06, subdivision 3; 256L.07; 256L.09, subdivisions 2, 4, and 6; 256L.11, subdivision 6; 256L.12, subdivision 5; 256L.15; 256L.17, by adding a subdivision; and 270A.03, subdivision 5; Laws 1995, chapter 234, article 6, section 45; Laws 1997, chapter 203, article 4, section 64; and article 9, section 21; chapter 225, article 2, section 64; and chapter 248, section 46, as amended; proposing coding for new law in Minnesota Statutes, chapters 62J; 144; 256; 256B; 256D; and 256J; repealing Minnesota Statutes 1996, sections 144.0721, subdivision



3a; 256.031, subdivisions 1, 2, 3, and 4; 256.032; 256.033, subdivisions 2, 3, 4, 5, and 6; 256.034; 256.035; 256.036; 256.0361; 256.047; 256.0475; 256.048; 256.049; and 256B.501, subdivision 3g; Minnesota Statutes 1997 Supplement, sections 62J.685; 144.0721, subdivision 3; 256.031, subdivisions 5 and 6; 256.033, subdivisions 1 and 1a; 256B.057, subdivision 1a; 256B.062; 256B.0913, subdivision 15; 256J.25; 256J.28, subdivision 4; 256J.32, subdivision 5; 256J.34, subdivision 5; 256J.76; 256L.04, subdivisions 3, 4, 5, and 6; 256L.06, subdivisions 1 and 2; 256L.08; 256L.09, subdivision 3; 256L.13; 256L.14; and 256L.15, subdivision 3; Laws 1997, chapter 85, article 1, sections 61 and 71; and article 3, section 55; Minnesota Rules (Exempt), parts 9500.9100; 9500.9110; 9500.9120; 9500.9130; 9500.9140; 9500.9150; 9500.9160; 9500.9170; 9500.9180; 9500.9190; 9500.9200; 9500.9210; and 9500.9220.

Referred to the Committee on Human Resources Finance.

### **MEMBERS EXCUSED**

Mr. Oliver was excused from the Session of today. Ms. Pappas was excused from the Session of today from 8:00 to 8:45 a.m. Ms. Anderson and Mr. Johnson, D.H. were excused from the Session of today from 8:00 to 9:20 a.m. Mrs. Scheid was excused from the Session of today from 8:00 to 9:50 a.m. Ms. Robertson was excused from the Session of today from 9:30 to 10:30 a.m. Mr. Lessard was excused from the Session of today at 10:20 a.m.

### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:45 a.m., Friday, February 20, 1998. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



# INDEX TO DAILY JOURNAL

Thursday, February 19, 1998

## MESSAGES FROM THE HOUSE AND FIRST READINGS OF HOUSE FILES

S.F. Nos.	Message Page	H.F. Nos.	Message Page	1st Reading Page
		2729	.....5353	5354
		3095	.....5353	5354

## REPORTS OF COMMITTEES AND SECOND READINGS

S.F. Nos.	Report Page	2nd Reading Page	H.F. Nos.	Report Page	2nd Reading Page
1394	..... 5398		2612	.....5366	5367
1654	..... 5355	5367	2895	.....5367	5367
2043	..... 5400				
2274	..... 5379	5404			
2398	..... 5354				
2421	..... 5394				
2583	..... 5378				
2592	..... 5360	5367			
2677	..... 5378				
2682	..... 5384				
2912	..... 5397				
2945	..... 5379	5404			
3000	..... 5396	5404			
3109	..... 5371				
3166	..... 5379				
3207	..... 5395				

## MOTIONS AND RESOLUTIONS

S.F. Nos.	Page	H.F. Nos.	Page
792	.....5404		
2407	.....5405		
2943	.....5404		
2945	.....5404		
3156	.....5367		
3297	.....5370		
3300	.....5367		
3327	.....5367		
Sen. Res. No . 82	.....5367		
Sen. Res. No . 83	.....5367		
Sen. Res.			

No. 84 .....5368

**CALENDAR**

S.F. Nos.	Page	H.F. Nos.	Page
2315	.....5368		

**SPECIAL ORDERS**

S.F. Nos.	Page	H.F. Nos.	Page
2532	.....5369		
3297	.....5369		

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

S.F. Nos. 3331 to 3346 ..... Pages 5405 to 5408