

STATE OF MINNESOTA

Journal of the Senate

EIGHTY-FIRST LEGISLATURE

NINETIETH DAY

St. Paul, Minnesota, Friday, March 17, 2000

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Betzold 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. Willie Hudson.

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

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

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 2569: A bill for an act relating to insurance; authorizing insurance coverage for vicarious liability for punitive and exemplary damages; regulating the terms of certain fraternal benefit society board members; amending Minnesota Statutes 1998, sections 60A.06, by adding a subdivision; and 64B.03.

There has been appointed as such committee on the part of the House:

Haas, Davids and Pugh.

Senate File No. 2569 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 16, 2000

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2688.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 16, 2000

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 2688: A bill for an act relating to crime prevention; authorizing disclosure of information about sex offenders; imposing additional registration requirements on sex offenders; establishing procedures for felony offenders who seek name changes; eliminating the statute of limitations for certain offenses; expanding the crime of solicitation to engage in sexual conduct; providing criminal penalties; clarifying the expungement law; making certain data about sex offenders available to law enforcement; clarifying the scope of the community notification law; authorizing release of information about sex offenders residing in treatment facilities; providing for criminal justice information systems technology; changing the membership of the criminal and juvenile justice information policy group; authorizing the purchase and distribution of criminal justice technology infrastructure; appropriating money; amending Minnesota Statutes 1998, sections 13.54, subdivision 6; 243.166, subdivisions 3, 5, 7, and by adding subdivisions; 244.052, as amended; 244.10, subdivision 2a; 259.11; 299C.65, subdivision 1, and by adding a subdivision; 517.08, subdivisions 1a and 1b; 518.27; 609.035, by adding a subdivision; 609.352, subdivisions 1 and 2; 609.749, subdivision 2; 609.795, subdivision 1; 609A.03; and 628.26; Minnesota Statutes 1999 Supplement, sections 13.46, subdivision 2; 243.166, subdivisions 1, 2, 4, and 6; and 299C.65, subdivisions 2 and 8; proposing coding for new law in Minnesota Statutes, chapters 176; 243; 259; 299C; and 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2974.

MOTIONS AND RESOLUTIONS

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Senator Moe, R.D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALL OF THE SENATE

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

CALENDAR

S.F. No. 3174: A bill for an act relating to public lands; modifying a land conveyance in Itasca county; amending Laws 1999, chapter 161, section 30.

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 57 and nays 1, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, D.E.	Lesewski	Pappas	Solon
Berg	Johnson, D.H.	Lessard	Pariseau	Spear
Berglin	Johnson, D.J.	Limmer	Piper	Stevens
Betzold	Kelley, S.P.	Lourey	Price	Stumpf
Cohen	Kelly, R.C.	Marty	Ranum	Terwilliger
Day	Kierlin	Metzen	Ring	Vickerman
Dille	Kinkel	Moe, R.D.	Robertson	Wiener
Fischbach	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Sams	Ziegler
Frederickson	Krentz	Novak	Samuelson	
Hanson	Laidig	Oliver	Scheevel	
Higgins	Langseth	Olson	Scheid	

Those who voted in the negative were:

Flynn

So the bill passed and its title was agreed to.

S.F. No. 3160: A bill for an act relating to drivers' licenses; extending ignition interlock pilot program; making clarifying and technical changes; amending Minnesota Statutes 1998, section 171.305, as amended; repealing Minnesota Rules, parts 7409.3700; 7409.3710; 7409.3720; 7409.3730; 7409.3740; 7409.3750; 7409.3760; and 7409.3770.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Janezich	Laidig	Oliver	Samuelson
Berglin	Johnson, D.E.	Langseth	Olson	Scheevel
Betzold	Johnson, D.H.	Lesewski	Ourada	Scheid
Cohen	Johnson, D.J.	Lessard	Pappas	Solon
Day	Kelley, S.P.	Limmer	Pariseau	Spear
Dille	Kelly, R.C.	Lourey	Piper	Stevens
Fischbach	Kierlin	Marty	Price	Stumpf
Flynn	Kinkel	Metzen	Ranum	Terwilliger
Foley	Kiscaden	Moe, R.D.	Ring	Vickerman
Frederickson	Kleis	Murphy	Robertson	Wiener
Hanson	Knutson	Neuville	Robling	Wiger
Higgins	Krentz	Novak	Sams	Ziegler

So the bill passed and its title was agreed to.

S.F. No. 1009: A bill for an act relating to traffic regulations; requiring the commissioner of public safety to propose pilot program relating to use of photographic evidence for enforcement of traffic signal laws.

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 35 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Berglin	Cohen	Foley	Higgins
Belanger	Betzold	Flynn	Frederickson	Kelley, S.P.

Kelly, R.C.	Laidig	Ourada	Ring	Spear
Kiscaden	Lourey	Pappas	Robertson	Stevens
Kleis	Marty	Piper	Robling	Terwilliger
Knutson	Murphy	Price	Runbeck	Wiener
Krentz	Oliver	Ranum	Scheid	Wiger

Those who voted in the negative were:

Berg	Johnson, D.E.	Langseth	Neuville	Scheevel
Day	Johnson, D.H.	Lesewski	Novak	Solon
Dille	Johnson, D.J.	Lessard	Olson	Stumpf
Fischbach	Junge	Limmer	Pariseau	Vickerman
Hanson	Kierlin	Metzen	Sams	Ziegler
Janezich	Kinkel	Moe, R.D.	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 3549: A bill for an act relating to health; modifying the residential hospice program requirements; amending Minnesota Statutes 1998, section 144A.48, subdivision 1; repealing Minnesota Statutes 1998, section 144A.48, subdivision 6.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 702: A bill for an act relating to transportation; authorizing county review of plats on real property that is bordering existing or proposed county highways; authorizing dispute resolution between city and county; amending Minnesota Statutes 1998, sections 462.358, subdivision 3b; and 505.03, subdivision 2.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Kierlin	Lourey	Pariseau
Belanger	Hanson	Kinkel	Marty	Piper
Berg	Higgins	Kiscaden	Metzen	Price
Berglin	Hottinger	Kleis	Moe, R.D.	Ranum
Betzold	Janezich	Knutson	Murphy	Ring
Cohen	Johnson, D.E.	Krentz	Neuville	Robertson
Day	Johnson, D.H.	Laidig	Novak	Robling
Dille	Johnson, D.J.	Langseth	Oliver	Runbeck
Fischbach	Junge	Lesewski	Olson	Sams
Flynn	Kelley, S.P.	Lessard	Ourada	Samuelson
Foley	Kelly, R.C.	Limmer	Pappas	Scheevel

Scheid Solon	Spear Stevens	Stumpf Terwilliger	Vickerman Wiener	Wiger Ziegler
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So the bill passed and its title was agreed to.

S.F. No. 2941: A bill for an act relating to vulnerable adults; modifying provisions concerning medical errors and neglect; requiring health licensing boards to make determinations regarding employment disqualifications; amending Minnesota Statutes 1998, section 626.5572, subdivision 17; Minnesota Statutes 1999 Supplement, section 245A.04, subdivision 3d; proposing coding for new law in Minnesota Statutes, chapter 214.

With the unanimous consent of the Senate, Senator Kiscaden moved to amend S.F. No. 2941 as follows:

Page 9, line 7, delete "that already"

Page 9, line 8, delete everything before the semicolon and insert "the vulnerable adult's preexisting condition"

The motion prevailed. So the amendment was adopted.

S.F. No. 2941 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

S.F. No. 3025: A bill for an act relating to foster care; adding requirements for foster care agencies and foster care providers who care for individuals who rely on medical equipment to sustain life or monitor a medical condition; proposing coding for new law in Minnesota Statutes, chapter 245A.

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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Johnson, D.J.	Krentz	Moe, R.D.
Belanger	Foley	Junge	Laidig	Murphy
Berg	Frederickson	Kelley, S.P.	Langseth	Neuville
Berglin	Hanson	Kelly, R.C.	Lesewski	Novak
Betzold	Higgins	Kierlin	Lessard	Oliver
Cohen	Hottinger	Kinkel	Limmer	Olson
Day	Janezich	Kiscaden	Lourey	Ourada
Dille	Johnson, D.E.	Kleis	Marty	Pappas
Fischbach	Johnson, D.H.	Knutson	Metzen	Pariseau

Piper	Robertson	Scheevel	Stevens	Wiener
Price	Robling	Scheid	Stumpf	Wiger
Ranum	Sams	Solon	Terwilliger	Ziegler
Ring	Samuelson	Spear	Vickerman	

So the bill passed and its title was agreed to.

S.F. No. 2677: A bill for an act relating to crime prevention; recodifying the driving while impaired crimes and related provisions; making numerous clarifying, technical, and substantive changes in the pursuit of simplification; amending Minnesota Statutes 1998, section 629.471; Minnesota Statutes 1999 Supplement, sections 260B.171, subdivision 7; 260B.225, subdivision 4; and 609.035, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 169A; repealing Minnesota Statutes 1998, sections 168.042; 169.01, subdivisions 61, 68, 82, 83, 86, 87, 88, and 89; 169.121, subdivisions 1, 1a, 1b, 1d, 2, 3b, 3c, 5, 5a, 5b, 6, 7, 8, 9, 10, 10a, 11, and 12; 169.1211; 169.1215; 169.1216; 169.1217, subdivisions 2, 3, 4, 5, 6, and 8; 169.1218; 169.1219; 169.122, subdivisions 1, 2, 3, and 4; 169.123, subdivisions 2, 2a, 2b, 2c, 3, 4, 5, 5a, 5b, 6, 7, 8, and 10; 169.124; 169.125; 169.126; 169.1261; 169.1265; 169.128; and 169.129, subdivision 3; Minnesota Statutes 1999 Supplement, sections 169.121, subdivisions 1c, 3, 3d, 3f, and 4; 169.1217, subdivisions 1, 7, 7a, and 9; 169.122, subdivision 5; 169.123, subdivisions 1 and 5c; and 169.129, subdivision 1.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3581: A bill for an act relating to liquor; authorizing the city of Minneapolis to issue an on-sale wine and malt liquor license for the Illusion Theatre and the Hollywood Theatre; authorizing winemaking on premises stores; authorizing the city of St. Paul to issue an on-sale wine and malt liquor license to the Great American History Theater; exempting an on-sale intoxicating liquor license in Bemidji from statutory restrictions on proximity to a state university; authorizing the cities of Duluth, Springfield, and Eveleth, to issue on-sale intoxicating liquor licenses; authorizing the city of Anoka to issue an on-sale wine license; amending Minnesota Statutes 1999 Supplement, section 340A.404, subdivisions 2 and 2b; Laws 1999, chapter 202, section 15; proposing coding for new law in Minnesota Statutes, chapter 340A.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berg	Betzold	Day	Fischbach
Belanger	Berglin	Cohen	Dille	Flynn

Foley	Kelly, R.C.	Lessard	Pappas	Scheevel
Frederickson	Kierlin	Limmer	Pariseau	Scheid
Hanson	Kinkel	Lourey	Piper	Solon
Higgins	Kiscaden	Marty	Price	Spear
Hottinger	Kleis	Metzen	Ranum	Stevens
Janezich	Knutson	Moe, R.D.	Ring	Stumpf
Johnson, D.E.	Krentz	Murphy	Robertson	Terwilliger
Johnson, D.H.	Laidig	Neuville	Robling	Vickerman
Johnson, D.J.	Langseth	Novak	Runbeck	Wiener
Junge	Larson	Oliver	Sams	Wiger
Kelley, S.P.	Lesewski	Ourada	Samuelson	Ziegler

So the bill passed and its title was agreed to.

H.F. No. 3222: A bill for an act relating to state government; modifying reporting requirements for health-related boards; changing membership requirements for the health professionals services program committee; authorizing a diversion program for health professionals; amending Minnesota Statutes 1998, sections 147.01, subdivision 4; 148B.04, subdivision 4; 148B.285, subdivision 3; 214.07; 214.10, subdivision 8; 214.31; and 214.32, subdivision 1; Minnesota Statutes 1999 Supplement, section 148.691, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 214.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2676: A bill for an act relating to local government; removing the sunset on provisions for authorizing local governments to petition to amend or repeal a rule; amending Minnesota Statutes 1999 Supplement, section 14.091.

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 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Junge	Laidig	Murphy
Belanger	Frederickson	Kelley, S.P.	Langseth	Neuville
Berg	Hanson	Kelly, R.C.	Lesewski	Novak
Berglin	Higgins	Kierlin	Lessard	Oliver
Betzold	Hottinger	Kinkel	Limmer	Olson
Cohen	Janezich	Kiscaden	Lourey	Ourada
Day	Johnson, D.E.	Kleis	Marty	Pappas
Dille	Johnson, D.H.	Knutson	Metzen	Pariseau
Fischbach	Johnson, D.J.	Krentz	Moe, R.D.	Piper

Price	Robling	Scheevel	Stevens	Wiener
Ranum	Runbeck	Scheid	Stumpf	Wiger
Ring	Sams	Solon	Terwilliger	Ziegler
Robertson	Samuelson	Spear	Vickerman	

Those who voted in the negative were:

Flynn

So the bill passed and its title was agreed to.

S.F. No. 2972: A bill for an act relating to state government; authorizing open bidding for state purchases; amending Minnesota Statutes 1998, sections 16C.03, subdivision 3; and 16C.10, by adding a subdivision.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 3113: A bill for an act relating to health occupations; permitting an additional pharmacy technician in a pharmacy if the technician is nationally certified; amending Minnesota Statutes 1999 Supplement, section 151.102, subdivision 1.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3253: A bill for an act relating to human services; requiring the commissioner of human services to study the medical assistance reimbursement rates for special transportation providers.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3348: A bill for an act relating to health; modifying requirements for potluck events sponsored by organizations; amending Minnesota Statutes 1998, section 157.22.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3210: A bill for an act relating to crime prevention; prohibiting tampering with anhydrous ammonia; specifying that a conviction for neglect or endangerment of a child is not a bar for a conviction of another offense committed as part of the same conduct and authorizing consecutive sentences in these situations; imposing criminal penalties for placing a booby trap in locations where controlled substances are manufactured; providing for increased penalties for the theft of anhydrous ammonia; imposing criminal penalties; amending Minnesota Statutes 1998, sections 18C.005, by adding subdivisions; 18C.201, by adding subdivisions; 18D.331, by adding a subdivision; 609.035, subdivisions 3, 4, and by adding a subdivision; and 609.378, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 609.035, subdivision 1; and 609.52, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3291: A bill for an act relating to liens; motor vehicles towed at the request of law enforcement; clarifying the extent of the lien; providing for notice to the owner of towing, sale, and right to reclaim; proposing coding for new law in Minnesota Statutes, chapter 514; repealing Minnesota Statutes 1998, section 514.18, subdivision 1a.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3369: A bill for an act relating to the environment; providing for grants for special purpose districts with environmental responsibilities; authorizing pilot projects for the restructuring of the organization and operation of special purpose districts; authorizing grants from the board of government innovation and cooperation for the development and implementation of pilot projects.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berglin	Day	Flynn	Hanson
Belanger	Betzold	Dille	Foley	Higgins
Berg	Cohen	Fischbach	Frederickson	Hottinger

Janezich	Knutson	Moe, R.D.	Price	Spear
Johnson, D.E.	Krentz	Murphy	Ranum	Stevens
Johnson, D.H.	Laidig	Neuville	Ring	Stumpf
Johnson, D.J.	Langseth	Novak	Robertson	Terwilliger
Junge	Larson	Oliver	Robling	Vickerman
Kelley, S.P.	Lesewski	Olson	Runbeck	Wiener
Kelly, R.C.	Lessard	Ourada	Sams	Wiger
Kierlin	Limmer	Pappas	Samuelson	Ziegler
Kinkel	Lourey	Pariseau	Scheevel	
Kiscaden	Marty	Piper	Scheid	
Kleis	Metzen	Pogemiller	Solon	

So the bill passed and its title was agreed to.

S.F. No. 3260: A bill for an act relating to agriculture; amending certain requirements for licensed aquatic farms; amending Minnesota Statutes 1998, sections 17.4984, subdivisions 2, 6, and 7; 17.4992, subdivision 3; and 97C.521.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3478: A bill for an act relating to the city of Rochester; modifying probationary period rules for city of Rochester firefighters.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 118: A bill for an act relating to state agencies; providing that persons designated as permanent commissioners serve as acting commissioners until the senate has consented to their appointment; limiting service as temporary or acting commissioners; amending Minnesota Statutes 1998, section 15.06, subdivision 5.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3082: A bill for an act relating to the city of Duluth; authorizing the city council to establish or grant additional powers to a human rights commission.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3036: A bill for an act relating to natural resources; providing for seizure and administrative forfeiture of certain firearms and abandoned property; modifying authority to issue trespass citations; modifying provisions for forfeited vehicles; modifying definition of peace officer; providing civil penalties; appropriating money; amending Minnesota Statutes 1998, sections 97B.002, subdivision 1; and 609.5312, subdivision 4; Minnesota Statutes 1999 Supplement, sections 169.1217, subdivision 9; and 169.123, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 97A.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1590: A bill for an act relating to peace officers; clarifying warrant authority of alcohol and gambling agents; amending Minnesota Statutes 1998, section 626.11.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 981: A bill for an act relating to commerce; regulating unclaimed property; authorizing a dormancy charge for money orders; defining a term; amending Minnesota Statutes 1998, section 345.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 345.

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 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dille	Higgins	Junge	Knutson
Belanger	Fischbach	Hottinger	Kelley, S.P.	Krentz
Berg	Flynn	Janezich	Kelly, R.C.	Laidig
Betzold	Foley	Johnson, D.E.	Kierlin	Langseth
Cohen	Frederickson	Johnson, D.H.	Kinkel	Larson
Day	Hanson	Johnson, D.J.	Kleis	Lesewski

Lessard	Novak	Pogemiller	Sams	Stumpf
Limmer	Oliver	Price	Samuelson	Terwilliger
Lourey	Olson	Ranum	Scheevel	Vickerman
Metzen	Ourada	Ring	Scheid	Wiener
Moe, R.D.	Pappas	Robertson	Solon	Wiger
Murphy	Pariseau	Robling	Spear	Ziegler
Neuville	Piper	Runbeck	Stevens	

Those who voted in the negative were:

Marty

So the bill passed and its title was agreed to.

S.F. No. 3290: A bill for an act relating to environment; providing grants for certain agreements made under the Environment Response and Liability Act; extending landfill cleanup eligibility for the Western Lake Superior Sanitary District; amending Minnesota Statutes 1998, section 115B.17, subdivision 19.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 3203: A bill for an act relating to insurance; conforming state statutes to the National Association of Insurance Commissioners model legislation providing uniform accounting principles; amending Minnesota Statutes 1998, sections 60A.11, subdivision 22; 60A.12, subdivision 5; 60A.121, subdivision 9, and by adding subdivisions; 60A.123; 60A.129, subdivision 3; 66A.16, subdivisions 1 and 2; 68A.01, subdivision 4, and by adding a subdivision; and 68A.02; proposing coding for new law in Minnesota Statutes, chapters 60A; and 68A; repealing Minnesota Statutes 1998, sections 60A.12, subdivisions 1, 3, 4, 7, 8, and 9; 60A.125, subdivision 3; and 60A.128.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dille	Hottinger	Kierlin	Langseth
Belanger	Fischbach	Janezich	Kinkel	Larson
Berg	Flynn	Johnson, D.E.	Kiscaden	Lesewski
Berglin	Foley	Johnson, D.H.	Kleis	Lessard
Betzold	Frederickson	Johnson, D.J.	Knutson	Limmer
Cohen	Hanson	Kelley, S.P.	Krentz	Lourey
Day	Higgins	Kelly, R.C.	Laidig	Marty

Metzen	Ourada	Ring	Scheid	Wiener
Moe, R.D.	Pappas	Robertson	Solon	Wiger
Murphy	Pariseau	Robling	Spear	Ziegler
Neuville	Piper	Runbeck	Stevens	
Novak	Pogemiller	Sams	Stumpf	
Oliver	Price	Samuelson	Terwilliger	
Olson	Ranum	Scheevel	Vickerman	

So the bill passed and its title was agreed to.

S.F. No. 2830: A bill for an act relating to crime; providing that a person may be charged with escape from custody when they escape after lawful arrest but prior to the commencement of trial proceedings; amending Minnesota Statutes 1998, section 609.485, subdivision 2; Minnesota Statutes 1999 Supplement, section 609.485, subdivision 4.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1231: A bill for an act relating to professions; modifying provisions relating to optometrist licensing; amending Minnesota Statutes 1998, sections 148.57, subdivision 1; and 148.61, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 148.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill 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 proceeded to the Order of Business of General Orders.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Pappas in the chair.

After some time spent therein, the committee arose, and Senator Pappas reported that the committee had considered the following:

S.F. Nos. 2770, 3145, 3055, 2634, 3455, 3108, 3272, 2865, 3566, 2723, 2363, 2701, 3701, 3234, 3423, 2858 and H.F. Nos. 2502, 2824, 3156, 3053, 3196, 3047, 3132, which the committee recommends to pass.

S.F. No. 2828, which the committee recommends to pass with the following amendment offered by Senator Neuville:

Page 4, after line 17, insert:

"Sec. 8. Minnesota Statutes 1998, section 609.75, is amended by adding a subdivision to read:

Subd. 13. [APPLICABILITY OF DEFINITIONS.] For the purposes of sections 609.75 to 609.762, the terms defined in this section have the meanings given, unless the context clearly indicates otherwise."

Page 7, line 1, delete "14" and insert "15"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2505, which the committee recommends to pass, subject to the following motion:

Pursuant to Rule 22, Senator Johnson, D.H. moved that he be excused from voting on all questions pertaining to H.F. No. 2505. The motion prevailed.

Senator Robertson moved that the amendment made to H.F. No. 2505 by the Committee on Rules and Administration in the report adopted March 15, 2000, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1495, which the committee recommends to pass with the following amendments offered by Senators Hottinger and Oliver:

Senator Hottinger moved to amend S.F. No. 1495 as follows:

Page 8, line 12, delete "138" and insert "139"

Page 86, line 36, before the period, insert "in the office of the county recorder or registrar of titles in the county where the real property is located"

Page 107, line 7, delete "138" and insert "139"

Page 112, line 17, delete "and"

Page 112, line 21, delete the period and insert "; and"

(6) if the obligation of the account debtor or other person obligated on collateral is secured by

an interest in real property and the account debtor or other person obligated on collateral satisfies its obligation, the secured party must furnish the account debtor or the other person obligated on collateral with a release or satisfaction of the interest in real property sufficient for recording in the real property records applicable to that real property."

Page 112, delete lines 22 to 34 and insert:

"(b) [NONJUDICIAL ENFORCEMENT OF MORTGAGE.] (1) To exercise under subsection (a)(3) the right of a debtor to enforce a mortgage nonjudicially, the secured party must record in the office in which a record of the mortgage is recorded:

(A) an assignment of the mortgage to the secured party; or

(B) the secured party's sworn affidavit of assignment in recordable form stating:

(i) a default has occurred under a security agreement that creates or provides for a security interest in the obligation secured by the mortgage;

(ii) a true and correct copy of the security agreement is attached to the affidavit;

(iii) the secured party is entitled to enforce the mortgage nonjudicially;

(iv) the legal description of the real property encumbered by the mortgage;

(v) the parties to the mortgage, the date of the mortgage, the date of recording of the mortgage, the place of recording of the mortgage, and the identifying number or other indexing information that identifies the mortgage in the office of the county recorder or registrar of titles where the mortgage is recorded;

(vi) the secured party has succeeded to the interest of the debtor under the mortgage; and

(vii) the affidavit of assignment shall be an assignment to the secured party of the interest of the debtor under the mortgage.

(2) The affidavit of assignment is entitled to be recorded with the county recorder or the registrar of titles and upon recording, the affidavit of assignment shall be deemed an assignment to the secured party of the interest of the debtor under the mortgage."

Page 113, after line 14, insert:

"(f) [SECURED PARTY TO OBTAIN ASSIGNMENT OF DEBTOR'S INTEREST UNDER THE MORTGAGE.] If the obligation of an account debtor or other person obligated on collateral is secured by an interest in real property, the secured party promptly after commencing exercise of any of its rights under this section shall:

(1) file an assignment of the mortgage to the secured party;

(2) proceed under section 336.9-619 and record a transfer statement in the office of the county recorder or registrar of titles where the mortgage is recorded; or

(3) file an affidavit of assignment as provided under subsection (b)."

Page 126, delete lines 27 to 36

Page 127, delete line 1 and insert:

"(a) [TRANSFER STATEMENT.] (1) In this section, "transfer statement" means a record authenticated by a secured party stating:

(A) that the debtor has defaulted in connection with an obligation secured by specified collateral;

(B) that the secured party has exercised its postdefault remedies with respect to the collateral;

(C) that, by reason of the exercise, a transferee has acquired the rights of the debtor in the collateral;

(D) the name and mailing address of the secured party, debtor, and transferee; and

(E) in addition, if the statement is to be filed in the real property records concerning a mortgage or other record evidencing an interest in real property, the statement must state the following information concerning the mortgage or other record evidencing an interest in real property:

(i) the name and title on the record;

(ii) the date on the record;

(iii) the names of the parties on the record;

(iv) the identity of the office of the county recorder or registrar of titles where the record is filed;

(v) the date the record was filed; and

(vi) the identifying number of the record in the office of the county recorder or registrar of titles.

(2) A transfer statement that is to be filed in the real property records must contain an acknowledgment by the secured party in a form sufficient to satisfy the requirements of chapter 358."

The motion prevailed. So the amendment was adopted.

Senator Oliver moved to amend S.F. No. 1495 as follows:

Page 24, line 9, delete "or"

Page 24, line 12, delete the period and insert ";

(14) a claim or right to receive compensation for injuries or sickness as described in United States Code, title 26, section 104(a)(1) or (2), as amended from time to time; or

(15) a claim or right to receive benefits under a special needs trust as described in United States Code, title 42, section 1396p(d)(4), as amended from time to time."

The motion prevailed. So the amendment was adopted.

H.F. No. 3421, which the committee recommends to pass with the following amendment offered by Senator Johnson, D.J.:

Page 2, after line 24, insert:

"Sec. 3. [MEMBER DUE PROCESS.]

Minnesota Statutes, section 216B.027, granting rights to stockholders, applies to the exercise of stockholders' rights regardless of whether a referendum has been held as required by Minnesota Statutes, section 216B.027, subdivision 7. Notwithstanding Minnesota Statutes, section 216B.027, subdivision 6, a cooperative shall pay the costs of including stockholders' positions on issues as provided under Minnesota Statutes, section 216B.027, subdivision 6. This section applies only to elections that require no less than one percent of members to initiate pursuant to Minnesota Statutes, section 216B.026, subdivision 1."

Page 2, line 26, delete "and 2" and insert "to 3"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2461, which the committee recommends to pass with the following amendment offered by Senator Johnson, D.J.:

Page 2, line 8, delete "Aeronautics" and insert "Aviation"

Page 2, line 15, delete "county" and insert "country"

The motion prevailed. So the amendment was adopted.

On motion of Senator Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

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, Second Reading of Senate Bills and Second Reading of House Bills.

REPORTS OF COMMITTEES

Senator Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 2484 and 2480. The motion prevailed.

Senator Berglin from the Committee on Human Resources Finance, to which was re-referred

S.F. No. 3533: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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

Delete everything after the enacting clause and insert:

"Section 1. [DEPARTMENT OF CORRECTIONS.]

Subdivision 1. [COMMUNITY SERVICE AND SENTENCING TO SERVICE WORK.] The amounts in this subdivision are appropriated from the general fund to the commissioner of corrections for payment under Minnesota Statutes, section 3.739, to service providers as indicated in full and final payment of claims against the state for medical services provided to individuals who were injured while performing community service or sentencing to service work for correctional purposes. These appropriations are available until June 30, 2001.

(a) For claims under \$500 each and other claims already paid by the department, \$5,172.16.

(b) For medical services provided to Joshua S. Anderberg, who suffered injuries while performing community service work in Ramsey county, \$585.96.

(c) For medical services provided to Jon K. Atzen, who suffered injuries while performing community service work in Nobles county, \$3,635.92.

(d) For medical services provided to Stephen Cisco, who suffered injuries while performing sentencing to service work in Isanti county, \$2,823.32.

(e) For medical services provided to Nepumoseno P. Hidalgo, who suffered injuries while performing community service work in Pipestone county, \$1,746.32.

(f) For medical services provided to Vernon Mizer, who suffered injuries while performing sentencing to service work in Goodhue county, \$5,866.65.

Subd. 2. [INMATE INJURY.] \$7,500 is appropriated from the general fund to the commissioner of corrections for payment under Minnesota Statutes, section 3.738, to Wil I. Killian, who suffered permanent back injuries while performing assigned duties as an inmate at MCF - Oak Park Heights. This appropriation is available until June 30, 2001.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

Senator Berglin from the Committee on Human Resources Finance, to which was re-referred

S.F. No. 2974: A bill for an act relating to criminal justice information systems technology; changing the membership of the criminal and juvenile justice information policy group; creating a data group to assist the policy group; authorizing the purchase and distribution of criminal justice technology infrastructure improvements; requiring reports; appropriating money; amending Minnesota Statutes 1998, section 299C.65, subdivision 1, and by adding subdivisions; Minnesota Statutes 1999 Supplement, section 299C.65, subdivision 2.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

PREDATORY OFFENDER REGISTRATION AND
COMMUNITY NOTIFICATION PROVISIONS

Section 1. Minnesota Statutes 1999 Supplement, section 243.166, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION REQUIRED.] (a) A person shall register under this section if:

(1) the person was charged with or petitioned for a felony violation of or attempt to violate any of the following, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances:

(i) murder under section 609.185, clause (2); or

(ii) kidnapping under section 609.25; or

(iii) criminal sexual conduct under section 609.342; 609.343; 609.344; 609.345; or 609.3451, subdivision 3; or

(iv) indecent exposure under section 617.23, subdivision 3; or

(2) the person was charged with or petitioned for falsely imprisoning a minor in violation of section 609.255, subdivision 2; soliciting a minor to engage in prostitution in violation of section 609.322 or 609.324; soliciting a minor to engage in sexual conduct in violation of section 609.352; using a minor in a sexual performance in violation of section 617.246; or possessing pictorial representations of minors in violation of section 617.247, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances; or

(3) the person was convicted of a predatory crime as defined in section 609.108, and the offender was sentenced as a patterned sex offender or the court found on its own motion or that of the prosecutor that the crime was part of a predatory pattern of behavior that had criminal sexual conduct as its goal; or

(4) the person was convicted of or adjudicated delinquent for, including pursuant to a court

martial, violating a law of the United States, including the Uniform Code of Military Justice, similar to the offenses described in clause (1), (2), or (3).

(b) A person also shall register under this section if:

(1) the person was convicted of or adjudicated delinquent in another state for an offense that would be a violation of a law described in paragraph (a) if committed in this state;

(2) the person enters the state ~~as required in subdivision 3, paragraph (b)~~ to reside, or to work or attend school; and

(3) ten years have not elapsed since the person was released from confinement or, if the person was not confined, since the person was convicted of or adjudicated delinquent for the offense that triggers registration.

For purposes of this paragraph:

(i) "school" includes any public or private educational institution, including any secondary school, trade or professional institution, or institution of higher education, that the person is enrolled in on a full-time or part-time basis; and

(ii) "work" includes employment that is full-time or part-time for a period of time exceeding 14 days or for an aggregate period of time exceeding 30 days during any calendar year, whether financially compensated, volunteered, or for the purpose of government or educational benefit.

(c) A person also shall register under this section if the person was committed pursuant to a court commitment order under section 253B.185 or Minnesota Statutes 1992, section 526.10, or a similar law of another state or the United States, regardless of whether the person was convicted of any offense.

(d) A person also shall register under this section if:

(1) the person was charged with or petitioned for a felony violation or attempt to violate any of the offenses listed in paragraph (a), clause (1), or a similar law of another state or ~~federal jurisdiction the United States,~~ or the person was charged with or petitioned for a violation of any of the offenses listed in paragraph (a), clause (2), or a similar law of another state or ~~federal jurisdiction the United States;~~

(2) the person was found not guilty by reason of mental illness or mental deficiency after a trial for that offense, or found guilty but mentally ill after a trial for that offense, in states with a guilty but mentally ill verdict; and

(3) the person was committed pursuant to a court commitment order under section 253B.18 or a similar law of another state or ~~federal jurisdiction the United States.~~

Sec. 2. Minnesota Statutes 1999 Supplement, section 243.166, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] When a person who is required to register under subdivision 1, paragraph (a), is sentenced or becomes subject to a juvenile court disposition order, the court shall tell the person of the duty to register under this section and that, if the person fails to comply with the registration requirements, information about the offender may be made available to the public through electronic, computerized, or other accessible means. The court may not modify the person's duty to register in the pronounced sentence or disposition order. The court shall require the person to read and sign a form stating that the duty of the person to register under this section has been explained. The court shall forward the signed sex offender registration form, the complaint, and sentencing documents to the bureau of criminal apprehension. If a person required to register under subdivision 1, paragraph (a), was not notified by the court of the registration requirement at the time of sentencing or disposition, the assigned corrections agent shall notify the person of the requirements of this section. When a person who is required to register under subdivision 1, paragraph (c) or (d), is released from commitment, the treatment facility shall notify

the person of the requirements of this section. The treatment facility shall also obtain the registration information required under this section and forward it to the bureau of criminal apprehension.

Sec. 3. Minnesota Statutes 1998, section 243.166, subdivision 3, is amended to read:

Subd. 3. [REGISTRATION PROCEDURE.] (a) A person required to register under this section shall register with the corrections agent as soon as the agent is assigned to the person. If the person does not have an assigned corrections agent or is unable to locate the assigned corrections agent, the person shall register with the law enforcement agency that has jurisdiction in the area of the person's residence.

(b) At least five days before the person starts living at a new address, including living in another state, the person shall give written notice of the new living address to the assigned corrections agent or to the law enforcement authority with which the person currently is registered. If the person will be living in a new state and that state has a registration requirement, the person shall also give written notice of the new address to the designated registration agency in the new state. The corrections agent or law enforcement authority shall, within two business days after receipt of this information, forward it to the bureau of criminal apprehension. The bureau of criminal apprehension shall, if it has not already been done, notify the law enforcement authority having primary jurisdiction in the community where the person will live of the new address. If the person is leaving the state, the bureau of criminal apprehension shall notify the registration authority in the new state of the new address.

(c) A person required to register under subdivision 1, paragraph (b), because the person is working or attending school in Minnesota shall register with the law enforcement agency that has jurisdiction in the area where the person works or attends school. In addition to other information required by this section, the person shall provide the address of the school or of the location where the person is employed. A person must comply with this paragraph within five days of beginning employment or school.

(d) A person required to register under this section who works or attends school outside of Minnesota shall register as a predatory offender in the state where the person works or attends school. The person's corrections agent, or if the person does not have an assigned corrections agent, the law enforcement authority that has jurisdiction in the area of the person's residence shall notify the person of this requirement.

Sec. 4. Minnesota Statutes 1999 Supplement, section 243.166, subdivision 4, is amended to read:

Subd. 4. [CONTENTS OF REGISTRATION.] (a) The registration provided to the corrections agent or law enforcement authority, must consist of a statement in writing signed by the person, giving information required by the bureau of criminal apprehension, a fingerprint card, and photograph of the person taken at the time of the person's release from incarceration or, if the person was not incarcerated, at the time the person initially registered under this section. Registration information on adults and juveniles may be maintained together notwithstanding section 260B.171, subdivision 3.

(b) For persons required to register under subdivision 1, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States, in addition to other information required by this section, the registration provided to the corrections agent or law enforcement authority must include the person's offense history and documentation of treatment received during the person's commitment.

(c) Within three days of receipt, the corrections agent or law enforcement authority shall forward the statement, fingerprint card, and photograph registration information to the bureau of criminal apprehension. The bureau shall ascertain whether the person has registered with the law enforcement authority where the person resides. If the person has not registered with the law enforcement authority, the bureau shall send one copy to that authority.

(d) The corrections agent or law enforcement authority may require that a person required to register under this section appear before the agent or authority to be photographed. The agent or authority shall forward the photograph to the bureau of criminal apprehension.

(e) (e) During the period a person is required to register under this section, the following shall apply:

(1) Each year, within 30 days of the anniversary date of the person's initial registration, The bureau of criminal apprehension shall mail a verification form to the last reported address of the person person's residence. This verification form shall provide notice to the offender that, if the offender does not return the verification form as required, information about the offender may be made available to the public through electronic, computerized, or other accessible means.

(2) The person shall mail the signed verification form back to the bureau of criminal apprehension within ten days after receipt of the form, stating on the form the current and last address of the person person's residence and the other information required under subdivision 4a.

(3) If the person fails to mail the completed and signed verification form to the bureau of criminal apprehension within ten days after receipt of the form, the person shall be in violation of this section.

For persons required to register under subdivision 1, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States, the bureau shall comply with clause (1) at least four times each year. For all other persons required to register under this section, the bureau shall comply with clause (1) each year within 30 days of the anniversary date of the person's initial registration.

Sec. 5. Minnesota Statutes 1998, section 243.166, is amended by adding a subdivision to read:

Subd. 4a. [INFORMATION REQUIRED TO BE PROVIDED.] (a) A person required to register under this section shall provide to the corrections agent or law enforcement authority the following information:

(1) the address of the person's primary residence;

(2) the addresses of all the person's secondary residences and all property owned, leased, or rented by the person and used for residential or recreational purposes;

(3) the address of the location where the person is employed; and

(4) the year, model, make, license plate number, and color of all motor vehicles owned or regularly driven by the person.

(b) The person shall report to the agent or authority the information required to be provided under paragraph (a), clause (2), (3), or (4), within five days of the date the clause becomes applicable. If because of a change in circumstances a clause no longer applies to previously reported information, the person shall immediately inform the agent or authority that the information is no longer valid.

Sec. 6. Minnesota Statutes 1998, section 243.166, subdivision 5, is amended to read:

Subd. 5. [CRIMINAL PENALTY.] (a) A person required to register under this section who knowingly violates any of its provisions or intentionally provides false information to a corrections agent, law enforcement authority, or the bureau of criminal apprehension is guilty of a gross misdemeanor. A person convicted of or adjudicated delinquent for violating this section who previously has been convicted under this section is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

(b) Except as provided in paragraph (c), a person convicted of violating paragraph (a) shall be committed to the custody of the commissioner of corrections for not less than a year and a day, nor

more than five years. Prior to the time of sentencing, the prosecutor may file a motion to have the person sentenced without regard to the mandatory minimum sentence established by this paragraph. The motion shall be accompanied by a statement on the record of the reasons for it. When presented with the motion, or on its own motion, the court may sentence the person without regard to the mandatory minimum sentence if the court finds substantial and compelling reasons to do so. Sentencing a person in this manner is a departure from the sentencing guidelines.

(c) A person convicted of violating paragraph (a), who has previously been convicted of or adjudicated delinquent for violating this section, shall be committed to the custody of the commissioner of corrections for not less than two years, nor more than five years. The court may not, on its own motion or the prosecutor's motion, sentence a person without regard to the mandatory minimum sentence established by this paragraph.

(d) A person convicted and sentenced as required by this subdivision is not eligible for probation, parole, discharge, work release, or supervised release, until that person has served the full term of imprisonment as provided by law, notwithstanding the provisions of sections 241.26, 242.19, 243.05, 244.04, 609.12, and 609.135.

Sec. 7. Minnesota Statutes 1999 Supplement, section 243.166, subdivision 6, is amended to read:

Subd. 6. [REGISTRATION PERIOD.] (a) Notwithstanding the provisions of section 609.165, subdivision 1, and except as provided in paragraphs (b), (c), and (d), a person required to register under this section shall continue to comply with this section until ten years have elapsed since the person initially registered in connection with the offense, or until the probation, supervised release, or conditional release period expires, whichever occurs later. For a person required to register under this section who is committed under section 253B.18 or 253B.185, the ten-year registration period does not include the period of commitment.

(b) If a person required to register under this section fails to register following a change in residence, the commissioner of public safety may require the person to continue to register for an additional period of five years.

(c) If a person required to register under this section is subsequently incarcerated, the person shall continue to register until ten years have elapsed since the person was released from incarceration or until the person's probation, supervised release, or conditional release period expires, whichever occurs later.

(d) A person shall continue to comply with this section for the life of that person:

(1) if the person is convicted of or adjudicated delinquent for any offense for which registration is required under subdivision 1, or any offense from another state or any federal offense similar to the offenses described in subdivision 1, and the person has a prior conviction or adjudication for an offense for which registration was required under subdivision 1, or an offense from another state or a federal offense similar to an offense described in subdivision 1;

(2) if the person is required to register based upon a conviction of or adjudication for delinquency for an offense under section 609.185, clause (2); 609.342, subdivision 1, paragraph (a), (c), (d), (e), (f), or (h); 609.343, subdivision 1, paragraph (a), (c), (d), (e), (f), or (h); 609.344, subdivision 1, paragraph (a), (c), or (g); or 609.345, subdivision 1, paragraph (a), (c), or (g); or a statute from another state or the United States similar to the offenses described in this clause; or

(3) if the person is required to register under subdivision 1, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States.

Sec. 8. Minnesota Statutes 1998, section 243.166, subdivision 7, is amended to read:

Subd. 7. [USE OF INFORMATION.] Except as otherwise provided in ~~section~~ subdivision 7a or sections 244.052 and 299C.093, the information provided under this section is private data on individuals under ~~section 13.01~~ 13.02, subdivision 12. The information may be used only for law enforcement purposes.

Sec. 9. Minnesota Statutes 1998, section 243.166, is amended by adding a subdivision to read:

Subd. 7a. [AVAILABILITY OF INFORMATION ON OFFENDERS WHO ARE OUT OF COMPLIANCE WITH REGISTRATION LAW.] (a) The bureau of criminal apprehension may make information available to the public about offenders who are 16 years of age or older and who are out of compliance with this section for 30 days or longer for failure to provide the address of the offenders' primary or secondary residences. This information may be made available to the public through electronic, computerized, or other accessible means. The amount and type of information made available shall be limited to the information necessary for the public to assist law enforcement in locating the offender.

(b) An offender who comes into compliance with this section after the bureau of criminal apprehension discloses information about the offender to the public may send a written request to the bureau requesting the bureau to treat information about the offender as private data, consistent with subdivision 7. The bureau shall review the request and promptly take reasonable action to treat the data as private, if the offender has complied with the requirement that the offender provide the addresses of the offender's primary and secondary residences, or promptly notify the offender that the information will continue to be treated as public information and the reasons for the bureau's decision.

(c) If an offender believes the information made public about the offender is inaccurate or incomplete, the offender may challenge the data under section 13.04, subdivision 4.

(d) The bureau of criminal apprehension is immune from any civil or criminal liability that might otherwise arise, based on the accuracy or completeness of any information made public under this subdivision, if the bureau acts in good faith.

Sec. 10. Minnesota Statutes 1998, section 243.166, is amended by adding a subdivision to read:

Subd. 10. [RETROACTIVE APPLICATION FOR CERTAIN OFFENDERS.] (a) All provisions of this section shall be construed to operate retroactively back to the date of a predatory offender's conviction for an offense described in subdivision 1 that requires registration if the offender is incarcerated or on any form of supervision for that offense, as of the effective date of this subdivision, regardless of the date of the predatory offender's conviction.

(b) Paragraph (a) does not change the obligation of any offender to register who was required to register prior to the effective date of subdivision 1.

Sec. 11. Minnesota Statutes 1998, section 244.052, as amended by Laws 1999, chapters 86, article 1, section 82; 216, article 6, sections 2, 3, 4, and 5; and 233, sections 4 and 5, is amended to read:

244.052 [SEX PREDATORY OFFENDERS; NOTICE.]

Subdivision 1. [DEFINITIONS.] As used in this section:

(1) "confinement" means confinement in a state correctional facility or a state treatment facility;

(2) "law enforcement agency" means the law enforcement agency having primary jurisdiction over the location where the offender expects to reside upon release;

(3) "residential facility" means a facility that is licensed as a residential program, as defined in section 245A.02, subdivision 14, by the commissioner of human services under chapter 245A, or the commissioner of corrections under section 241.021, whose staff are trained in the supervision of sex offenders; and

(4) "sex predatory offender" and "offender" mean a person who ~~has been:~~

~~(i) convicted of an offense for which registration under section 243.166 is required;~~

~~(ii) committed pursuant to a court commitment order under section 253B.185 or Minnesota Statutes 1992, section 526.10, regardless of whether the person was convicted of any offense; or~~

~~(iii) committed pursuant to a court commitment order under section 253B.18, under the circumstances described in section 243.166, subdivision 1, paragraph (d) is required to register as a predatory offender under section 243.166. However, the terms do not include persons required to register based solely on a delinquency adjudication.~~

Subd. 2. [RISK ASSESSMENT SCALE.] By January 1, 1997, the commissioner of corrections shall develop a risk assessment scale which assigns weights to the various risk factors listed in subdivision 3, paragraph (g), and specifies the risk level to which offenders with various risk assessment scores shall be assigned. In developing this scale, the commissioner shall consult with county attorneys, treatment professionals, law enforcement officials, and probation officers.

Subd. 3. [END-OF-CONFINEMENT REVIEW COMMITTEE.] (a) The commissioner of corrections shall establish and administer end-of-confinement review committees at each state correctional facility and at each state treatment facility where sex predatory offenders are confined. The committees shall assess on a case-by-case basis the public risk posed by sex predatory offenders who are about to be released from confinement.

(b) Each committee shall be a standing committee and shall consist of the following members appointed by the commissioner:

(1) the chief executive officer or head of the correctional or treatment facility where the offender is currently confined, or that person's designee;

(2) a law enforcement officer;

(3) a treatment professional who is trained in the assessment of sex offenders;

(4) a caseworker experienced in supervising sex offenders; and

(5) a victim's services professional.

Members of the committee, other than the facility's chief executive officer or head, shall be appointed by the commissioner to two-year terms. The chief executive officer or head of the facility or designee shall act as chair of the committee and shall use the facility's staff, as needed, to administer the committee, obtain necessary information from outside sources, and prepare risk assessment reports on offenders.

(c) The committee shall have access to the following data on a sex predatory offender only for the purposes of its assessment and to defend the committee's risk assessment determination upon administrative review under this section:

(1) private medical data under section 13.42 or 144.335, or welfare data under section 13.46 that relate to medical treatment of the offender;

(2) private and confidential court services data under section 13.84;

(3) private and confidential corrections data under section 13.85; and

(4) private criminal history data under section 13.87.

Data collected and maintained by the committee under this paragraph may not be disclosed outside the committee, except as provided under section 13.05, subdivision 3 or 4. The sex predatory offender has access to data on the offender collected and maintained by the committee, unless the data are confidential data received under this paragraph.

(d)(i) Except as otherwise provided in item (ii), at least 90 days before a sex predatory offender is to be released from confinement, the commissioner of corrections shall convene the appropriate end-of-confinement review committee for the purpose of assessing the risk presented by the offender and determining the risk level to which the offender shall be assigned under paragraph (e). The offender and the law enforcement agency that was responsible for the charge resulting in confinement shall be notified of the time and place of the committee's meeting. The offender has a right to be present and be heard at the meeting. The law enforcement agency may provide material

in writing that is relevant to the offender's risk level to the chair of the committee. The committee shall use the risk factors described in paragraph (g) and the risk assessment scale developed under subdivision 2 to determine the offender's risk assessment score and risk level. Offenders scheduled for release from confinement shall be assessed by the committee established at the facility from which the offender is to be released.

(ii) If an offender is received for confinement in a facility with less than 90 days remaining in the offender's term of confinement, the offender's risk shall be assessed at the first regularly scheduled end of confinement review committee that convenes after the appropriate documentation for the risk assessment is assembled by the committee. The commissioner shall make reasonable efforts to ensure that offender's risk is assessed and a risk level is assigned or reassigned at least 30 days before the offender's release date.

(e) The committee shall assign to risk level I a sex predatory offender whose risk assessment score indicates a low risk of reoffense. The committee shall assign to risk level II an offender whose risk assessment score indicates a moderate risk of reoffense. The committee shall assign to risk level III an offender whose risk assessment score indicates a high risk of reoffense.

(f) Before the sex predatory offender is released from confinement, the committee shall prepare a risk assessment report which specifies the risk level to which the offender has been assigned and the reasons underlying the committee's risk assessment decision. The committee shall give the report to the offender and to the law enforcement agency at least 60 days before an offender is released from confinement. If the risk assessment is performed under the circumstances described in paragraph (d), item (ii), the report shall be given to the offender and the law enforcement agency as soon as it is available. The committee also shall inform the offender of the availability of review under subdivision 6.

(g) As used in this subdivision, "risk factors" includes, but is not limited to, the following factors:

(1) the seriousness of the offense should the offender reoffend. This factor includes consideration of the following:

- (i) the degree of likely force or harm;
- (ii) the degree of likely physical contact; and
- (iii) the age of the likely victim;

(2) the offender's prior offense history. This factor includes consideration of the following:

- (i) the relationship of prior victims to the offender;
- (ii) the number of prior offenses or victims;
- (iii) the duration of the offender's prior offense history;

(iv) the length of time since the offender's last prior offense while the offender was at risk to commit offenses; and

- (v) the offender's prior history of other antisocial acts;

(3) the offender's characteristics. This factor includes consideration of the following:

- (i) the offender's response to prior treatment efforts; and
- (ii) the offender's history of substance abuse;

(4) the availability of community supports to the offender. This factor includes consideration of the following:

- (i) the availability and likelihood that the offender will be involved in therapeutic treatment;

(ii) the availability of residential supports to the offender, such as a stable and supervised living arrangement in an appropriate location;

(iii) the offender's familial and social relationships, including the nature and length of these relationships and the level of support that the offender may receive from these persons; and

(iv) the offender's lack of education or employment stability;

(5) whether the offender has indicated or credible evidence in the record indicates that the offender will reoffend if released into the community; and

(6) whether the offender demonstrates a physical condition that minimizes the risk of reoffense, including but not limited to, advanced age or a debilitating illness or physical condition.

(h) Upon the request of the law enforcement agency or the offender's corrections agent, the commissioner may reconvene the end-of-confinement review committee for the purpose of reassessing the risk level to which an offender has been assigned under paragraph (e). In a request for a reassessment, the law enforcement agency which was responsible for the charge resulting in confinement or agent shall list the facts and circumstances arising after the initial assignment or facts and circumstances known to law enforcement or the agent but not considered by the committee under paragraph (e) which support the request for a reassessment. The request for reassessment must occur within 30 days of receipt of the report indicating the offender's risk level assignment. Upon review of the request, the end-of-confinement review committee may reassign an offender to a different risk level. If the offender is reassigned to a higher risk level, the offender has the right to seek review of the committee's determination under subdivision 6.

(i) An offender may request the end-of-confinement review committee to reassess the offender's assigned risk level after ~~two~~ three years have elapsed since the committee's initial risk assessment and may renew the request once every two years following subsequent denials. In a request for reassessment, the offender shall list the facts and circumstances which demonstrate that the offender no longer poses the same degree of risk to the community. The committee shall follow the process outlined in paragraphs (a) to (e), and (g) in the reassessment. An offender who is incarcerated may not request a reassessment under this paragraph.

(j) The commissioner shall establish an end-of-confinement review committee to assign a risk level to offenders who are released from a federal correctional facility in Minnesota or another state and who intend to reside in Minnesota, and to offenders accepted from another state under a reciprocal agreement for parole supervision under the interstate compact authorized by section 243.16. The committee shall make reasonable efforts to conform to the same timelines as applied to Minnesota cases. Offenders accepted from another state under a reciprocal agreement for probation supervision are not assigned a risk level, but are considered downward dispositional departures. The probation or court services officer and law enforcement officer shall manage such cases in accordance with section 244.10, subdivision 2a. The policies and procedures of the committee for federal offenders and interstate compact cases must be in accordance with all requirements as set forth in this section, unless restrictions caused by the nature of federal or interstate transfers prevents such conformance.

(k) If the committee assigns a sex predatory offender to risk level III, the committee shall determine whether residency restrictions shall be included in the conditions of the offender's release based on the offender's pattern of offending behavior.

Subd. 4. [LAW ENFORCEMENT AGENCY; DISCLOSURE OF INFORMATION TO PUBLIC.] (a) The law enforcement agency in the area where the sex predatory offender resides, expects to reside, is employed, or is regularly found, shall disclose to the public any information regarding the offender contained in the report forwarded to the agency under subdivision 3, paragraph (f), that is relevant and necessary to protect the public and to counteract the offender's dangerousness, consistent with the guidelines in paragraph (b). The extent of the information disclosed and the community to whom disclosure is made must relate to the level of danger posed by the offender, to the offender's pattern of offending behavior, and to the need of community members for information to enhance their individual and collective safety.

(b) The law enforcement agency shall employ the following guidelines in determining the scope of disclosure made under this subdivision:

(1) if the offender is assigned to risk level I, the agency may maintain information regarding the offender within the agency and may disclose it to other law enforcement agencies. Additionally, the agency may disclose the information to any victims of or witnesses to the offense committed by the offender. The agency shall disclose the information to victims of the offense committed by the offender who have requested disclosure;

(2) if the offender is assigned to risk level II, the agency also may disclose the information to agencies and groups that the offender is likely to encounter for the purpose of securing those institutions and protecting individuals in their care while they are on or near the premises of the institution. These agencies and groups include the staff members of public and private educational institutions, day care establishments, and establishments and organizations that primarily serve individuals likely to be victimized by the offender. The agency also may disclose the information to individuals the agency believes are likely to be victimized by the offender. The agency's belief shall be based on the offender's pattern of offending or victim preference as documented in the information provided by the department of corrections or human services;

(3) if the offender is assigned to risk level III, the agency shall disclose the information to the persons and entities described in clauses (1) and (2) and to other members of the community whom the offender is likely to encounter, unless the law enforcement agency determines that public safety would be compromised by the disclosure or that a more limited disclosure is necessary to protect the identity of the victim.

Notwithstanding the assignment of a sex predatory offender to risk level II or III, a law enforcement agency may not make the disclosures permitted or required by clause (2) or (3), if: the offender is placed or resides in a residential facility. However, if an offender is placed or resides in a residential facility, the offender and the head of the facility shall designate the offender's likely residence upon release from the facility and the head of the facility shall notify the commissioner of corrections or the commissioner of human services of the offender's likely residence at least 14 days before the offender's scheduled release date. The commissioner shall give this information to the law enforcement agency having jurisdiction over the offender's likely residence. The head of the residential facility also shall notify the commissioner of corrections or human services within 48 hours after finalizing the offender's approved relocation plan to a permanent residence. Within five days after receiving this notification, the appropriate commissioner shall give to the appropriate law enforcement agency all relevant information the commissioner has concerning the offender, including information on the risk factors in the offender's history and the risk level to which the offender was assigned. After receiving this information, the law enforcement agency shall make the disclosures permitted or required by clause (2) or (3), as appropriate.

(c) As used in paragraph (b), clauses (2) and (3), "likely to encounter" means that:

(1) the organizations or community members are in a location or in close proximity to a location where the offender lives or is employed, or which the offender visits or is likely to visit on a regular basis, other than the location of the offender's outpatient treatment program; and

(2) the types of interaction which ordinarily occur at that location and other circumstances indicate that contact with the offender is reasonably certain.

(d) A law enforcement agency or official who discloses information under this subdivision shall make a good faith effort to make the notification within 14 days of receipt of a confirmed address from the department of corrections indicating that the offender will be, or has been, released from confinement, or accepted for supervision, or has moved to a new address and will reside at the address indicated. If a change occurs in the release plan, this notification provision does not require an extension of the release date.

(e) A law enforcement agency or official who discloses information under this subdivision shall not disclose the identity or any identifying characteristics of the victims of or witnesses to the offender's offenses.

(f) A law enforcement agency shall continue to disclose information on an offender as required by this subdivision for as long as the offender is required to register under section 243.166.

(g) A law enforcement agency that is disclosing information on an offender assigned to risk level III to the public under this subdivision shall inform the commissioner of corrections what information is being disclosed and forward this information to the commissioner within two days of the agency's determination. The commissioner shall post this information on the Internet as required in subdivision 4b.

Subd. 4a. [LEVEL III OFFENDERS; LOCATION OF RESIDENCE.] When an offender assigned to risk level III is released from confinement or a residential facility to reside in the community or changes residence while on supervised or conditional release, the agency responsible for the offender's supervision shall take into consideration the proximity of the offender's residence to that of other level III offenders and, to the greatest extent feasible, shall mitigate the concentration of level III offenders.

Subd. 4b. [LEVEL III OFFENDERS; MANDATORY POSTING OF INFORMATION ON INTERNET.] The commissioner of corrections shall create and maintain an Internet Web site and post on the site the information about offenders assigned to risk level III forwarded by law enforcement agencies under subdivision 4, paragraph (g). This information must be updated in a timely manner to account for changes in the offender's address and maintained for the period of time that the offender remains subject to community notification as a level III offender.

Subd. 5. [RELEVANT INFORMATION PROVIDED TO LAW ENFORCEMENT.] At least 60 days before a sex predatory offender is released from confinement, the department of corrections or the department of human services, in the case of a person who was committed under section 253B.185 or Minnesota Statutes 1992, section 526.10, shall give to the law enforcement agency that investigated the offender's crime of conviction or, where relevant, the law enforcement agency having primary jurisdiction where the offender was committed, all relevant information that the departments have concerning the offender, including information on risk factors in the offender's history. Within five days after receiving the offender's approved release plan from the hearings and release unit, the appropriate department shall give to the law enforcement agency having primary jurisdiction where the offender plans to reside all relevant information the department has concerning the offender, including information on risk factors in the offender's history and the risk level to which the offender was assigned. If the offender's risk level was assigned under the circumstances described in subdivision 3, paragraph (d), item (ii), the appropriate department shall give the law enforcement agency all relevant information that the department has concerning the offender, including information on the risk factors in the offender's history and the offender's risk level within five days of the risk level assignment or reassignment.

Subd. 6. [ADMINISTRATIVE REVIEW.] (a) An offender assigned or reassigned to risk level II or III under subdivision 3, paragraph (e) or (h), has the right to seek administrative review of an end-of-confinement review committee's risk assessment determination. The offender must exercise this right within 14 days of receiving notice of the committee's decision by notifying the chair of the committee. Upon receiving the request for administrative review, the chair shall notify: (1) the offender; (2) the victim or victims of the offender's offense who have requested disclosure or their designee; (3) the law enforcement agency that investigated the offender's crime of conviction or, where relevant, the law enforcement agency having primary jurisdiction where the offender was committed; (4) the law enforcement agency having jurisdiction where the offender expects to reside, providing that the release plan has been approved by the hearings and release unit of the department of corrections; and (5) any other individuals the chair may select. The notice shall state the time and place of the hearing. A request for a review hearing shall not interfere with or delay the notification process under subdivision 4 or 5, unless the administrative law judge orders otherwise for good cause shown.

(b) An offender who requests a review hearing must be given a reasonable opportunity to prepare for the hearing. The review hearing shall be conducted on the record before an administrative law judge. The review hearing shall be conducted at the correctional facility in which the offender is currently confined. If the offender no longer is incarcerated, the

administrative law judge shall determine the place where the review hearing will be conducted. The offender has the burden of proof to show, by a preponderance of the evidence, that the end-of-confinement review committee's risk assessment determination was erroneous. The attorney general or a designee shall defend the end-of-confinement review committee's determination. The offender has the right to be present and be represented by counsel at the hearing, to present evidence in support of the offender's position, to call supporting witnesses and to cross-examine witnesses testifying in support of the committee's determination. Counsel for indigent offenders shall be provided by the Legal Advocacy Project of the state public defender's office.

(c) After the hearing is concluded, the administrative law judge shall decide whether the end-of-confinement review committee's risk assessment determination was erroneous and, based on this decision, shall either uphold or modify the review committee's determination. The judge's decision shall be in writing and shall include the judge's reasons for the decision. The judge's decision shall be final and a copy of it shall be given to the offender, the victim, the law enforcement agency, and the chair of the end-of-confinement review committee.

(d) The review hearing is subject to the contested case provisions of chapter 14.

(e) The administrative law judge may seal any portion of the record of the administrative review hearing to the extent necessary to protect the identity of a victim of or witness to the offender's offense.

Subd. 7. [IMMUNITY FROM LIABILITY.] (a) A state or local agency or official, or a private organization or individual authorized to act on behalf of a state or local agency or official, is not ~~evilly or~~ criminally liable for disclosing or failing to disclose information as permitted by this section.

(b) A state or local agency or official, or a private organization or individual authorized to act on behalf of a state or local agency or official, is not civilly liable for failing to disclose information under this section.

(c) A state or local agency or official, or a private organization or individual authorized to act on behalf of a state or local agency or official, is not civilly liable for disclosing information as permitted by this section. However, this paragraph applies only to disclosure of information that is consistent with the offender's conviction history. It does not apply to disclosure of information relating to conduct for which the offender was not convicted.

Subd. 8. [LIMITATION ON SCOPE.] Nothing in this section imposes a duty upon a person licensed under chapter 82, or an employee of the person, to disclose information regarding an offender who is required to register under section 243.166, or about whom notification is made under this section.

Sec. 12. Minnesota Statutes 1998, section 244.10, subdivision 2a, is amended to read:

Subd. 2a. [NOTICE OF INFORMATION REGARDING ~~SEX PREDATORY~~ OFFENDERS.]

(a) Subject to paragraph (b), in any case in which a person is convicted of an offense ~~which requires registration under section 243.166, subdivision 1,~~ and the presumptive sentence under the sentencing guidelines is commitment to the custody of the commissioner of corrections, if the court grants a dispositional departure and stays imposition or execution of sentence, the probation or court services officer who is assigned to supervise the offender shall provide in writing to the following the fact that the offender is on probation and the terms and conditions of probation:

(1) a victim of and any witnesses to the offense committed by the offender, if the victim or the witness has requested notice; and

(2) the chief law enforcement officer in the area where the offender resides or intends to reside.

The law enforcement officer, in consultation with the offender's probation officer, may provide all or part of this information to any of the following agencies or groups the offender is likely to encounter: public and private educational institutions, day care establishments, and establishments or organizations that primarily serve individuals likely to be victimized by the offender.

The probation officer is not required under this subdivision to provide any notice while the offender is placed or resides in a residential facility that is licensed under section 245A.02, subdivision 14, or 241.021, if the facility staff is trained in the supervision of sex offenders.

(b) Paragraph (a) applies only to offenders required to register under section 243.166, as a result of the conviction.

(c) The notice authorized by paragraph (a) shall be limited to data classified as public under section 13.84, subdivision 6, unless the offender provides informed consent to authorize the release of nonpublic data or unless a court order authorizes the release of nonpublic data.

(e) (d) Nothing in this subdivision shall be interpreted to impose a duty on any person to use any information regarding an offender about whom notification is made under this subdivision.

Sec. 13. [299C.093] [DATABASE OF REGISTERED PREDATORY OFFENDERS.]

The superintendent of the bureau of criminal apprehension shall maintain a computerized data system relating to individuals required to register as predatory offenders under section 243.166. To the degree feasible, the system must include the information required to be provided under section 243.166, subdivisions 4 and 4a, and indicate the time period that the person is required to register. The superintendent shall maintain this information in a manner that ensures that it is readily available to law enforcement agencies. This information is private data on individuals under section 13.02, subdivision 12, but may be used for law enforcement and corrections purposes.

Sec. 14. [REPORT.]

By January 15, 2001, the superintendent of the bureau of criminal apprehension shall report to the chairs of the senate and house of representatives committees and divisions having jurisdiction over criminal justice funding. The report must specify how the money appropriated in this act was spent and how the policy changes made in this act relating to the bureau were implemented.

Sec. 15. [APPROPRIATIONS.]

Subdivision 1. [CRIMINAL APPREHENSION.] \$1,271,000 is appropriated from the general fund to the superintendent of the bureau of criminal apprehension for the fiscal year ending June 30, 2001. Of this amount:

- (1) \$77,000 is for a systems design consultant;
- (2) \$400,000 is for software development and implementation;
- (3) \$50,000 is to interface the state system with the national sex offender registry;
- (4) \$80,000 is for a technology systems position;
- (5) \$50,000 is for a CJIS training position;
- (6) \$234,000 is for three additional special agent positions;
- (7) \$160,000 is for three criminal intelligence analyst positions;
- (8) \$200,000 is for five clerical positions; and
- (9) \$20,000 is for office supplies and expenses.

Subd. 2. [CORRECTIONS.] \$162,000 is appropriated from the general fund to the commissioner of corrections for the fiscal year ending June 30, 2001, for costs associated with complying with Minnesota Statutes, section 244.052.

Sec. 16. [EFFECTIVE DATES.]

- (a) Section 10 is effective the day following final enactment.

(b) Section 6 is effective August 1, 2000, and applies to crimes committed on or after that date. However, a conviction or adjudication for violating Minnesota Statutes, section 243.166, occurring before August 1, 2000, shall be considered a prior conviction or adjudication under Minnesota Statutes, section 243.166, subdivision 5, paragraph (c).

(c) The provisions of section 7 that pertain to lifetime registration are effective August 1, 2000, and apply to persons who commit offenses requiring lifetime registration on or after that date.

(d) Sections 2 and 9 and the provisions of sections 4 and 8 that pertain to making information available to the public through electronic, computerized, or other assessable means are effective August 1, 2000, and apply to offenders who are out of compliance with Minnesota Statutes, section 243.166, on or after that date.

(e) The provisions of section 11 that pertain to posting information on the Internet are effective August 1, 2000, and apply to offenders classified at risk level III and subject to community notification under Minnesota Statutes, section 244.052, on or after that date.

(f) Section 12 and the remaining provisions of section 11 are effective August 1, 2000, and apply to persons released from confinement or sentenced on or after that date.

(g) Sections 13 and 14 and the remaining provisions of section 8 are effective August 1, 2000.

(h) Sections 1, 3, and 5, and the remaining provisions of sections 4 and 7 are effective August 1, 2000, and apply to persons released from confinement, sentenced, subject to registration, or who commit offenses on or after that date.

ARTICLE 2

NAME CHANGE PROVISIONS

Section 1. Minnesota Statutes 1998, section 259.11, is amended to read:

259.11 [ORDER; FILING COPIES.]

(a) Upon meeting the requirements of section 259.10, the court shall grant the application unless: (1) it finds that there is an intent to defraud or mislead; (2) section 259.13 prohibits granting the name change; or (3) in the case of the change of a minor child's name, the court finds that such name change is not in the best interests of the child. The court shall set forth in the order the name and age of the applicant's spouse and each child of the applicant, if any, and shall state a description of the lands, if any, in which the applicant and the spouse and children, if any, claim to have an interest. The court administrator shall file such order, and record the same in the judgment book. If lands be described therein, a certified copy of the order shall be filed for record, by the applicant, with the county recorder of each county wherein any of the same are situated. Before doing so the court administrator shall present the same to the county auditor who shall enter the change of name in the auditor's official records and note upon the instrument, over an official signature, the words "change of name recorded." Any such order shall not be filed, nor any certified copy thereof be issued, until the applicant shall have paid to the county recorder and court administrator the fee required by law. No application shall be denied on the basis of the marital status of the applicant.

(b) ~~When a person applies for~~ who has a pending felony charge or a felony conviction under Minnesota law or the law of another state or federal jurisdiction is granted a name change, ~~the court shall determine whether the person has been convicted of a felony in this or any other state. If so,~~ the court shall, within ten days after the name change application is granted, report the name change to the bureau of criminal apprehension. The person whose name is changed shall also report the change to the bureau of criminal apprehension within ten days. The court granting the name change application must explain this reporting duty in its order. Any person required to report the person's name change to the bureau of criminal apprehension who fails to report the name change as required under this paragraph is guilty of a gross misdemeanor.

Sec. 2. [259.115] [CRIMINAL PENALTIES.]

A person who has a pending felony charge or a felony conviction under Minnesota law or the law of another state or federal jurisdiction and who does any of the following is guilty of a gross misdemeanor:

(1) upon marriage, uses a different surname from that used before marriage without complying with section 259.13;

(2) upon marriage dissolution or legal separation, uses a different surname from that used during marriage without complying with section 259.13; or

(3) with the intent to defraud or mislead, or to cause injury to or harass another, uses a different name without complying with section 259.13.

Sec. 3. [259.13] [PERSONS WITH PENDING FELONY CHARGE OR CONVICTION; NAME CHANGES.]

Subdivision 1. [PROCEDURE FOR SEEKING NAME CHANGE.] (a) A person with a pending felony charge or a felony conviction under Minnesota law or the law of another state or federal jurisdiction shall serve a notice of application for a name change on the prosecuting authority responsible for the pending charge or that obtained the conviction against the person when seeking a name change through one of the following procedures:

(1) an application for a name change under section 259.10;

(2) a request for a name change as part of an application for a marriage license under section 517.08; or

(3) a request for a name change in conjunction with a marriage dissolution under section 518.27.

If the pending charge or conviction is from another state or federal jurisdiction, notice of application must also be served on the attorney general.

(b) A person who seeks a name change under section 259.10 or 518.27 shall file proof of service with the court as part of the name change request. A person who seeks a name change under section 517.08 shall file proof of service with the county as part of the application for a marriage license.

(c) The name change request may not be granted during the 30-day period provided for in subdivision 2 or, if an objection is filed under subdivision 2, until satisfaction of the requirements in subdivision 3 or 4. Nothing in this section shall delay the granting of a marriage license under section 517.08, which may be granted without the name change.

Subd. 2. [OBJECTION BY PROSECUTING AUTHORITY.] At any time within 30 days from the date of service of the notice of application for a name change under this section, the prosecuting authority or the attorney general may file an objection to the application for a name change. The objection may be made on the basis that the request aims to defraud or mislead, is not made in good faith, will cause injury to a person, or will compromise public safety. If an objection to the application for a name change is filed within this time period, the court may not grant the name change request, and the county may not allow the name change as part of a marriage license.

Subd. 3. [MOTION TO GRANT NAME CHANGE REQUEST.] A person who seeks a name change may contest the prosecuting authority's or attorney general's objection by filing a motion with the court for an order permitting the requested name change. Except as provided in subdivision 4, no name change shall be granted unless the person requesting it proves by clear and convincing evidence that the request is not based upon an intent to defraud or mislead, is made in good faith, will not cause injury to a person, and will not compromise public safety.

Subd. 4. [CONSTITUTIONAL RIGHT TO NAME CHANGE.] The court shall grant a name change if failure to allow it would infringe on a constitutional right of the person.

Subd. 5. [CRIMINAL PENALTY.] A person who knowingly violates this section is guilty of a gross misdemeanor.

Sec. 4. Minnesota Statutes 1998, section 517.08, subdivision 1a, is amended to read:

Subd. 1a. Application for a marriage license shall be made upon a form provided for the purpose and shall contain the following information:

- (1) the full names of the parties and the sex of each party;
- (2) their post office addresses and county and state of residence;
- (3) their full ages;
- (4) if either party has previously been married, the party's married name, and the date, place and court in which the marriage was dissolved or annulled or the date and place of death of the former spouse;
- (5) if either party is a minor, the name and address of the minor's parents or guardian;
- (6) whether the parties are related to each other, and, if so, their relationship;
- (7) the name and date of birth of any child of which both parties are parents, born before the making of the application, unless their parental rights and the parent and child relationship with respect to the child have been terminated;
- (8) address of the bride and groom after the marriage to which the court administrator shall send a certified copy of the marriage certificate; and
- (9) the full names the parties will have after marriage and the parties' social security numbers. The social security numbers must be collected for the application but must not appear on the marriage license;
- (10) if one or both of the parties to the marriage license has a pending felony charge or a felony conviction under Minnesota law or the law of another state or federal jurisdiction, the parties shall provide to the county proof of service upon the prosecuting authority and, if applicable, the attorney general, as required by section 259.13; and
- (11) notice that a party who has a pending felony charge or a felony conviction under Minnesota law or the law of another state or federal jurisdiction may not use a different surname after marriage except as authorized by section 259.13, and that doing so is a gross misdemeanor.

Sec. 5. Minnesota Statutes 1998, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. [TERM OF LICENSE; FEE.] (a) The court administrator shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, on being satisfied that there is no legal impediment to it, including the restriction contained in section 259.13, the court administrator shall issue the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the district court of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The court administrator shall collect from the applicant a fee of \$70 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the court administrator for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A court administrator who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

(b) If section 259.13 applies to the request for a marriage license, the court administrator shall grant the marriage license without the requested name change. Alternatively, the court

administrator may delay the granting of the marriage license until the party with the pending felony charge or conviction:

(1) certifies under oath that 30 days have passed since service of the notice for a name change upon the prosecuting authority and, if applicable, the attorney general and no objection has been filed under section 259.13; or

(2) provides a certified copy of the court order granting it. The parties seeking the marriage license shall have the right to choose to have the license granted without the name change or to delay its granting pending further action on the name change request.

Sec. 6. Minnesota Statutes 1998, section 518.27, is amended to read:

518.27 [NAME OF PARTY.]

Except as provided in section 259.13, in the final decree of dissolution or legal separation the court shall, if requested by a party, change the name of that party to another name as the party requests. The court shall grant a request unless it finds that there is an intent to defraud or mislead, unless the name change is subject to section 259.13, in which case the requirements of that section apply. The court shall notify the parties that use of a different surname after dissolution or legal separation without complying with section 259.13, if applicable, is a gross misdemeanor. The party's new name shall be so designated in the final decree.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective August 1, 2000, and apply to proceedings for a name change commenced and crimes committed on or after that date.

ARTICLE 3

CRIMINAL AND EXPUNGEMENT PROVISIONS

Section 1. Minnesota Statutes 1998, section 609.352, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "child" means a person under the age of 15 years of age or younger;

(b) "sexual conduct" means sexual contact of the individual's primary genital area, sexual penetration as defined in section 609.341, or sexual performance as defined in section 617.246; and

(c) "solicit" means commanding, entreating, or attempting to persuade a specific person in person, by telephone, by letter, or by computerized or other electronic means.

Sec. 2. Minnesota Statutes 1998, section 609.352, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED ACT.] A person 18 years of age or older who solicits a child or someone the person reasonably believes is a child to engage in sexual conduct with intent to engage in sexual conduct is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both.

Sec. 3. [609.353] [JURISDICTION.]

A violation or attempted violation of section 609.342, 609.343, 609.344, 609.345, 609.3451, or 609.352 may be prosecuted in any jurisdiction in which the violation originates or terminates.

Sec. 4. Minnesota Statutes 1998, section 609.749, subdivision 2, is amended to read:

Subd. 2. [HARASSMENT AND STALKING CRIMES.] (a) A person who harasses another by committing any of the following acts is guilty of a gross misdemeanor:

(1) directly or indirectly manifests a purpose or intent to injure the person, property, or rights of another by the commission of an unlawful act;

- (2) stalks, follows, or pursues another;
- (3) returns to the property of another if the actor is without claim of right to the property or consent of one with authority to consent;
- (4) repeatedly makes telephone calls, or induces a victim to make telephone calls to the actor, whether or not conversation ensues;
- (5) makes or causes the telephone of another repeatedly or continuously to ring;
- (6) repeatedly mails or delivers or causes the delivery by any means, including electronically, of letters, telegrams, messages, packages, or other objects; or
- (7) knowingly makes false allegations against a peace officer concerning the officer's performance of official duties with intent to influence or tamper with the officer's performance of official duties.

(b) The conduct described in paragraph (a), clauses (4) and (5), may be prosecuted at the place where any call is either made or received. The conduct described in paragraph (a), clause (6), may be prosecuted where any letter, telegram, message, package, or other object is either sent or received.

(c) A peace officer may not make a warrantless, custodial arrest of any person for a violation of paragraph (a), clause (7).

Sec. 5. Minnesota Statutes 1998, section 609.795, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANORS.] Whoever does any of the following is guilty of a misdemeanor:

- (1) knowing that the actor does not have the consent of either the sender or the addressee, intentionally opens any sealed letter, telegram, or package addressed to another; or
- (2) knowing that a sealed letter, telegram, or package has been opened without the consent of either the sender or addressee, intentionally publishes any of the contents thereof; or
- (3) with the intent to abuse, disturb, or cause distress, repeatedly ~~uses the mails or delivers or causes the delivery by any means, including electronically,~~ of letters, telegrams, or packages.

Sec. 6. Minnesota Statutes 1998, section 609A.03, is amended to read:

609A.03 [PETITION TO EXPUNGE CRIMINAL RECORDS.]

Subdivision 1. [PETITION; FILING FEE.] An individual who is the subject of a criminal record who is seeking the expungement of the record shall file a petition under this section and pay a filing fee in the amount required under section 357.021, subdivision 2, clause (1). The filing fee may be waived in cases of indigency and shall be waived in the cases described in section 609A.02, subdivision 3.

Subd. 2. [CONTENTS OF PETITION.] A petition for expungement shall be signed under oath by the petitioner and shall state the following:

- (1) the petitioner's full name and all other legal names or aliases by which the petitioner has been known at any time;
- (2) the petitioner's date of birth;
- (3) all of the petitioner's addresses from the date of the offense or alleged offense in connection with which an expungement order is sought, to the date of the petition;
- (4) why expungement is sought, if it is for employment or licensure purposes, the statutory or other legal authority under which it is sought, and why it should be granted;

(5) the details of the offense or arrest for which expungement is sought, including date and jurisdiction of the occurrence, court file number, and date of conviction or of dismissal;

(6) in the case of a conviction, what steps the petitioner has taken since the time of the offense toward personal rehabilitation, including treatment, work, or other personal history that demonstrates rehabilitation;

(7) petitioner's criminal conviction record indicating all convictions for misdemeanors, gross misdemeanors, or felonies in this state, and for all comparable convictions in any other state, federal court, or foreign country, whether the convictions occurred before or after the arrest or conviction for which expungement is sought;

(8) petitioner's criminal charges record indicating all prior and pending criminal charges against the petitioner in this state or another jurisdiction, including all criminal charges that have been continued for dismissal or stayed for adjudication, or have been the subject of pretrial diversion; and

(9) all prior requests by the petitioner, whether for the present offense or for any other offenses, in this state or any other state or federal court, for pardon, return of arrest records, or expungement or sealing of a criminal record, whether granted or not, and all stays of adjudication or imposition of sentence involving the petitioner.

Subd. 3. [SERVICE OF PETITION AND PROPOSED ORDER.] The petition for expungement and a proposed expungement order shall be served by mail on the state and local government agencies and jurisdictions whose records would be affected by the proposed order. Service shall also be made by mail on the attorney for each agency and jurisdiction.

Subd. 4. [HEARING.] A hearing on the petition shall be held no sooner than 60 days after service of the petition.

Subd. 5. [NATURE OF REMEDY; STANDARD; FIREARMS RESTRICTION.] (a) Except as otherwise provided by paragraph (b), expungement of a criminal record is an extraordinary remedy to be granted only upon clear and convincing evidence that it would yield a benefit to the petitioner commensurate with the disadvantages to the public and public safety of:

(1) sealing the record; and

(2) burdening the court and public authorities to issue, enforce, and monitor an expungement order.

(b) Except as otherwise provided by this paragraph, if the petitioner is petitioning for the sealing of a criminal record under section 609A.02, subdivision 3, the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record. If a petitioner was found not guilty by reason of mental illness, the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by a preponderance of the evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(c) If the court issues an expungement order it may require that the criminal record shall be sealed, the existence of the record shall not be revealed, and the record should not be opened except as required under subdivision 7. Records shall must not be destroyed or returned to the subject of the record.

~~(d) An order expunging the record of a conviction for a crime of violence as defined in section 624.712, subdivision 5, must provide that the person is not entitled to ship, transport, possess, or receive a firearm until ten years have elapsed since the order was entered and during that time the person was not convicted of any other crime of violence. Any person whose record of conviction is expunged under this section and who thereafter receives a relief of disability under United States Code, title 18, section 925, is not subject to the restriction in this paragraph.~~

Subd. 5a. [ORDER CONCERNING CRIMES OF VIOLENCE.] An order expunging the record of a conviction for a crime of violence as defined in section 624.712, subdivision 5, must provide that the person is not entitled to ship, transport, possess, or receive a firearm until ten years have elapsed since the order was entered and during that time the person was not convicted of any other crime of violence. Any person whose record of conviction is expunged under this section and who thereafter receives a relief of disability under United States Code, title 18, section 925, is not subject to the restriction in this subdivision.

Subd. 6. [ORDER CONCERNING CONTROLLED SUBSTANCE OFFENSES.] If the court orders the sealing of the record of proceedings under section 152.18, the effect of the order shall be to restore the person, in the contemplation of the law, to the status the person occupied before the arrest, indictment, or information. The person shall not be held guilty of perjury or otherwise of giving a false statement if the person fails to acknowledge the arrest, indictment, information, or trial in response to any inquiry made for any purpose.

Subd. 7. [LIMITATIONS OF ORDER.] (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the bureau of criminal apprehension shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened for purposes of a criminal investigation, prosecution, or sentencing, upon an ex parte court order; and

(2) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority.

~~Subd. 8. [STAY OF ORDER; APPEAL DISTRIBUTION OF EXPUNGEMENT ORDERS.] An expungement order shall be automatically stayed for 60 days after filing of the order and, if the order is appealed, during the appeal period. A person or an agency or jurisdiction whose records would be affected by the order may appeal the order within 60 days of service of notice of filing of the order. An agency or jurisdiction or officials or employees thereof need not file a cost bond or supersedeas bond in order to further stay the proceedings or file an appeal. The court administrator shall send a copy of an expungement order to each agency and jurisdiction whose records are affected by the terms of the order.~~

~~Subd. 9. [DISTRIBUTION OF EXPUNGEMENT ORDERS STAY OF ORDER; APPEAL.] If an expungement order is issued, the court administrator shall send a copy of it to each agency and jurisdiction whose records are affected by the terms of the order. An expungement order shall be stayed automatically for 60 days after the order is filed and, if the order is appealed, during the appeal period. A person or an agency or jurisdiction whose records would be affected by the order may appeal the order within 60 days of service of notice of filing of the order. An agency or jurisdiction or its officials or employees need not file a cost bond or supersedeas bond in order to further stay the proceedings or file an appeal.~~

Sec. 7. Minnesota Statutes 1998, section 628.26, is amended to read:

628.26 [LIMITATIONS.]

(a) Indictments or complaints for ~~murder~~ homicide may be found or made at any time after the death of the person killed. Indictments or complaints for a violation of section 609.25 may be found or made at any time after the commission of the offense.

(b) Indictments or complaints for violation of section 609.42, subdivision 1, clause (1) or (2), shall be found or made and filed in the proper court within six years after the commission of the offense.

(c) Indictments or complaints for violation of sections 609.342 to 609.345 if the victim was under the age of 18 years at the time the offense was committed, shall be found or made and filed in the proper court within nine years after the commission of the offense or, if the victim failed to report the offense within this limitation period, within three years after the offense was reported to law enforcement authorities.

(d) Notwithstanding the limitations in paragraph (c), indictments or complaints for violation of sections 609.342 to 609.344 if the victim was 18 years old or older at the time the offense was committed, shall may be found or made and filed in the proper court at any time after commission of the offense, if physical evidence is collected and preserved that is capable of being tested for its DNA characteristics. If this evidence is not collected and preserved and the victim was 18 years old or older at the time of the offense, the prosecution must be commenced within nine years after the commission of the offense.

(e) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision 2, clause (3)(e), item (iii), shall be found or made and filed in the proper court within six years after the commission of the offense.

(f) Indictments or complaints for violation of section 609.52, subdivision 2, clause (3), items (a) ~~and (b)~~ (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where the value of the property or services stolen is more than \$35,000, shall be found or made and filed in the proper court within five years after the commission of the offense.

(g) Except for violations relating to false material statements, representations or omissions, indictments or complaints for violations of section 609.671 shall be found or made and filed in the proper court within five years after the commission of the offense.

(h) Indictments or complaints for violation of sections 609.561 to 609.563, shall be found or made and filed in the proper court within five years after the commission of the offense.

(i) In all other cases, indictments or complaints shall be found or made and filed in the proper court within three years after the commission of the offense.

(j) The limitations periods contained in this section shall exclude any period of time during which the defendant was not an inhabitant of or usually resident within this state.

(k) The limitations periods contained in this section for an offense shall not include any period during which the alleged offender participated under a written agreement in a pretrial diversion program relating to that offense.

(1) The limitations periods contained in this section shall not include any period of time during which physical evidence relating to the offense was undergoing DNA analysis, as defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law enforcement agency purposefully delayed the DNA analysis process in order to gain an unfair advantage.

Sec. 8. [EFFECTIVE DATES.]

Sections 1 to 3, 5, and 6 are effective August 1, 2000, and apply to crimes committed and expungement petitions filed on or after that date. Section 4 is effective the day following final enactment and applies to crimes committed on or after that date. Section 7 is effective August 1, 2000, and applies to crimes committed on or after that date and to crimes committed before that date if the limitation period for the crime did not expire before August 1, 2000.

ARTICLE 4

CRIMINAL JUSTICE INFORMATION

TECHNOLOGY AND INTEGRATION PROVISIONS

Section 1. Minnesota Statutes 1998, section 299C.65, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP, DUTIES.] (a) The criminal and juvenile justice information

policy group consists of the ~~chair of the sentencing guidelines commission, the commissioner of corrections, the commissioner of public safety, and the state court administrator~~ two members of the judicial branch appointed by the chief justice of the supreme court.

(b) The policy group shall study and make recommendations to the governor, the supreme court, and the legislature on:

(1) a framework for integrated criminal justice information systems, including the development and maintenance of a community data model for state, county, and local criminal justice information;

(2) the responsibilities of each entity within the criminal and juvenile justice systems concerning the collection, maintenance, dissemination, and sharing of criminal justice information with one another;

(3) actions necessary to ensure that information maintained in the criminal justice information systems is accurate and up-to-date;

(4) the development of an information system containing criminal justice information on gross misdemeanor-level and felony-level juvenile offenders that is part of the integrated criminal justice information system framework;

(5) the development of an information system containing criminal justice information on misdemeanor arrests, prosecutions, and convictions that is part of the integrated criminal justice information system framework;

(6) comprehensive training programs and requirements for all individuals in criminal justice agencies to ensure the quality and accuracy of information in those systems;

(7) continuing education requirements for individuals in criminal justice agencies who are responsible for the collection, maintenance, dissemination, and sharing of criminal justice data;

(8) a periodic audit process to ensure the quality and accuracy of information contained in the criminal justice information systems;

(9) the equipment, training, and funding needs of the state and local agencies that participate in the criminal justice information systems;

(10) the impact of integrated criminal justice information systems on individual privacy rights;

(11) the impact of proposed legislation on the criminal justice system, including any fiscal impact, need for training, changes in information systems, and changes in processes;

(12) the collection of data on race and ethnicity in criminal justice information systems;

(13) the development of a tracking system for domestic abuse orders for protection;

(14) processes for expungement, correction of inaccurate records, destruction of records, and other matters relating to the privacy interests of individuals; and

(15) the development of a database for extended jurisdiction juvenile records and whether the records should be public or private and how long they should be retained.

Sec. 2. Minnesota Statutes 1999 Supplement, section 299C.65, subdivision 2, is amended to read:

Subd. 2. [REPORT, TASK FORCE.] The policy group shall file an annual report with the governor, supreme court, and chairs and ranking minority members of the senate and house committees and divisions with jurisdiction over criminal justice funding and policy by December 1 of each ~~even-numbered~~ year.

The report must make recommendations concerning any legislative changes or appropriations

that are needed to ensure that the criminal justice information systems operate accurately and efficiently. To assist them in developing their recommendations, the chair, the commissioners, and the administrator policy group shall appoint a task force consisting of its members of the criminal and juvenile justice information policy group or their designees and the following additional members:

- (1) the director of the office of strategic and long-range planning;
- (2) two sheriffs recommended by the Minnesota sheriffs association;
- (3) two police chiefs recommended by the Minnesota chiefs of police association;
- (4) two county attorneys recommended by the Minnesota county attorneys association;
- (5) two city attorneys recommended by the Minnesota league of cities;
- (6) two public defenders appointed by the board of public defense;
- (7) two district judges appointed by the conference of chief judges, one of whom is currently assigned to the juvenile court;
- (8) two community corrections administrators recommended by the Minnesota association of counties, one of whom represents a community corrections act county;
- (9) two probation officers;
- (10) four public members, one of whom has been a victim of crime, and two who are representatives of the private business community who have expertise in integrated information systems;
- (11) two court administrators;
- (12) one member of the house of representatives appointed by the speaker of the house;
- (13) one member of the senate appointed by the majority leader;
- (14) the attorney general or a designee;
- (15) the commissioner of administration or a designee;
- (16) an individual recommended by the Minnesota league of cities; and
- (17) an individual recommended by the Minnesota association of counties.

In making these appointments, the appointing authority shall select members with expertise in integrated data systems or best practices.

Sec. 3. Minnesota Statutes 1998, section 299C.65, is amended by adding a subdivision to read:

Subd. 2a. [DATA GROUP.] The policy group shall be assisted in carrying out its responsibilities under this section by the data group. The data group includes:

- (1) the chief information officer of the court system;
- (2) the chief information officer of the department of corrections;
- (3) the chief information officer of the department of public safety;
- (4) the information technology development manager for the court system;
- (5) the director of criminal justice information systems for the bureau of criminal apprehension;
- (6) the executive director of the sentencing guidelines commission;

- (7) the director of the interagency management unit of the department of corrections;
- (8) the chief information officer of the board of public defense; and
- (9) the chief information officer of the department of administration.

Sec. 4. Minnesota Statutes 1998, section 299C.65, is amended by adding a subdivision to read:

Subd. 8a. [CRIMINAL JUSTICE TECHNOLOGY INFRASTRUCTURE IMPROVEMENTS.] (a) Within 30 days of the submission of the Hennepin county integration plan funded by a grant under Laws 1999, chapter 216, article 1, section 7, subdivision 6, or September 1, 2000, whichever is earlier, the policy group shall:

(1) review the recommendations of the data group regarding the needs of state, county, and municipal government agencies for electronic fingerprint capture technology, electronic photographic identification technology, and additional bandwidth to transfer and access the data from electronic fingerprint capture technology and electronic photographic identification technology to the state's central database; and

(2) choose locations and agencies to receive this technology.

(b) Within the limits of available appropriations, the commissioner of public safety shall purchase and distribute the technology infrastructure improvements as directed by the policy group. The commissioner shall begin the purchasing process within 30 days of receiving notice of the policy group's decisions. The commissioner shall distribute the improvements as soon as practicable after beginning the purchasing process.

(c) If feasible, the policy group shall direct the commissioner to distribute the technology infrastructure improvements described in this subdivision in 100 locations. However, no more than 30 percent of the improvements may be distributed in one county.

Sec. 5. [REPORTS REQUIRED.]

Subdivision 1. [PUBLIC SAFETY.] By January 15, 2001, the commissioner of public safety shall report to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding on the grants made and the technology infrastructure improvements distributed under section 7, paragraph (a), clauses (1) and (2). The report must specify the amount spent on the improvements or grants, how the improvements or grants were distributed, and what the effect of the improvements or grants have been.

Subd. 2. [SUPREME COURT.] By January 15, 2001, the chief justice of the supreme court is requested to report to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding on the redevelopment of the court information system funded under section 7, paragraph (a), clause (4). The report must specify how the appropriation was spent and what the results have been.

Subd. 3. [SENTENCING GUIDELINES COMMISSION.] By January 15, 2001, the executive director of the sentencing guidelines commission shall report to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding on the results of the pilot project funded under section 7, paragraph (a), clause (3).

Sec. 6. [PROPOSED EFFECTIVENESS MEASUREMENT STANDARDS AND SANCTIONS; REPORT REQUIRED.]

(a) The criminal and juvenile justice information policy group, in consultation with the task force described in Minnesota Statutes, section 299C.65, subdivision 2, and the data group described in Minnesota Statutes, section 299C.65, subdivision 2a, shall develop recommended standards to measure the effectiveness of the use of the technology infrastructure improvements described in Minnesota Statutes, section 299C.65, subdivision 8a, and the improvements made to

the court information system funded by state appropriations. The standards must be based on objective factors that can indicate whether the improvements have actually increased the effectiveness of the receiving agency's or court's system, and if so to what degree.

(b) The policy group, in consultation with the task force and data group, shall also recommend appropriate sanctions for the court or an agency that receives the technology improvements but does not meet the recommended effectiveness standards.

(c) By January 15, 2001, the policy group shall report the recommended standards and sanctions to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice funding.

Sec. 7. [APPROPRIATIONS.]

(a) \$15,000,000 is appropriated from the general fund to the commissioner of public safety for the fiscal year ending June 30, 2001. This money may be used only for the purposes listed in this section. Of this amount:

(1) \$10,388,000 is for criminal justice technology infrastructure improvements under Minnesota Statutes, section 299C.65, subdivision 8a, for the purchase and distribution of:

(i) electronic fingerprint capture technology;

(ii) electronic photographic identification technology; and

(iii) additional bandwidth to transfer and access electronic photographic identification data and electronic fingerprint data to the state's central database;

(2) \$1,000,000 is for grants to government agencies to transfer and access data from the agencies to the statewide hot file probation and pretrial release data system. The criminal and juvenile justice information policy group shall review grant applications under this clause and the commissioner shall make the grants approved by the policy group within the limits of the appropriation. Up to \$200,000 of this appropriation may be used for grants to pay the costs of developing or implementing a criminal justice information integration plan as described in Minnesota Statutes, section 299C.65, subdivisions 5, 6, and 7;

(3) \$100,000 is for Ramsey county and the sentencing guidelines commission to establish a pilot project in Ramsey county to use the statewide statute table to insure accurate and uniform charging on criminal complaints; and

(4) \$3,512,000 is to be transferred to the supreme court to begin redevelopment of the court information system to be used by all counties to integrate court information with other criminal justice information. This money may not be used by the supreme court for any purpose other than this.

(b) Upon approval of the policy group, the commissioner may use up to 7.5 percent of the amount appropriated in paragraph (a), clause (1), to implement this section.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to crime prevention; making numerous changes to the predatory offender registration law including lengthening the registration period for certain offenders, requiring additional offenders to register, requiring that additional information be reported, authorizing disclosure of information about offenders out of compliance with the law, applying the law retroactively to certain offenders, and increasing the criminal penalty for predatory offenders who fail to comply with the law and imposing a mandatory minimum prison sentence on those offenders; requiring the bureau of criminal apprehension to maintain a computerized database for predatory offenders; expanding and clarifying the scope of the community notification law;

requiring that certain information regarding level III predatory offenders be posted on the Internet; placing restrictions on persons with pending felony charges or convictions who are seeking name changes; clarifying that harassment crimes prohibit harassment by electronic means; modifying the expungement law; expanding the solicitation of a child to engage in sexual conduct crime; authorizing the prosecution of certain sex offenses in the jurisdiction where they originate or terminate; eliminating the statute of limitations for certain offenses; changing the membership of the criminal and juvenile justice information policy group; creating a data group to assist the policy group; authorizing the purchase and distribution of criminal justice technology infrastructure improvements; requiring reports; imposing criminal penalties; appropriating money; amending Minnesota Statutes 1998, sections 243.166, subdivisions 3, 5, 7, and by adding subdivisions; 244.052; 244.10, subdivision 2a; 259.11; 299C.65, subdivision 1, and by adding subdivisions; 517.08, subdivisions 1a and 1b; 518.27; 609.352, subdivisions 1 and 2; 609.749, subdivision 2; 609.795, subdivision 1; 609A.03; and 628.26; Minnesota Statutes 1999 Supplement, sections 243.166, subdivisions 1, 2, 4, and 6; and 299C.65, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 259; 299C; and 609."

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

Senator Berglin from the Committee on Human Resources Finance, to which was re-referred

S.F. No. 3410: A bill for an act relating to child protection; modifying provisions relating to child neglect and domestic violence; amending Minnesota Statutes 1998, section 626.556, by adding a subdivision; Minnesota Statutes 1999 Supplement, section 626.556, 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 1999 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection of a child by a person responsible for the child's care, by a person who has a significant relationship to the child, as defined in section 609.341, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342 (criminal sexual conduct in the first degree), 609.343 (criminal sexual conduct in the second degree), 609.344 (criminal sexual conduct in the third degree), 609.345 (criminal sexual conduct in the fourth degree), or 609.3451 (criminal sexual conduct in the fifth degree). Sexual abuse also includes any act which involves a minor which constitutes a violation of prostitution offenses under sections 609.321 to 609.324 or 617.246. Sexual abuse includes threatened sexual abuse.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means:

(1) failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter, health, medical, or other care required for the child's physical or mental health when reasonably able to do so;

(2) failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so;

(3) failure to provide for necessary supervision or child care arrangements appropriate for a child after considering factors as the child's age, mental ability, physical condition, length of absence, or environment, when the child is unable to care for the child's own basic needs or safety, or the basic needs or safety of another child in their care;

(4) failure to ensure that the child is educated as defined in sections 120A.22 and 260C.163, subdivision 11;

(5) nothing in this section shall be construed to mean that a child is neglected 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; except that a parent, guardian, or caretaker, or a person mandated to report pursuant to subdivision 3, has a duty to report if a lack of medical care may cause serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, education, or medical care, a duty to provide that care;

(6) prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, or medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance;

(7) "medical neglect" as defined in section 260C.007, subdivision 4, clause (5);

~~(8) that the parent or other person responsible for the care of the child:~~

~~(i) engages in violent behavior that demonstrates a disregard for the well-being of the child as indicated by action that could reasonably result in serious physical, mental, or threatened injury, or emotional damage to the child;~~

~~(ii) engages in repeated domestic assault that would constitute a violation of section 609.2242, subdivision 2 or 4;~~

~~(iii) intentionally inflicts or attempts to inflict bodily harm against a family or household member, as defined in section 518B.01, subdivision 2, that is within sight or sound of the child; or~~

~~(iv) subjects the child to ongoing domestic violence by the abuser in the home environment that is likely to have a detrimental effect on the well-being of the child;~~

(9) chronic and severe use of alcohol or a controlled substance by a parent or person responsible for the care of the child that adversely affects the child's basic needs and safety; or

~~(10)~~ (9) emotional harm from a pattern of behavior which contributes to impaired emotional functioning of the child which may be demonstrated by a substantial and observable effect in the child's behavior, emotional response, or cognition that is not within the normal range for the child's age and stage of development, with due regard to the child's culture.

(d) "Physical abuse" means any physical injury, mental injury, or threatened injury, inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical or mental injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825. Abuse does not include reasonable and moderate physical discipline of a child administered by a parent or legal guardian which does not result in an injury. Actions which are not reasonable and moderate include, but are not limited to, any of the following that are done in anger or without regard to the safety of the child:

(1) throwing, kicking, burning, biting, or cutting a child;

(2) striking a child with a closed fist;

- (3) shaking a child under age three;
 - (4) striking or other actions which result in any nonaccidental injury to a child under 18 months of age;
 - (5) unreasonable interference with a child's breathing;
 - (6) threatening a child with a weapon, as defined in section 609.02, subdivision 6;
 - (7) striking a child under age one on the face or head;
 - (8) purposely giving a child poison, alcohol, or dangerous, harmful, or controlled substances which were not prescribed for the child by a practitioner, in order to control or punish the child; or other substances that substantially affect the child's behavior, motor coordination, or judgment or that results in sickness or internal injury, or subjects the child to medical procedures that would be unnecessary if the child were not exposed to the substances; or
 - (9) unreasonable physical confinement or restraint not permitted under section 609.379, including but not limited to tying, caging, or chaining.
- (e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.
- (f) "Facility" means a licensed or unlicensed day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed under sections 144.50 to 144.58, 241.021, or 245A.01 to 245A.16, or chapter 245B; or a school as defined in sections 120A.05, subdivisions 9, 11, and 13; and 124D.10; or a nonlicensed personal care provider organization as defined in sections 256B.04, subdivision 16, and 256B.0625, subdivision 19a.
- (g) "Operator" means an operator or agency as defined in section 245A.02.
- (h) "Commissioner" means the commissioner of human services.
- (i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.
- (j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem and visitation expeditor services.
- (k) "Mental injury" means an injury to the psychological capacity or emotional stability of a child as evidenced by an observable or substantial impairment in the child's ability to function within a normal range of performance and behavior with due regard to the child's culture.
- (l) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury.
- (m) Persons who conduct assessments or investigations under this section shall take into account accepted child-rearing practices of the culture in which a child participates, which are not injurious to the child's health, welfare, and safety.

Sec. 2. [626.5552] [CHILD EXPOSED TO DOMESTIC VIOLENCE.]

- (a) A child is considered to have been exposed to domestic violence when:
- (1) a parent or other person responsible for the care of the child engages in violent behavior that imminently or seriously endangers the child's physical or mental health;
 - (2) a parent or other person responsible for the care of the child engages in repeated domestic assault that would constitute a violation of section 609.2242, subdivision 2 or 4;

(3) the child has witnessed repeated incidents of domestic violence as defined in section 518B.01; or

(4) a parent or other person responsible for the care of the child engages in chronic and severe use of alcohol or a controlled substance that adversely affects the child's basic needs and safety.

(b) In determining the protective action to take and the services to be offered to the child and family when a child has been exposed to domestic violence, the local welfare agency shall consider the safety and well-being of the child and the safety of a parent who is a victim of domestic violence. In determining whether there is a need for child protective services, the local welfare agency shall take into account the presence of protective factors in the child's environment. These factors include, but are not limited to:

(1) whether the child is or has been the victim of physical abuse, sexual abuse, or neglect as defined in section 626.556, subdivision 2;

(2) the age of the child;

(3) the length of time since an incident of being exposed to domestic violence;

(4) the child's relationship to the parent and the perpetrator of domestic violence; and

(5) whether steps are or have been taken to exclude the abuser from the home of the child or the adult victim sought protective services such as shelters, counseling, or advocacy services, legal recourse, or other remedies.

Sec. 3. [BUDGET PROPOSAL; CHILD PROTECTION.]

In preparing the budget proposal for the 2002-2003 biennium, the commissioner of finance, in consultation with the commissioners of revenue and human services, shall present proposals and funding options to provide services to children who would be eligible for services under Minnesota Statutes, section 626.5551 or 626.5552, if enacted.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are effective the day following final enactment. Section 2 is effective July 1, 2001, if funding is authorized for implementation."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "adding a definition for a child exposed to domestic violence;"

Page 1, line 6, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 626"

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

Senator Novak from the Committee on Jobs, Energy and Community Development, to which was re-referred

S.F. No. 2421: A bill for an act relating to consumer protection; regulating certain telephonic sales calls; providing remedies; amending Minnesota Statutes 1999 Supplement, section 13.99, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325G.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Human Resources Finance. Report adopted.

Senator Flynn from the Committee on Transportation, to which was referred

S.F. No. 2484: A bill for an act relating to traffic regulations; requiring vehicles to be driven in

the right-hand lane unless overtaking slower vehicles; amending Minnesota Statutes 1998, section 169.18, subdivision 7.

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

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

Senator Flynn from the Committee on Transportation, to which was referred

S.F. No. 2480: A bill for an act relating to highways; requiring metered ramp study by department of transportation; appropriating money.

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

Page 1, delete lines 20 to 22

Amend the title as follows:

Page 1, line 3, delete "; appropriating money"

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.

Senator Moe, R.D. from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S.F. No. 3799 reports the same back with the recommendation that the bill be re-referred as follows:

S.F. No. 3799 to the Committee on Human Resources Finance.

Report adopted.

Senator Moe, R.D. from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,

S.F. No. 2992: A bill for an act relating to data practices; conforming Minnesota Statutes with federal law; amending Minnesota Statutes 1998, sections 168.346; and 171.12, subdivision 7.

Reports the same back with the recommendation that the report from the Committee on Transportation, shown in the Journal for March 14, 2000, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass and be re-referred to the Committee on State Government Finance". Amendments adopted. Report adopted.

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

S.F. No. 3793: A bill for an act relating to transportation; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing state bonds; creating multimodal transportation fund; providing for approval of and payment under supplemental goods or services agreements of the commissioner of transportation; increasing filing fee for vehicle transactions; requiring department of public safety to provide photo identification equipment for driver's license agents; prohibiting certain expenditures from trunk highway fund; authorizing metropolitan council to sell or lease naming rights for light rail transit stations; repealing sunset for provisions authorizing certain vehicle

lights; proposing an amendment to the Minnesota Constitution, article XIV, by adding a section; appropriating money and modifying previous appropriations; amending Minnesota Statutes 1998, sections 161.20, subdivision 3; 161.32, by adding a subdivision; 168.33, subdivision 7; 473.39, by adding a subdivision; and 473.405, subdivision 4; Minnesota Statutes 1999 Supplement, sections 144E.29; 144E.31, subdivision 3; and 171.061, subdivision 4; Laws 1999, chapters 216, article 1, sections 1 and 7, subdivisions 1 and 3; 223, article 1, sections 1 and 2, subdivisions 1 and 4; 238, article 1, sections 1, 2, subdivisions 3 and 12, 5, 7, and 93; 241, article 10, section 5, subdivision 2; 245, article 1, sections 1 and 6; and 250, article 1, sections 1 and 2, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 160.

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

Page 26, line 11, after "VOTERS" insert "; EFFECTIVE DATE"

Page 26, after line 20, insert:

"If the amendment is adopted, it is effective for tax proceeds received on and after July 1, 2001."

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

Senator Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 3346: A bill for an act relating to real property; requiring the secretary of state to establish a task force to study and make recommendations on electronic filing of real estate documents.

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

Page 1, line 18, delete "realtors" and insert "real estate agents"

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

Senator Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 2956: A bill for an act relating to transportation; adopting Midwest Interstate Passenger Rail Compact; amending Minnesota Statutes 1998, section 218.011, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 218.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on State Government Finance. Report adopted.

Senator Berglin from the Committee on Human Resources Finance, to which was referred

S.F. No. 3798: A bill for an act relating to health and human services; appropriating money.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. [HEALTH AND HUMAN SERVICES APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or any other fund named, to the agencies and for the purposes specified in this act, to

Summary by Fund

General	13,718,000	48,673,000
Health Care Access	1,266,000	4,027,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Minnesota Care Grants
Health Care Access Fund

1,266,000	4,027,000
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[REIMBURSEMENT FROM HEALTH CARE ACCESS FUND.] Beginning July 1, 2000, for fiscal years 2001 to 2003, the commissioner of finance shall transfer from the health care access fund to the general fund money sufficient to reimburse the medical assistance costs associated with MFIP post-secondary education and training modifications in Minnesota Statutes, section 256J.522. Notwithstanding section 6, this paragraph expires on June 30, 2003.

(b) MA Basic Health Care Grants -
Families and Children

General 22,751,000	24,247,000
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[ADVANCE CAPITATION PAYMENTS.] The commissioner shall provide an advance of \$500,000 in June of 2001 and June of 2002, not to exceed the total monthly per capita payment due for services provided in June, to county-based purchasing sites operating under Minnesota Statutes, section 256B.692. These advances shall be recovered from the following month's per capita payments. Notwithstanding section 6, this paragraph expires on August 1, 2002.

(c) MA Basic Health Care Grants -
Elderly and Disabled

General (3,730,000)	14,134,000
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[SPECIAL TRANSPORTATION.] Of the general fund appropriation for the fiscal year beginning July 1, 2000, \$109,000 for medical assistance and \$2,000 for general assistance medical care is for the commissioner to increase mileage reimbursement for special transportation under Minnesota Statutes, section 256B.0625, subdivision 17, by five cents per mile for services rendered from July 1, 2000, to December 31, 2000.

(d) General Assistance Medical Care

General (5,303,000)	10,292,000
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Subd. 4. Basic Health Care
Administration

Health Care Access	-0-	746,000
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[EMPLOYER-SUBSIDIZED INSURANCE.]

Of the appropriation from the health care access fund for the fiscal year beginning July 1, 2000, \$746,000 is for administrative costs related to the employer-subsidized health insurance program under Minnesota Statutes, section 256.9370, including \$200,000 for MMIS costs.

Subd. 5. Continuing Care and
Community Support Grants

(35,029,000)	8,060,000
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Summary by Fund

General	(35,029,000)	7,812,000
Lottery	-0-	248,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Community Services Block Grants

-0-	928,000
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(b) Aging Adult Service Grants

-0-	207,000
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[EPILEPSY.] Of the general fund appropriation, \$7,000 in fiscal year 2001 is to the commissioner to provide a three percent reimbursement increase to living skills training programs for persons with intractable epilepsy who need assistance in the transition to independent living.

(c) Deaf and Hard-of-Hearing
Services Grants

-0-	21,000
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(d) Mental Health Grants

General	-0-	1,920,000
Lottery	-0-	248,000

[SERVICES FOR FARMERS.] Of the appropriation from the general fund for the fiscal year beginning July 1, 2000, \$450,000 is to the commissioner for the following purposes:

(1) \$300,000 is to be transferred to the commissioner of agriculture for grants to organizations participating in the farm wrap network and the rural help network. The grants may be used for mental health services and emergency services for farmers.

(2) \$150,000 is to be transferred to the board of trustees of the Minnesota state colleges and universities for mental health counseling support

to farm families and business operators through the farm business management program at Central Lakes college and Ridgewater college.

[COMPULSIVE GAMBLING TREATMENT.]

For the fiscal year beginning July 1, 2000, \$248,000 is appropriated from the lottery prize fund to the commissioner for the compulsive gambling treatment program. Of this appropriation, \$143,000 is for a grant to gamblers intervention services in Duluth to be spent as follows:

(1) \$100,000 is to establish an outpatient gambling treatment program in Brainerd; and

(2) \$43,000 is to make treatment center building improvements to accommodate expanded group services.

\$75,000 is for a grant to the Minnesota arrowhead region gambling treatment alliance to provide extended outreach and family counseling through its Virginia center.

The remaining \$30,000 is for a grant to gamblers choice in Minneapolis to make treatment center building improvements to accommodate expanded group services.

These are one-time appropriations and shall not become part of base-level funding for the 2002-2003 biennium.

(e) Developmental Disabilities
Support Grants

-0-	210,000
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(f) Medical Assistance Long-Term
Care Waivers and Home Care

(12,385,000)	2,948,000
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(g) Medical Assistance Long-Term
Care Facilities

(20,790,000)	(2,163,000)
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(h) Alternative Care Grants

-0-	1,566,000
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(i) Group Residential Housing

(1,854,000)	(295,000)
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(j) Chemical Dependency
Entitlement Grants

-0-	2,470,000
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Subd. 6. Economic Support Grants

36,309,000	30,423,000
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The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Assistance to Families Grants

35,428,000	22,500,000
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[APPROPRIATIONS OF FEDERAL TANF FUNDS.] (a) In addition to the TANF funds provided in Laws 1999, chapter 245, article 1, section 2, subdivision 10, federal TANF block grant funds are appropriated to the commissioner in amounts of (\$4,413,000) in fiscal year 2000 and \$65,024,000 in fiscal year 2001.

(b) Of the funds appropriated to the commissioner for state fiscal year 2001, \$9,500,000 shall be added to the appropriation for the MFIP employment services program for local interventions for family employment; \$1,500,000 shall be appropriated for the purpose of training job counselors, evaluating the effectiveness of the interventions, and identifying improvements needed; and \$1,000,000 is appropriated to the commissioner for the following purposes:

(1) \$750,000 to be transferred to the job skills partnership board for the health care and human services worker training and retention program created under Minnesota Statutes, section 116L.10; and

(2) \$250,000 to be transferred to the board of trustees of the Minnesota state colleges and universities to provide tuition waivers to employees of health care and human services providers located in the state that are members of qualifying consortia operating under Minnesota Statutes, sections 116L.10 to 116L.15.

The appropriations in clauses (1) and (2) shall become part of the base-level funding for the commissioner and shall be transferred on an annual basis to the job skills partnership board and the board of trustees of the Minnesota state colleges and universities for the purposes indicated.

(c) Notwithstanding Minnesota Statutes 1998, sections 119B.01, subdivision 12, and 119B.05, subdivision 1, a county may use local interventions for family employment funds for child care assistance provided to MFIP families participating in preemployment activities required as part of their employment plan and defined as work activities under Minnesota Statutes, section 256J.49.

(d) A county may provide child care assistance to families that have completed their transition year of child care assistance and are on the waiting list for basic sliding fee child care.

(e) A county may use local interventions for family employment funds for that part of the match for access to jobs federal funds that is TANF eligible. (f) A county may use local interventions for family employment funds to enhance transportation choices for eligible recipients up to 150 percent of the federal poverty guideline.

(g) Reimbursements for child care under paragraphs (c) and (d) shall be made to the commissioner of children, families, and learning. Reimbursements shall be made quarterly through transfers under Minnesota Statutes, section 256J.02, subdivision 4, or direct TANF payments. The commissioner of children, families, and learning shall ensure that all transferred funds are expended in accordance with federal child care development fund regulations.

(h) No reimbursement may be made with respect to paragraphs (e) to (g) that would meet the federal definition of assistance under Code of Federal Regulations, title 45, chapter II, part 260.31(a), as excepted by Code of Federal Regulations, title 45, chapter II, part 260.31(b)(7).

(i) Of the funds appropriated to the commissioner for state fiscal year 2001, up to \$5,311,000 shall be used to reimburse the federal government for the federal share of the child support recoveries passed through to custodial parents.

(j) Of the amounts in paragraph (a), \$299,000 in fiscal year 2001 is transferred from the state's federal TANF block grant to the state's federal child care and development fund block grant, and is appropriated to the commissioner of children, families, and learning for the purposes of Minnesota Statutes, section 119B.05.

(k) When preparing the governor's budget for the 2002-2003 biennium, the commissioner of finance shall ensure that the base-level funding for the local interventions for family employment includes \$22,000,000 in fiscal year 2002 and \$22,000,000 in fiscal year 2003. These appropriations shall not become part of the base for the 2004-2005 biennium.

[EXTENDED LEARNING INITIATIVE.] (a) For fiscal year 2001, the commissioner shall use \$10,000,000 of the general funds appropriated under Laws 1999, chapter 245, article 1, section 2, subdivision 10, for the extended learning initiative. Under the extended learning initiative, grants shall be provided on a competitive basis to community or nonprofit organizations, political subdivisions, or school-based programs for the purpose of establishing or expanding after-school and summer school programs to assist low-income children and families. The commissioner shall emphasize to the entities that are implementing this program the importance of not separating or stigmatizing children who are participating in this program.

(b) Of the amount in paragraph (a), at least \$700,000 is for the commissioner to transfer to the commissioner of children, families, and learning to reinstate funding for after-school enrichment grants under Laws 1996, chapter 412, article 4, section 30, as follows: at least \$500,000 to the Whittier and Phillips neighborhoods and at least \$200,000 to the Lyndale neighborhood. This appropriation is available until expended.

(c) Grants must not supplant any existing program funding targeted at a similar population and must be used to provide high-quality, academic-based after-school and summer school educational services to TANF-eligible students to enable their parents to participate in training or employment activities. Grant recipients must demonstrate that their program will:

(1) provide low-income students with a high-quality, extended learning program that has clear, measurable goals and includes an assessment of each student's knowledge before and after participation in the program; and

(2) include a parent and family involvement component with supplementary materials and activities, and a measurement of parental involvement for participating students and the parent's level of satisfaction with the program's content and results.

(d) This appropriation shall not become part of the base for the 2002-2003 biennium.

[TANF MAINTENANCE OF EFFORT TRANSFERS TO MINNESOTA HOUSING FINANCE AGENCY.] (a) By June 30, 2001, the commissioner shall transfer \$54,500,000 of the

general funds appropriated under Laws 1999, chapter 245, article 1, section 2, subdivision 10, to the Minnesota housing finance agency for transfer to the housing development fund. Up to \$25,800,000 may be transferred in fiscal year 2000.

(b) Of the funds transferred in paragraph (a), \$5,000,000 in fiscal year 2001 and \$10,000,000 in fiscal year 2002 is for a loan to Habitat for Humanity of Minnesota, Inc. The loan shall be an interest-free deferred loan. The loan shall become due and payable in the event and to the extent that Habitat for Humanity of Minnesota, Inc. does not invest repayments and prepayment of mortgage loans financed with this appropriation in new mortgages for additional homebuyers through Habitat for Humanity of Minnesota, Inc. To the extent practicable, funding must be allocated to Habitat for Humanity chapters on the basis of the number of MFIP households residing within a chapter's service area compared to the statewide total of MFIP households and on the basis of a chapter's capacity.

(c) Of the funds transferred in paragraph (a), \$20,800,000 in fiscal year 2001 and \$18,700,000 in fiscal year 2002 is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b. To the extent practicable, the number of units financed with the appropriation under this paragraph within a city, county, or region shall reflect the number of MFIP households residing within the city, county, or region compared to the statewide total of MFIP households. This appropriation must be used to finance rental housing units that serve families:

(1) receiving MFIP benefits under Minnesota Statutes, section 256J.01, or its successor program; and

(2) who have lost eligibility for MFIP due to increased income from employment.

Units produced with this appropriation must remain affordable for a 30-year period.

In order to coordinate the availability of housing developed with the appropriation under this paragraph with MFIP families in need of affordable housing, the commissioner, with the assistance of the commissioner of human services, shall establish cooperative relationships with county agencies as defined in Minnesota

Statutes, section 256J.08, local employment and training service providers as defined in Minnesota Statutes, section 256J.49, local social service agencies, or other organizations that provide assistance to MFIP households.

The commissioner shall develop strategies to promote occupancy of the units financed by the appropriation under this paragraph by households most in need of subsidized housing. The strategies shall include provisions that encourage households to move into homeownership or unsubsidized housing as the household secures stable employment and achieves self-sufficiency. The commissioner shall consult with interested parties in developing these strategies.

(d) The commissioner of the Minnesota housing finance agency and the commissioner of human services shall jointly prepare and submit a report to the governor and the legislature on the results of the funding provided under this section. The report shall include:

- (1) information on the number of units produced;
- (2) the household size and income of the occupants of the units at initial occupancy; and
- (3) to the extent the information is available, measures related to the occupants' attachment to the workforce and public assistance usage, and number of occupant moves.

The report must be submitted annually beginning January 15, 2003.

This subdivision is effective the day following final enactment.

[TANF TRANSFER TO SOCIAL SERVICES.] \$10,000,000 is transferred from the state's federal TANF block grant to the state's federal Title XX block grant for purposes of increasing services for families with children whose incomes are at or below 200 percent of the federal poverty guidelines.

[WORKING FAMILY CREDIT.] (a) On a regular basis, the commissioner of revenue, with the assistance of the commissioner of human services, shall calculate the value of the refundable portion of the Minnesota working family credits provided under Minnesota Statutes, section 290.0671, that qualify for federal reimbursement from the temporary assistance to needy families block grant. The commissioner of revenue shall provide the

commissioner of human services with such expenditure records and information as are necessary to support draws of federal funds.

(b) The commissioner of human services shall draw federal TANF funds based on calculations under paragraph (a) of working family tax credit expenditures that qualify for reimbursement from the TANF block grant for tax year 1999 income tax refunds payable in federal fiscal year 2000. The draws shall be made on a regular basis based on calculations of credit expenditures by the commissioner of revenue. During state fiscal years 2000 to 2003, federal TANF draws shall be limited to the lesser of eligible TANF expenditures, or the following amounts: fiscal year 2000, \$33,100,000; fiscal year 2001, \$58,700,000; fiscal year 2002, \$6,500,000; and fiscal year 2003, \$11,200,000.

(b) AFDC and Other Assistance

-0-	10,734,000
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(c) General Assistance

557,000	(3,134,000)
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(d) Minnesota Supplemental Aid

324,000	323,000
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Sec. 3. COMMISSIONER OF HEALTH

Subdivision 1. Total

Appropriation	-0-	1,040,000
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Summary by Fund

General	-0-	1,040,000
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This appropriation is added to the appropriation in Laws 1999, chapter 245, article 1, section 3.

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Health Systems and Special Populations

-0-	865,000
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Summary by Fund

General	-0-	865,000
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[FUNERAL SERVICES COMPLAINTS.] Of the appropriation from the general fund for the fiscal year beginning July 1, 2000, \$75,000 is for the commissioner to respond to complaints about funeral services as required under Minnesota Statutes, chapter 149A. To the extent that resources are available, the commissioner shall also provide information and technical assistance to the organizations regulated under Minnesota

Statutes, chapter 149A. The appropriation shall not become part of base-level funding for the 2002-2003 biennium.

[POISON INFORMATION CENTERS.] Of the general fund appropriation for the fiscal year beginning July 1, 2000, \$790,000 is to the commissioner for the operation of poison information centers authorized under Minnesota Statutes, section 145.93.

Subd. 3. Health Protection	-0-	175,000
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Summary by Fund

General	-0-	175,000
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[SEXUALLY TRANSMITTED INFECTIONS.] Of the general fund appropriation for the fiscal year beginning July 1, 2000, \$175,000 is to the commissioner to expand access to free screening and testing for sexually transmitted infections. The appropriation must be used in accordance with Minnesota Statutes, section 144.065. This is a one-time appropriation and shall not become part of base-level funding for the 2002-2003 biennium.

Sec. 4. HEALTH-RELATED BOARDS

Subdivision 1. Total
Appropriation

150,000	-0-
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This appropriation is added to the appropriation in Laws 1999, chapter 205, article 1, section 5.

The appropriations in this section are from the state government special revenue fund.

[NO SPENDING IN EXCESS OF REVENUES.] The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of money appropriated in this section in excess of the anticipated biennial revenues or accumulated surplus revenues from fees collected by the boards. Neither this provision nor Minnesota Statutes, section 214.06, applies to transfers from the general contingent account.

Subd. 2. BOARD OF PSYCHOLOGY

150,000	-0-
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[LEGAL COSTS.] Of this appropriation, \$150,000 for the fiscal year beginning July 1, 1999, is to the board to pay for extraordinary legal costs. This is a one-time appropriation and shall not become part of base-level funding for the 2002-2003 biennium.

Sec. 5. CARRYOVER LIMITATION

None of the appropriations in this act which are

allowed to be carried forward from fiscal year 2000 to fiscal year 2001 shall become part of the base-level funding for the 2002-2003 biennial budget, unless specifically directed by the legislature.

Sec. 6. SUNSET OF UNCODIFIED LANGUAGE

All uncodified language contained in this article expires on June 30, 2001, unless a different expiration date is explicit.

Sec. 7. [EFFECTIVE DATE.]

The appropriations and reductions for fiscal year 2000 in this article are effective the day following final enactment.

ARTICLE 2 HEALTH CARE

Section 1. Minnesota Statutes 1998, section 148B.32, subdivision 1, is amended to read:

Subdivision 1. [UNLICENSED PRACTICE PROHIBITED.] After adoption of rules by the board implementing sections 148B.29 to 148B.39, no individual shall engage in marriage and family therapy practice unless that individual holds a valid license issued under sections 148B.29 to 148B.39.

~~Marriage and family therapists may not be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.0625, subdivision 5, or when marriage and family therapists are employed by a managed care organization with a contract to provide mental health care to medical assistance enrollees, and are reimbursed through the managed care organization.~~

Sec. 2. [256.9370] [EMPLOYER-SUBSIDIZED INSURANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] (a) Upon federal approval of all necessary waivers and state plan proposals to obtain children's health insurance program matching funds under title XXI of the Social Security Act, the commissioner shall establish and administer an employer-subsidized insurance program to subsidize premiums for employer-subsidized health coverage for eligible families with children.

(b) The commissioner may contract with a business entity or other private organization to administer the program.

Subd. 2. [ELIGIBILITY.] Families with children between the ages of two through 18 who meet the following criteria are eligible for the program:

(1) the child's family gross income must be greater than 150 percent of the federal poverty guidelines but must not exceed 200 percent of the federal poverty guidelines;

(2) the child must meet all eligibility criteria for the MinnesotaCare program, except for the barriers to enrollment under section 256L.07, subdivision 2;

(3) the child must be ineligible for medical assistance under chapter 256B;

(4) the child must have access to employer-subsidized health coverage that is cost effective as negotiated by the commissioner and the Health Care Financing Administration; and

(5) the child must be uninsured at the time of application.

For the purpose of this section, "employer-subsidized health coverage" or "employer-subsidized health plan" means health coverage for which the employer pays at least 50

percent of the cost of coverage for the employee or dependent or a higher percentage as specified by the commissioner.

Subd. 3. [COVERAGE.] (a) Coverage under this program includes the health care services covered under the eligible child's employer-subsidized health plan, plus all health care services reimbursed under chapter 256B.

(b) To be covered under this program, a health care service must be provided by a health care provider enrolled as a provider in the medical assistance program.

Subd. 4. [SUBSIDY.] The commissioner shall subsidize the employee's share of the employer-subsidized health plan premium that is attributable to dependent coverage, minus any premium calculated under subdivision 6.

Subd. 5. [REIMBURSEMENT TO THE HEALTH CARE PROVIDER.] (a) Payment for services that are not covered under the employer-subsidized health plan shall be reimbursed at the same rate and conditions established for fee-for-service under medical assistance.

(b) Payment for services covered under the employer-subsidized health plan shall be reimbursed in accordance with section 256B.37, subdivision 5a.

(c) The employer-subsidized health plan shall be considered the primary payer to the extent that the services provided are covered under the health plan.

Subd. 6. [PREMIUMS.] Families with children who are eligible for the program shall pay a premium determined according to a sliding fee scale established by the commissioner that is equal to one-half of the sliding fee scale defined in section 256L.15, subdivision 2.

Subd. 7. [APPLICATION.] Applicants may apply to the commissioner, to a local county human services agency that determines eligibility for the MinnesotaCare program, to the licensed insurance broker who provides employee benefits to the applicant's employer or to the employer's human resources personnel. The licensed insurance broker or the employer's human resources personnel shall accept applications and forward them to the commissioner for processing.

Sec. 3. Minnesota Statutes 1998, section 256.955, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (a) For purposes of this section, the following definitions apply.

(b) "Health plan" has the meaning provided in section 62Q.01, subdivision 3.

(c) "Health plan company" has the meaning provided in section 62Q.01, subdivision 4.

(d) "Qualified senior citizen individual" means an individual age ~~65 or older~~ who: meets the requirements described in subdivision 2a.

~~(1) is eligible as a qualified Medicare beneficiary according to section 256B.057, subdivision 3 or 3a, or is eligible under section 256B.057, subdivision 3 or 3a, and is also eligible for medical assistance or general assistance medical care with a spenddown as defined in section 256B.056, subdivision 5. Persons who are determined eligible for medical assistance according to section 256B.0575, who are eligible for medical assistance or general assistance medical care without a spenddown, or who are enrolled in MinnesotaCare, are not eligible for this program;~~

~~(2) is not enrolled in prescription drug coverage under a health plan;~~

~~(3) is not enrolled in prescription drug coverage under a Medicare supplement plan, as defined in sections 62A.31 to 62A.44, or policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations or those policies, contracts, or certificates governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., as amended;~~

~~(4) has not had coverage described in clauses (2) and (3) for at least four months prior to application for the program; and~~

~~(5) is a permanent resident of Minnesota as defined in section 256L.09.~~

Sec. 4. Minnesota Statutes 1998, section 256.955, is amended by adding a subdivision to read:

Subd. 2a. [ELIGIBILITY.] (a) To be eligible for the prescription drug program, an applicant must satisfy the following requirements:

(1) is at least 65 years of age or older;

(2) has a household income that does not exceed 125 percent of the federal poverty guidelines for family size using the income methodologies for the supplemental security income program;

(3) must not individually own more than \$12,000 in assets, or as a married couple own more than \$24,000 in assets using the asset methodologies for the supplemental security income program;

(4) is not enrolled in prescription drug coverage under a health plan;

(5) is not enrolled in prescription drug coverage under a Medicare supplement plan, as defined in sections 62A.31 to 62A.44, or policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations or those policies, contracts, or certificates governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., as amended;

(6) has not had coverage described in clauses (4) and (5) for at least four months prior to application for the program; and

(7) is a permanent resident of Minnesota as defined in section 256L.09.

(b) Individuals who are determined eligible for medical assistance according to section 256B.0575, who are eligible for medical assistance or general assistance medical care without a spenddown, or who are enrolled in MinnesotaCare, are not eligible for this program.

Sec. 5. Minnesota Statutes 1999 Supplement, section 256B.056, subdivision 4, is amended to read:

Subd. 4. [INCOME.] To be eligible for medical assistance, a person eligible under section 256B.055, subdivision 7, not receiving supplemental security income program payments, and families and children may have an income up to 133-1/3 percent of the AFDC income standard in effect under the July 16, 1996, AFDC state plan. Effective July 1, 2000, the base AFDC standard in effect on July 16, 1996, shall be increased by three percent. Effective January 1, 2000, and each successive January, recipients of supplemental security income may have an income up to the supplemental security income standard in effect on that date. Effective January 1, 2001, the base AFDC standard in effect on that date shall be increased by a percentage equal to the percent change in the Consumer Price Index for all urban consumers for the previous October compared to one year earlier. In computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income as required by Public Law Numbers 94-566, section 503; 99-272; and 99-509. Veterans aid and attendance benefits and Veterans Administration unusual medical expense payments are considered income to the recipient.

Sec. 6. Minnesota Statutes 1999 Supplement, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs, except for fertility drugs when specifically used to enhance fertility, if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, by a physician enrolled in the medical assistance program as a dispensing physician, or by a physician or a nurse practitioner employed by or under contract with a community health board as defined in section 145A.02, subdivision 5, for the purposes of communicable disease control. The commissioner, after receiving recommendations from professional medical associations and professional pharmacist associations, shall designate a

formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve three-year terms and shall serve without compensation. Members may be reappointed once.

(b) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the Administrative Procedure Act, but the formulary committee shall review and comment on the formulary contents. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The formulary shall not include:

(i) drugs or products for which there is no federal funding;

(ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, vitamins for children under the age of seven and pregnant or nursing women, and any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14;

(iii) anorectics, except that medically necessary anorectics shall be covered for a recipient previously diagnosed as having pickwickian syndrome and currently diagnosed as having diabetes and being morbidly obese;

(iv) drugs for which medical value has not been established; and

(v) drugs from manufacturers who have not signed a rebate agreement with the Department of Health and Human Services pursuant to section 1927 of title XIX of the Social Security Act.

The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(c) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee; the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee; or the usual and customary price charged to the public. The pharmacy dispensing fee shall be \$4.65 for independent pharmacies that are the only pharmacy located within a United States postal zip code area in

Minnesota and \$3.65 for all other pharmacies. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus nine percent. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third-party payors in this state who have maximum allowable cost programs. The commissioner shall set maximum allowable costs for multisource drugs that are not on the federal upper limit list as described in United States Code, title 42, chapter 7, section 1396r-8(e), the Social Security Act, and Code of Federal Regulations, title 42, part 447, section 447.332. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2.

(d) For purposes of this subdivision, "multisource drugs" means covered outpatient drugs, excluding innovator multisource drugs for which there are two or more drug products, which:

(1) are related as therapeutically equivalent under the Food and Drug Administration's most recent publication of "Approved Drug Products with Therapeutic Equivalence Evaluations";

(2) are pharmaceutically equivalent and bioequivalent as determined by the Food and Drug Administration; and

(3) are sold or marketed in Minnesota.

"Innovator multisource drug" means a multisource drug that was originally marketed under an original new drug application approved by the Food and Drug Administration.

EFFECTIVE DATE: This section is effective for prescriptions dispensed on or after July 1, 2000.

Sec. 7. Minnesota Statutes 1998, section 256B.0625, is amended by adding a subdivision to read:

Subd. 41. [MENTAL HEALTH PROFESSIONAL.] Notwithstanding Minnesota Rules, part 9505.0175, subpart 28, the definition of a mental health professional shall include a person who is qualified as specified in section 245.462, subdivision 18, clause (5); or 245.4871, subdivision 27, clause (5), for the purpose of this section and Minnesota Rules, parts 9505.0170 to 9505.0475.

Sec. 8. Minnesota Statutes 1999 Supplement, section 256B.69, subdivision 5b, is amended to read:

Subd. 5b. [PROSPECTIVE REIMBURSEMENT RATES.] (a) For prepaid medical assistance and general assistance medical care program contract rates set by the commissioner under subdivision 5 and effective on or after January 1, 1998, capitation rates for nonmetropolitan counties shall on a weighted average be no less than 88 percent of the capitation rates for metropolitan counties, excluding Hennepin county. The commissioner shall make a pro rata adjustment in capitation rates paid to counties other than nonmetropolitan counties in order to make this provision budget neutral.

(b) For prepaid medical assistance program contract rates set by the commissioner under subdivision 5 and effective on or after January 1, 2001, capitation rates for nonmetropolitan counties shall, on a weighted average, be no less than ~~89~~ 90 percent of the capitation rates for metropolitan counties, excluding Hennepin county.

Sec. 9. Minnesota Statutes 1999 Supplement, section 256B.69, subdivision 5c, is amended to read:

Subd. 5c. [MEDICAL EDUCATION AND RESEARCH FUND.] (a) Beginning in January 1999 and each year thereafter:

(1) the commissioner of human services shall transfer an amount equal to the reduction in the prepaid medical assistance and prepaid general assistance medical care payments resulting from clause (2), excluding nursing facility and elderly waiver payments and demonstration projects operating under subdivision 23, to the medical education and research fund established under section 62J.692;

(2) until January 1, 2002, the county medical assistance and general assistance medical care capitation base rate prior to plan specific adjustments shall be reduced five percent for Hennepin county, 1.5 percent for the remaining metropolitan counties, and no reduction for nonmetropolitan Minnesota counties; and after January 1, 2002, the county medical assistance and general assistance medical care capitation base rate prior to plan specific adjustments shall be reduced 6.3 percent for Hennepin county, two percent for the remaining metropolitan counties, and 1.6 percent for nonmetropolitan Minnesota counties; and

(3) the amount calculated under clause (1) shall not be adjusted for subsequent changes to the capitation payments for periods already paid.

(b) This subdivision shall be effective upon approval of a federal waiver which allows federal financial participation in the medical education and research fund.

Sec. 10. Minnesota Statutes 1998, section 256B.69, subdivision 5d, is amended to read:

Subd. 5d. [MODIFICATION OF PAYMENT DATES EFFECTIVE JANUARY 1, 2001.] Effective for services rendered on or after January 1, 2001, capitation payments under this section and under section 256D.03 for services provided in the month of June shall be made no earlier than the first day after the month of service.

Sec. 11. Minnesota Statutes 1998, section 256L.01, subdivision 4, is amended to read:

Subd. 4. [GROSS INDIVIDUAL OR GROSS FAMILY INCOME.] (a) "Gross individual or gross family income" for ~~farm and~~ nonfarm self-employed means income calculated using as the baseline the adjusted gross income reported on the applicant's federal income tax form for the previous year and adding back in reported depreciation, carryover loss, and net operating loss amounts that apply to the business in which the family is currently engaged.

(b) "Gross individual or gross family income" for farm self-employed means income calculated using as the baseline the adjusted gross income reported on the applicant's federal income tax form for the previous year and adding back in reported depreciation amounts that apply to the business in which the family is currently engaged.

(c) Applicants shall report the most recent financial situation of the family if it has changed from the period of time covered by the federal income tax form. The report may be in the form of percentage increase or decrease.

EFFECTIVE DATE: This section is effective July 1, 2000, or upon receipt of federal approval, whichever is later.

Sec. 12. Minnesota Statutes 1998, section 256L.04, subdivision 7, is amended to read:

Subd. 7. [SINGLE ADULTS AND HOUSEHOLDS WITH NO CHILDREN.] (a) The

definition of eligible persons includes all individuals and households with no children who have gross family incomes that are equal to or less than 175 percent of the federal poverty guidelines.

(b) An individual who:

(1) is at least 18 years of age and no older than 23 years of age;

(2) resides with a parent; and

(3) is a full-time student or employed on a full-time basis is eligible for MinnesotaCare as a single adult under this subdivision.

Only the income of the individual shall be considered when determining eligibility.

EFFECTIVE DATE: This section is effective January 1, 2001, or upon federal approval, whichever is later.

Sec. 13. Minnesota Statutes 1999 Supplement, section 256L.07, subdivision 3, is amended to read:

Subd. 3. [OTHER HEALTH COVERAGE.] (a) Families and individuals enrolled in the MinnesotaCare program must have no health coverage while enrolled or for at least four months prior to application and renewal. Children enrolled in the original children's health plan and children in families with income equal to or less than 150 percent of the federal poverty guidelines, who have other health insurance, are eligible if the coverage:

(1) lacks two or more of the following:

(i) basic hospital insurance;

(ii) medical-surgical insurance;

(iii) prescription drug coverage;

(iv) dental coverage; or

(v) vision coverage;

(2) requires a deductible of \$100 or more per person per year; or

(3) lacks coverage because the child has exceeded the maximum coverage for a particular diagnosis or the policy excludes a particular diagnosis.

The commissioner may change this eligibility criterion for sliding scale premiums in order to remain within the limits of available appropriations. The requirement of no health coverage does not apply to newborns.

(b) Medical assistance, general assistance medical care, and civilian health and medical program of the uniformed service, CHAMPUS, are not considered insurance or health coverage for purposes of the four-month requirement described in this subdivision.

(c) For purposes of this subdivision, Medicare Part A or B coverage under title XVIII of the Social Security Act, United States Code, title 42, sections 1395c to 1395w-4, is considered health coverage. An applicant or enrollee may not refuse Medicare coverage to establish eligibility for MinnesotaCare.

(d) Applicants who were recipients of medical assistance or general assistance medical care within one month of application must meet the provisions of this subdivision and subdivision 2.

(e) Individuals who lose their employment and their employer-subsidized health insurance at a nursing facility as the result of a closure approved under section 256B.436, are exempt from the four-month time period established in paragraph (a).

Sec. 14. [APPLICATION FORMULA FOR THE PRESCRIPTION DRUG PROGRAM.]

The commissioner of human services shall develop an application form for the prescription drug program that does not exceed one page in length, and which:

(1) allows the use of information from an applicant's state income tax form to determine eligibility; and

(2) requests information on monthly medical expenses and assets to determine potential eligibility for medical assistance or general assistance medical care. The commissioner shall make this form available to applicants by January 1, 2001.

Sec. 15. [NOTICE TO EMPLOYEES.]

Prior to closure of a facility under Minnesota Statutes, section 256B.436, the nursing facility shall provide each person scheduled to lose employment and employer-subsidized health insurance as a result of the closure with:

(1) a notice regarding the provisions of section 256L.07, subdivision 3, paragraph (e);

(2) a letter stating that the person is losing employment as the result of a closure under an approved plan under Minnesota Statutes, section 256B.436; and

(3) a notice that providing a copy of the letter with the MinnesotaCare application will expedite enrollment in MinnesotaCare.

Sec. 16. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall change the phrase "senior citizen drug program" wherever it appears in the next edition of Minnesota Statutes and Minnesota Rules to "prescription drug program."

Sec. 17. [EFFECTIVE DATE.]

Section 2 is effective 90 days after receipt of all necessary federal approval or July 1, 2001, whichever is later.

Sections 13 and 15 are effective the day following final enactment if S.F. No. 3198 is enacted.

ARTICLE 3

LONG-TERM CARE

Section 1. Minnesota Statutes 1998, section 144A.071, subdivision 4a, is amended to read:

Subd. 4a. [EXCEPTIONS FOR REPLACEMENT BEDS.] It is in the best interest of the state to ensure that nursing homes and boarding care homes continue to meet the physical plant licensing and certification requirements by permitting certain construction projects. Facilities should be maintained in condition to satisfy the physical and emotional needs of residents while allowing the state to maintain control over nursing home expenditure growth.

The commissioner of health in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

(a) to license or certify beds in a new facility constructed to replace a facility or to make repairs in an existing facility that was destroyed or damaged after June 30, 1987, by fire, lightning, or other hazard provided:

(i) destruction was not caused by the intentional act of or at the direction of a controlling person of the facility;

(ii) at the time the facility was destroyed or damaged the controlling persons of the facility

maintained insurance coverage for the type of hazard that occurred in an amount that a reasonable person would conclude was adequate;

(iii) the net proceeds from an insurance settlement for the damages caused by the hazard are applied to the cost of the new facility or repairs;

(iv) the new facility is constructed on the same site as the destroyed facility or on another site subject to the restrictions in section 144A.073, subdivision 5;

(v) the number of licensed and certified beds in the new facility does not exceed the number of licensed and certified beds in the destroyed facility; and

(vi) the commissioner determines that the replacement beds are needed to prevent an inadequate supply of beds.

Project construction costs incurred for repairs authorized under this clause shall not be considered in the dollar threshold amount defined in subdivision 2;

(b) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed \$750,000;

(c) to license or certify beds in a project recommended for approval under section 144A.073;

(d) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds;

(e) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure, or in a facility that was granted an exception to the moratorium under section 144A.073, and if the cost of any remodeling of the facility does not exceed \$750,000. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase beyond the number remaining at the time of the upgrade in licensure. The provisions contained in section 144A.073 regarding the upgrading of the facilities do not apply to facilities that satisfy these requirements;

(f) to license and certify up to 40 beds transferred from an existing facility owned and operated by the Amherst H. Wilder Foundation in the city of St. Paul to a new unit at the same location as the existing facility that will serve persons with Alzheimer's disease and other related disorders. The transfer of beds may occur gradually or in stages, provided the total number of beds transferred does not exceed 40. At the time of licensure and certification of a bed or beds in the new unit, the commissioner of health shall delicense and decertify the same number of beds in the existing facility. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the transfers allowed under this paragraph;

(g) to license and certify nursing home beds to replace currently licensed and certified boarding care beds which may be located either in a remodeled or renovated boarding care or nursing home facility or in a remodeled, renovated, newly constructed, or replacement nursing home facility within the identifiable complex of health care facilities in which the currently licensed boarding care beds are presently located, provided that the number of boarding care beds in the facility or complex are decreased by the number to be licensed as nursing home beds and further provided that, if the total costs of new construction, replacement, remodeling, or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the new construction, replacement, remodeling, or renovation. The provisions contained in section 144A.073 regarding the upgrading of facilities do not apply to facilities that satisfy these requirements;

(h) to license as a nursing home and certify as a nursing facility a facility that is licensed as a boarding care facility but not certified under the medical assistance program, but only if the

commissioner of human services certifies to the commissioner of health that licensing the facility as a nursing home and certifying the facility as a nursing facility will result in a net annual savings to the state general fund of \$200,000 or more;

(i) to certify, after September 30, 1992, and prior to July 1, 1993, existing nursing home beds in a facility that was licensed and in operation prior to January 1, 1992;

(j) to license and certify new nursing home beds to replace beds in a facility acquired by the Minneapolis community development agency as part of redevelopment activities in a city of the first class, provided the new facility is located within three miles of the site of the old facility. Operating and property costs for the new facility must be determined and allowed under section 256B.431 or 256B.434;

(k) to license and certify up to 20 new nursing home beds in a community-operated hospital and attached convalescent and nursing care facility with 40 beds on April 21, 1991, that suspended operation of the hospital in April 1986. The commissioner of human services shall provide the facility with the same per diem property-related payment rate for each additional licensed and certified bed as it will receive for its existing 40 beds;

(l) to license or certify beds in renovation, replacement, or upgrading projects as defined in section 144A.073, subdivision 1, so long as the cumulative total costs of the facility's remodeling projects do not exceed \$750,000;

(m) to license and certify beds that are moved from one location to another for the purposes of converting up to five four-bed wards to single or double occupancy rooms in a nursing home that, as of January 1, 1993, was county-owned and had a licensed capacity of 115 beds;

(n) to allow a facility that on April 16, 1993, was a 106-bed licensed and certified nursing facility located in Minneapolis to layaway all of its licensed and certified nursing home beds. These beds may be relicensed and recertified in a newly-constructed teaching nursing home facility affiliated with a teaching hospital upon approval by the legislature. The proposal must be developed in consultation with the interagency committee on long-term care planning. The beds on layaway status shall have the same status as voluntarily delicensed and decertified beds, except that beds on layaway status remain subject to the surcharge in section 256.9657. This layaway provision expires July 1, 1998;

(o) to allow a project which will be completed in conjunction with an approved moratorium exception project for a nursing home in southern Cass county and which is directly related to that portion of the facility that must be repaired, renovated, or replaced, to correct an emergency plumbing problem for which a state correction order has been issued and which must be corrected by August 31, 1993;

(p) to allow a facility that on April 16, 1993, was a 368-bed licensed and certified nursing facility located in Minneapolis to layaway, upon 30 days prior written notice to the commissioner, up to 30 of the facility's licensed and certified beds by converting three-bed wards to single or double occupancy. Beds on layaway status shall have the same status as voluntarily delicensed and decertified beds except that beds on layaway status remain subject to the surcharge in section 256.9657, remain subject to the license application and renewal fees under section 144A.07 and shall be subject to a \$100 per bed reactivation fee. In addition, at any time within three years of the effective date of the layaway, the beds on layaway status may be:

(1) relicensed and recertified upon relocation and reactivation of some or all of the beds to an existing licensed and certified facility or facilities located in Pine River, Brainerd, or International Falls; provided that the total project construction costs related to the relocation of beds from layaway status for any facility receiving relocated beds may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073;

(2) relicensed and recertified, upon reactivation of some or all of the beds within the facility which placed the beds in layaway status, if the commissioner has determined a need for the reactivation of the beds on layaway status.

The property-related payment rate of a facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (d). The property-related payment rate for a facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than three years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;

(q) to license and certify beds in a renovation and remodeling project to convert 12 four-bed wards into 24 two-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey county; had a licensed capacity of 154 beds; and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process;

(r) to license and certify up to 117 beds that are relocated from a licensed and certified 138-bed nursing facility located in St. Paul to a hospital with 130 licensed hospital beds located in South St. Paul, provided that the nursing facility and hospital are owned by the same or a related organization and that prior to the date the relocation is completed the hospital ceases operation of its inpatient hospital services at that hospital. After relocation, the nursing facility's status under section 256B.431, subdivision 2j, shall be the same as it was prior to relocation. The nursing facility's property-related payment rate resulting from the project authorized in this paragraph shall become effective no earlier than April 1, 1996. For purposes of calculating the incremental change in the facility's rental per diem resulting from this project, the allowable appraised value of the nursing facility portion of the existing health care facility physical plant prior to the renovation and relocation may not exceed \$2,490,000;

(s) to license and certify two beds in a facility to replace beds that were voluntarily delicensed and decertified on June 28, 1991;

(t) to allow 16 licensed and certified beds located on July 1, 1994, in a 142-bed nursing home and 21-bed boarding care home facility in Minneapolis, notwithstanding the licensure and certification after July 1, 1995, of the Minneapolis facility as a 147-bed nursing home facility after completion of a construction project approved in 1993 under section 144A.073, to be laid away upon 30 days' prior written notice to the commissioner. Beds on layaway status shall have the same status as voluntarily delicensed or decertified beds except that they shall remain subject to the surcharge in section 256.9657. The 16 beds on layaway status may be relicensed as nursing home beds and recertified at any time within five years of the effective date of the layaway upon relocation of some or all of the beds to a licensed and certified facility located in Watertown, provided that the total project construction costs related to the relocation of beds from layaway status for the Watertown facility may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073.

The property-related payment rate of the facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (d). The property-related payment rate for the facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than five years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;

(u) to license and certify beds that are moved within an existing area of a facility or to a newly constructed addition which is built for the purpose of eliminating three- and four-bed rooms and adding space for dining, lounge areas, bathing rooms, and ancillary service areas in a nursing home that, as of January 1, 1995, was located in Fridley and had a licensed capacity of 129 beds;

(v) to relocate 36 beds in Crow Wing county and four beds from Hennepin county to a 160-bed facility in Crow Wing county, provided all the affected beds are under common ownership;

(w) to license and certify a total replacement project of up to 49 beds located in Norman county that are relocated from a nursing home destroyed by flood and whose residents were relocated to other nursing homes. The operating cost payment rates for the new nursing facility shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, part 9549.0057, and the reimbursement provisions of section 256B.431, except that subdivision 26, paragraphs (a) and (b), shall not apply until the second rate year after the settle-up cost report is filed. Property-related reimbursement rates shall be determined under section 256B.431, taking into account any federal or state flood-related loans or grants provided to the facility;

(x) to license and certify a total replacement project of up to 129 beds located in Polk county that are relocated from a nursing home destroyed by flood and whose residents were relocated to other nursing homes. The operating cost payment rates for the new nursing facility shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, part 9549.0057, and the reimbursement provisions of section 256B.431, except that subdivision 26, paragraphs (a) and (b), shall not apply until the second rate year after the settle-up cost report is filed. Property-related reimbursement rates shall be determined under section 256B.431, taking into account any federal or state flood-related loans or grants provided to the facility;

(y) to license and certify beds in a renovation and remodeling project to convert 13 three-bed wards into 13 two-bed rooms and 13 single-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey county, was not owned by a hospital corporation, had a licensed capacity of 64 beds, and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process;

(z) to license and certify up to 150 nursing home beds to replace an existing 285 bed nursing facility located in St. Paul. The replacement project shall include both the renovation of existing buildings and the construction of new facilities at the existing site. The reduction in the licensed capacity of the existing facility shall occur during the construction project as beds are taken out of service due to the construction process. Prior to the start of the construction process, the facility shall provide written information to the commissioner of health describing the process for bed reduction, plans for the relocation of residents, and the estimated construction schedule. The relocation of residents shall be in accordance with the provisions of law and rule; or

(aa) to allow the commissioner of human services to license an additional 36 beds to provide residential services for the physically handicapped under Minnesota Rules, parts 9570.2000 to 9570.3400, in a 198-bed nursing home located in Red Wing, provided that the total number of licensed and certified beds at the facility does not increase;

(bb) to license and certify a new facility in St. Louis county with 44 beds constructed to replace an existing facility in St. Louis county with 31 beds, which has resident rooms on two separate floors and an antiquated elevator that creates safety concerns for residents and prevents nonambulatory residents from residing on the second floor. The project shall include the elimination of three- and four-bed rooms;

(cc) to license and certify four beds in a 16-bed certified boarding care home in Minneapolis to replace beds that were voluntarily delicensed and decertified on or before March 31, 1992. The licensure and certification is conditional upon the facility periodically assessing and adjusting its resident mix and other factors which may contribute to a potential institution for mental disease declaration. The commissioner of human services shall retain the authority to audit the facility at any time and shall require the facility to comply with any requirements necessary to prevent an

institution for mental disease declaration, including delicensure and decertification of beds, if necessary; or

(dd) to license and certify 72 beds in an existing facility in Mille Lacs county with 80 beds as part of a renovation project. The renovation must include construction of an addition to accommodate ten residents with beginning and midstage dementia in a self-contained living unit; creation of three resident households where dining, activities, and support spaces are located near resident living quarters; designation of four beds for rehabilitation in a self-contained area; designation of 30 private rooms; and other improvements.

Sec. 2. Minnesota Statutes 1998, section 144A.071, is amended by adding a subdivision to read:

Subd. 4b. [LICENSED BEDS ON LAYAWAY STATUS.] A licensed and certified nursing facility may lay away, upon prior written notice to the commissioners of health and human services, up to 50 percent of its licensed and certified beds. A nursing facility may not discharge a resident in order to lay away a bed. Notice to the commissioners shall be given 60 days prior to the effective date of the layaway. Beds on layaway shall have the same status as voluntarily delicensed and decertified beds and shall not be subject to license fees and license surcharge fees. In addition, beds on layaway status may be relicensed and recertified at any time on or after one year after the effective date of layaway in the facility of origin, with a 60-day notice to the commissioner of health. A nursing facility that relicenses and recertifies beds placed on layaway may not place beds on layaway status for one year after the effective date of the relicensure and recertification. Beds may remain on layaway status for up to five years.

Sec. 3. Minnesota Statutes 1998, section 256.9751, is amended to read:

256.9751 [CONGREGATE HOUSING ON-SITE COORDINATION (OSC) SERVICES PROJECTS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.

(a) [CONGREGATE HOUSING.] "Congregate housing" means federally or locally subsidized housing and nonsubsidized low- and moderate-income multifamily housing units which may not have common areas for activities and for serving food, designed for the elderly, consisting of private apartments and common areas which can be used for activities and for serving meals.

(b) [CONGREGATE HOUSING ON-SITE COORDINATION SERVICES PROJECTS.] "Congregate housing On-site coordination services project" means a project in which services are or could be made available to older persons age 60 or older who live in subsidized housing a designated service area and which helps delay or prevent nursing home placement them remain independent. To be considered a congregat housing an on-site coordination services project, a project must have: (1) an on-site coordinator, and; (2) a plan for assuring the availability of one meal per day, seven days a week, for each elderly participant in need who needs a meal to continue to live independently; and (3) an approved designated service area.

(c) [ON-SITE COORDINATOR.] "On-site coordinator" means a person who works on-site in a building or buildings designated service area and who serves as a contact for older persons who need services, support, and assistance in order to delay or prevent nursing home placement help them remain independent.

(d) [CONGREGATE HOUSING ON-SITE COORDINATION SERVICES PROJECT PARTICIPANTS OR PROJECT PARTICIPANTS.] "Congregate housing On-site coordination services project participants" or "project participants" means elderly persons 60 60 years old or older, who are currently residents of, or who are applying for residence in housing sites, planning to move into a designated service area and who need support services to remain independent.

(e) [DESIGNATED SERVICE AREA OR DSA.] "Designated service area" or "DSA" means the congregat housing site or sites, and surrounding neighborhoods and communities that have a concentration of persons age 60 or older that is higher than the state average, in which on-site coordination services will be provided.

Subd. 3. [GRANT PROGRAM.] The ~~Minnesota board on aging~~ commissioner shall establish a ~~congregate housing~~ an on-site coordination services grant program which that is coordinated with county government programs and services for elderly persons and, in counties where they exist, with seniors' agenda for independent living (SAIL) projects as defined in section 256B.0917, that will enable communities and neighborhoods to provide on-site coordinators to serve as a contact for older persons who need services and support, and or need assistance to access in accessing services, in order to delay or prevent nursing home placement and remain independent.

Subd. 4. [USE OF GRANT FUNDS.] Grant funds shall be used to develop and fund on-site coordinator positions. Grant funds shall not be used to duplicate existing funds, to modify buildings, or to purchase equipment.

Subd. 5. [GRANT ELIGIBILITY.] A public or nonprofit agency or housing unit may apply for funds to provide a coordinator for ~~congregate housing~~ on-site coordination services to an identified population of frail elderly persons in a subsidized multiunit apartment building or buildings in a community designated service area. The board commissioner shall give preference to applicants that meet the requirements of this section, and that have a common dining site in the designated service area. A local match may shall be required. State money received may also be used to match federal money allocated for congregate housing on-site coordination services. Grants shall be awarded to urban and rural sites.

Subd. 6. [CRITERIA FOR SELECTION.] The ~~Minnesota board on aging~~ commissioner shall select projects under this section according to the following criteria:

(1) the extent to which the proposed project assists older persons to age-in-place to prevent or delay nursing home placement;

(2) the extent to which the proposed project identifies the needs of project participants;

(3) the extent to which the proposed project identifies how the on-site coordinator will help meet the needs of project participants;

(4) the extent to which the proposed project plan assures the availability of one meal a day, seven days a week, for each elderly participant in need in the designated service area;

(5) the extent to which the proposed project demonstrates involvement of participants, communities, and family members in the project; and

(6) the extent to which the proposed project demonstrates ~~involvement~~ coordination of housing providers community agencies and public and private service agencies, including area agencies on aging.

The commissioner shall consult with the county board of the county in which the project would be implemented, and shall not select any project without approval of the county board. A designated service area with a senior dining program may be given preference.

Subd. 7. [GRANT APPLICATIONS.] The ~~Minnesota board on aging~~ commissioner shall request proposals for grants and award grants using the criteria in subdivision 6. Grant applications shall include:

(1) documentation of the need for ~~congregate~~ on-site coordination services in the DSA so the residents can remain independent;

(2) a description of the resources, such as social services and health services, that will be available in the DSA community to provide the necessary support services;

(3) a description of the target population, as defined in subdivision 1, paragraph (d);

(4) a performance plan that includes written performance objectives, outcomes, timelines, and the procedure the grantee will use to document and measure success in meeting the objectives; and

(5) letters of support from appropriate public and private agencies and organizations, such as

area agencies on aging and county human service departments that demonstrate an intent to ~~work with~~ collaborate and coordinate with the agency requesting a grant.

~~Subd. 8. [REPORT.] By January 1, 1993, the Minnesota board on aging shall submit a report to the legislature evaluating the programs. The report must document the project costs and outcomes that helped delay or prevent nursing home placement. The report must describe steps taken for quality assurance and must also include recommendations based on the project findings. The commissioner shall collect data on a quarterly basis on the number of persons served and other factors relating to the goals, activities, and accomplishments of the projects. The commissioner shall provide this data in summary form to the legislature in annual reports, due January 1, 2001, and each January 1 thereafter. The annual reports must also include recommendations based on project findings.~~

~~Subd. 9. [TECHNICAL ASSISTANCE.] The commissioner may provide technical assistance to sponsors of on-site coordination services programs or may contract or delegate the provision of technical assistance.~~

~~Subd. 10. [OTHER AGENCIES.] The commissioner may delegate, use, or employ any federal, state, regional, or local public or private agency or organization, including organizations of physically handicapped persons, upon terms the commissioner deems necessary or desirable, to assist in the exercise of any of the powers granted in this section.~~

Sec. 4. Minnesota Statutes 1999 Supplement, section 256B.431, subdivision 17, is amended to read:

Subd. 17. [SPECIAL PROVISIONS FOR MORATORIUM EXCEPTIONS.] (a) Notwithstanding Minnesota Rules, part 9549.0060, subpart 3, for rate periods beginning on October 1, 1992, and for rate years beginning after June 30, 1993, a nursing facility that (1) has completed a construction project approved under section 144A.071, subdivision 4a, clause (m); (2) has completed a construction project approved under section 144A.071, subdivision 4a, and effective after June 30, 1995; or (3) has completed a renovation, replacement, or upgrading project approved under the moratorium exception process in section 144A.073 shall be reimbursed for costs directly identified to that project as provided in subdivision 16 and this subdivision.

(b) Notwithstanding Minnesota Rules, part 9549.0060, subparts 5, item A, subitems (1) and (3), and 7, item D, allowable interest expense on debt shall include:

(1) interest expense on debt related to the cost of purchasing or replacing depreciable equipment, excluding vehicles, not to exceed six percent of the total historical cost of the project; and

(2) interest expense on debt related to financing or refinancing costs, including costs related to points, loan origination fees, financing charges, legal fees, and title searches; and issuance costs including bond discounts, bond counsel, underwriter's counsel, corporate counsel, printing, and financial forecasts. Allowable debt related to items in this clause shall not exceed seven percent of the total historical cost of the project. To the extent these costs are financed, the straight-line amortization of the costs in this clause is not an allowable cost; and

(3) interest on debt incurred for the establishment of a debt reserve fund, net of the interest earned on the debt reserve fund.

(c) Debt incurred for costs under paragraph (b) is not subject to Minnesota Rules, part 9549.0060, subpart 5, item A, subitem (5) or (6).

(d) The incremental increase in a nursing facility's rental rate, determined under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section, resulting from the acquisition of allowable capital assets, and allowable debt and interest expense under this subdivision shall be added to its property-related payment rate and shall be effective on the first day of the month following the month in which the moratorium project was completed.

(e) Notwithstanding subdivision 3f, paragraph (a), for rate periods beginning on October 1,

1992, and for rate years beginning after June 30, 1993, the replacement-costs-new per bed limit to be used in Minnesota Rules, part 9549.0060, subpart 4, item B, for a nursing facility that has completed a renovation, replacement, or upgrading project that has been approved under the moratorium exception process in section 144A.073, or that has completed an addition to or replacement of buildings, attached fixtures, or land improvements for which the total historical cost exceeds the lesser of \$150,000 or ten percent of the most recent appraised value, must be \$47,500 per licensed bed in multiple-bed rooms and \$71,250 per licensed bed in a single-bed room. These amounts must be adjusted annually as specified in subdivision 3f, paragraph (a), beginning January 1, 1993.

(f) A nursing facility that completes a project identified in this subdivision and, as of April 17, 1992, has not been mailed a rate notice with a special appraisal for a completed project, or completes a project after April 17, 1992, but before September 1, 1992, may elect either to request a special reappraisal with the corresponding adjustment to the property-related payment rate under the laws in effect on June 30, 1992, or to submit their capital asset and debt information after that date and obtain the property-related payment rate adjustment under this section, but not both.

(g) For purposes of this paragraph, a total replacement means the complete replacement of the nursing facility's physical plant through the construction of a new physical plant or the transfer of the nursing facility's license from one physical plant location to another, or a new building addition to relocate beds from three- and four-bed wards. For total replacement projects completed on or after July 1, 1992, the commissioner shall compute the incremental change in the nursing facility's rental per diem, for rate years beginning on or after July 1, 1995, by replacing its appraised value, including the historical capital asset costs, and the capital debt and interest costs with the new nursing facility's allowable capital asset costs and the related allowable capital debt and interest costs. If the new nursing facility has decreased its licensed capacity, the aggregate investment per bed limit in subdivision 3a, paragraph (d), shall apply. If the new nursing facility has retained a portion of the original physical plant for nursing facility usage, then a portion of the appraised value prior to the replacement must be retained and included in the calculation of the incremental change in the nursing facility's rental per diem. For purposes of this part, the original nursing facility means the nursing facility prior to the total replacement project. The portion of the appraised value to be retained shall be calculated according to clauses (1) to (3):

(1) The numerator of the allocation ratio shall be the square footage of the area in the original physical plant which is being retained for nursing facility usage.

(2) The denominator of the allocation ratio shall be the total square footage of the original nursing facility physical plant.

(3) Each component of the nursing facility's allowable appraised value prior to the total replacement project shall be multiplied by the allocation ratio developed by dividing clause (1) by clause (2).

In the case of either type of total replacement as authorized under section 144A.071 or 144A.073, the provisions of this subdivision shall also apply. For purposes of the moratorium exception authorized under section 144A.071, subdivision 4a, paragraph (s), if the total replacement involves the renovation and use of an existing health care facility physical plant, the new allowable capital asset costs and related debt and interest costs shall include first the allowable capital asset costs and related debt and interest costs of the renovation, to which shall be added the allowable capital asset costs of the existing physical plant prior to the renovation, and if reported by the facility, the related allowable capital debt and interest costs.

(h) Notwithstanding Minnesota Rules, part 9549.0060, subpart 11, item C, subitem (2), for a total replacement, as defined in paragraph (g), authorized under section 144A.071 or 144A.073 after July 1, 1999, or any building project that is a relocation, renovation, upgrading, or conversion authorized under section 144A.073, after July 1, 2001, the replacement-costs-new per bed limit shall be \$74,280 per licensed bed in multiple-bed rooms, \$92,850 per licensed bed in semiprivate rooms with a fixed partition separating the resident beds, and \$111,420 per licensed bed in single rooms. Minnesota Rules, part 9549.0060, subpart 11, item C, subitem (2), does not apply. These amounts must be adjusted annually as specified in subdivision 3f, paragraph (a), beginning January 1, 2000.

(i) For a total replacement, as defined in paragraph (g), authorized under section 144A.073 for a 96-bed nursing home in Carlton county, the replacement-costs-new per bed limit shall be \$74,280 per licensed bed in multiple-bed rooms, \$92,850 per licensed bed in semiprivate rooms with a fixed partition separating the resident's beds, and \$111,420 per licensed bed in a single room. Minnesota Rules, part 9549.0060, subpart 11, item C, subitem (2), does not apply. The resulting maximum allowable replacement-costs-new multiplied by 1.25 shall constitute the project's dollar threshold for purposes of application of the limit set forth in section 144A.071, subdivision 2. The commissioner of health may waive the requirements of section 144A.073, subdivision 3b, paragraph (b), clause (2), on the condition that the other requirements of that paragraph are met.

(j) For a total replacement, as defined in paragraph (g), authorized under section 144A.073 involving a new building addition that relocates beds from three-bed wards for an 80-bed nursing home in Redwood county, the replacement-costs-new per bed limit shall be \$74,280 per licensed bed for multiple-bed rooms; \$92,850 per licensed bed for semiprivate rooms with a fixed partition separating the beds; and \$111,420 per licensed bed for single rooms. These amounts shall be adjusted annually, beginning January 1, 2001. Minnesota Rules, part 9549.0060, subpart 11, item C, subitem (2), does not apply. The resulting maximum allowable replacement-costs-new multiplied by 1.25 shall constitute the project's dollar threshold for purposes of application of the limit set forth in section 144A.071, subdivision 2. The commissioner of health may waive the requirements of section 144A.073, subdivision 3b, paragraph (b), clause (2), on the condition that the other requirements of that paragraph are met.

Sec. 5. Minnesota Statutes 1999 Supplement, section 256B.431, subdivision 28, is amended to read:

Subd. 28. [NURSING FACILITY RATE INCREASES BEGINNING JULY 1, 1999, AND JULY 1, 2000.] (a) For the rate years beginning July 1, 1999, and July 1, 2000, the commissioner shall make available to each nursing facility reimbursed under this section or section 256B.434 an adjustment to the total operating payment rate. For each facility, total operating costs shall be separated into costs that are compensation related and all other costs. Compensation-related costs include salaries, payroll taxes, and fringe benefits for all employees except management fees, the administrator, and central office staff.

(b) For the rate year beginning July 1, 1999, the commissioner shall make available a rate increase for compensation-related costs of 4.843 percent and a rate increase for all other operating costs of 3.446 percent.

(c) For the rate year beginning July 1, 2000, the commissioner shall make available a rate increase for compensation-related costs of 3.632 percent; an additional rate increase for compensation-related costs of 3.0 percent for geographic group II and III nursing facilities and 3.5 percent for geographic group I nursing facilities, which must be used to increase the per-hour pay rate of all employees except management fees, the administrator, and central office staff by an equal dollar amount; and a rate increase for all other operating costs of 2.585 percent. Money received by a facility as a result of the additional rate increase for compensation-related costs of 3.0 percent or 3.5 percent for the rate year beginning July 1, 2000, provided under this paragraph shall be used only for wage increases implemented on or after July 1, 2000, and shall not be used for wage increases implemented prior to that date.

(d) The payment rate adjustment for each nursing facility must be determined under clause (1) or (2):

(1) for each nursing facility that reports salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the commissioner shall determine the payment rate adjustment using the categories specified in paragraph (a) multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the resulting amount by the nursing facility's actual resident days. In determining the amount of a payment rate adjustment for a nursing facility reimbursed under section 256B.434, the commissioner shall determine the proportions of the facility's rates that are compensation-related costs and all other operating costs based on the facility's most recent cost report; and

(2) for each nursing facility that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the payment rate adjustment shall be computed using the facility's total operating costs, separated into the categories specified in paragraph (a) in proportion to the weighted average of all facilities determined under clause (1), multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the resulting amount by the nursing facility's actual resident days.

(e) A nursing facility may apply for the compensation-related payment rate adjustment calculated under this subdivision. The application must be made to the commissioner and contain a plan by which the nursing facility will distribute the compensation-related portion of the payment rate adjustment to employees of the nursing facility. For nursing facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan. For the second rate year, a negotiated agreement may constitute the plan for distribution of the additional rate increase for compensation-related costs of 3.0 or 3.5 percent only if the agreement is finalized after the date of enactment of all rate increases for the second rate year. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in paragraphs (a) to (c). To be eligible, a facility must submit its plan for the compensation distribution by December 31 each year. A facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a facility's plan for compensation distribution is effective for its employees after July 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

(f) A copy of the approved distribution plan must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the nursing facility to which all employees have access. If an employee does not receive the compensation adjustment described in their facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or phone number provided by the commissioner and included in the approved plan.

(g) If the reimbursement system under section 256B.435 is not implemented until July 1, 2001, the salary adjustment per diem authorized in subdivision 2i, paragraph (c), shall continue until June 30, 2001.

(h) For the rate year beginning July 1, 1999, the following nursing facilities shall be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraph (a), was not applied:

(1) a nursing facility in Carver county licensed for 33 nursing home beds and four boarding care beds;

(2) a nursing facility in Faribault county licensed for 159 nursing home beds on September 30, 1998; and

(3) a nursing facility in Houston county licensed for 68 nursing home beds on September 30, 1998.

(i) For the rate year beginning July 1, 1999, the following nursing facilities shall be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraphs (a) and (b), were not applied:

(1) a nursing facility in Chisago county licensed for 135 nursing home beds on September 30, 1998; and

(2) a nursing facility in Murray county licensed for 62 nursing home beds on September 30, 1998.

(j) For the rate year beginning July 1, 1999, a nursing facility in Hennepin county licensed for 134 beds on September 30, 1998, shall:

(1) have the prior year's allowable care-related per diem increased by \$3.93 and the prior year's other operating cost per diem increased by \$1.69 before adding the inflation in subdivision 26, paragraph (d), clause (2); and

(2) be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraphs (a) and (b), were not applied.

The increases provided in paragraphs (h), (i), and (j) shall be included in the facility's total payment rates for the purposes of determining future rates under this section or any other section.

Sec. 6. Minnesota Statutes 1998, section 256B.431, is amended by adding a subdivision to read:

Subd. 29. [FACILITY RATE INCREASES EFFECTIVE JULY 1, 2000.] Following the determination under subdivision 28 of the payment rate for the rate year beginning July 1, 2000, for a facility in Roseau county licensed for 49 beds, the facility's operating cost per diem shall be increased by the following amounts:

- (1) case mix class A, \$2.56;
- (2) case mix class B, \$2.74;
- (3) case mix class C, \$2.93;
- (4) case mix class D, \$3.11;
- (5) case mix class E, \$3.30;
- (6) case mix class F, \$3.31;
- (7) case mix class G, \$3.46;
- (8) case mix class H, \$3.76;
- (9) case mix class I, \$3.86;
- (10) case mix class J, \$4.03; and
- (11) case mix class K, \$4.37.

These increases shall be included in the facility's total payment rates for the purpose of determining future rates under this section or any other section.

Sec. 7. Minnesota Statutes 1998, section 256B.431, is amended by adding a subdivision to read:

Subd. 30. [CHANGES TO NURSING FACILITY REIMBURSEMENT BEGINNING JULY 1, 2000.] (a) For rate years beginning on or after July 1, 2000, a nursing facility reimbursed under this section which has placed beds on layaway status shall, for purposes of application of the downsizing incentive in subdivision 3a, paragraph (d), and calculation of the rental per diem, have those beds given the same effect as if the beds had been delicensed so long as the beds remain on layaway status. At the time of a layaway, a facility may change its single bed election for use in calculating capacity days under Minnesota Rules, part 9549.0060, subpart 11. The property payment rate increase shall be effective the first day of the month following the month in which the layaway of the beds becomes effective under section 144A.071, subdivision 4b.

(b) For rate years beginning on or after July 1, 2000, notwithstanding any provision to the contrary under section 256B.434, a nursing facility reimbursed under that section which has placed beds on layaway status shall, for so long as the beds remain on layaway status, be allowed to:

(1) aggregate the applicable investment per bed limits based on the number of beds licensed immediately prior to entering the alternative payment system;

(2) retain or change the facility's single bed election for use in calculating capacity days under Minnesota Rules, part 9549.0060, subpart 11; and

(3) establish capacity days for each rate year following the layaway based on the number of beds licensed less the number of beds on layaway status.

The commissioner shall increase the facility's property payment rate by the incremental increase in the rental per diem resulting from the recalculation of the facility's rental per diem applying only the changes resulting from the layaway of beds and clauses (1), (2), and (3). The property payment rate increase shall be effective the first day of the month following the month in which the layaway of the beds becomes effective.

(c) If a nursing facility removes a bed from layaway status in accordance with section 144A.071, subdivision 4b, the commissioner shall establish capacity days based on the number of licensed and certified beds in the facility not on layaway and shall reduce the nursing facility's property payment rate in accordance with paragraph (b).

(d) For the rate years beginning on or after July 1, 2000, notwithstanding any provision to the contrary under section 256B.434, a nursing facility reimbursed under that section, which has delicensed beds after July 1, 2000, by giving notice of the delicensure to the commissioners of health and human services according to the notice requirements in section 144A.071, subdivision 4b, shall be allowed to:

(1) aggregate the applicable investment per bed limits based on the number of beds licensed immediately prior to entering the alternative payment system;

(2) establish the facility's single bed election for use in calculating capacity days under Minnesota Rules, part 9549.0060, subpart 11; and

(3) establish capacity days for each rate year following the delicensure based on the number of beds licensed after the reduction.

The commissioner shall increase the facility's property payment rate by the incremental increase in the rental per diem resulting from the recalculation of the facility's rental per diem applying only the changes resulting from the delicensure of beds and clauses (1), (2), and (3). The property payment rate increase shall be effective the first day of the month following the month in which the delicensure of the beds becomes effective.

(e) For nursing facilities reimbursed under this section or section 256B.434, any beds placed in layaway status shall not be included in calculating facility occupancy as it pertains to leave days defined in Minnesota Rules, part 9505.0415.

(f) For nursing facilities reimbursed under this section or section 256B.434, the rental rate calculated after placing beds on layaway status may not be less than the rental rate prior to placing beds on layaway status.

(g) A nursing facility receiving a rate adjustment as a result of this section shall comply with section 256B.47, subdivision 2.

Sec. 8. Minnesota Statutes 1998, section 256B.434, is amended by adding a subdivision to read:

Subd. 4b. [FACILITY RATE INCREASES EFFECTIVE JULY 1, 2000.] For the rate year beginning July 1, 2000, the nursing facilities described in clauses (1) to (6) shall receive the rate increases indicated. The increases under this subdivision shall be added following the determination under section 256B.431, subdivision 28, of the payment rate for the rate year beginning July 1, 2000, and shall be included in the facility's total payment rates for the purposes of determining future rates under this section or any other section:

(1) a nursing facility in Hennepin county licensed for 290 beds shall receive an operating cost per diem increase of 7.6 percent, provided that the facility delicensures, decertifies, or places on layaway status, if that status is otherwise permitted by law, 90 beds;

(2) a nursing facility in Goodhue county licensed for 84 beds shall receive an increase of \$2 in each case mix payment rate;

(3) a nursing facility located in Rochester and licensed for 103 beds on January 1, 2000, shall receive an increase in its case mix resident class A payment of \$4.91, and an increase in the payment rate for all other case mix classes of that amount multiplied by the class weight for that case mix class established in Minnesota Rules, part 9549.0058, subpart 3;

(4) a nursing facility in Wright county licensed for 154 beds shall receive an increase of \$2.63 in each case mix payment rate to be used for employee wage and benefit enhancements;

(5) a facility in Todd county licensed for 78 beds, shall have its operating cost per diem increased by the following amounts:

- (i) case mix class A, \$1.50;
- (ii) case mix class B, \$1.95;
- (iii) case mix class C, \$2.46;
- (iv) case mix class D, \$2.93;
- (v) case mix class E, \$3.41;
- (vi) case mix class F, \$3.44;
- (vii) case mix class G, \$3.84;
- (viii) case mix class H, \$4.61;
- (ix) case mix class I, \$4.88;
- (x) case mix class J, \$5.30; and
- (xi) case mix class K, \$6.18; and

(6) a nursing facility in Pine City that decertified 22 beds in calendar year 1999 shall have its property-related per diem payment rate increased by \$2.06.

Sec. 9. Minnesota Statutes 1998, section 256B.501, is amended by adding a subdivision to read:

Subd. 13. [ICF/MR RATE INCREASES BEGINNING OCTOBER 1, 1999, AND OCTOBER 1, 2000.] (a) For the rate years beginning October 1, 1999, and October 1, 2000, the commissioner shall make available to each facility reimbursed under this section, section 256B.5011, and Laws 1993, First Special Session chapter 1, article 4, section 11, an adjustment to the total operating payment rate. For each facility, total operating costs shall be separated into costs that are compensation related and all other costs. "Compensation-related costs" means the facility's allowable program operating cost category employee training expenses, and the facility's allowable salaries, payroll taxes, and fringe benefits. The term does not include these same salary-related costs for both administrative or central office employees.

For the purpose of determining the adjustment to be granted under this subdivision, the commissioner must use the most recent cost report that has been subject to desk audit.

(b) For the rate year beginning October 1, 1999, the commissioner shall make available a rate increase for compensation-related costs of 4.6 percent and a rate increase for all other operating costs of 3.2 percent.

(c) For the rate year beginning October 1, 2000, the commissioner shall make available a rate increase for compensation related costs of 3.6 percent; an additional rate increase for compensation-related costs of three percent which must be used to increase the per-hour pay rate of all employees except administrative and central office employees by an equal dollar amount; and a rate increase for all other operating costs of two percent. Money received by a facility as a result of the additional rate increase for compensation-related costs of three percent for the rate year beginning October 1, 2000, provided under this paragraph shall be used only for wage

increases implemented on or after October 1, 2000, and shall not be used for wage increases implemented prior to that date.

(d) For each facility, the commissioner shall determine the payment rate adjustment using the categories specified in paragraph (a) multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the resulting amount by the facility's actual resident days.

(e) Any facility whose payment rates are governed by closure agreements, receivership agreements, or Minnesota Rules, part 9553.0075, are not eligible for an adjustment otherwise granted under this subdivision.

(f) A facility may apply for the compensation-related payment rate adjustment calculated under this subdivision. The application must be made to the commissioner and contain a plan by which the facility will distribute the compensation-related portion of the payment rate adjustment to employees of the facility. For facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan. For the second rate year, a negotiated agreement may constitute the plan for distribution of the additional three percent rate increase for compensation-related costs only if the agreement is finalized after the date of enactment of all rate increases for the second rate year. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in this subdivision. To be eligible, a facility must submit its plan for the compensation distribution by December 31 each year. A facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a facility's plan for compensation distribution is effective for its employees after October 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

(g) A copy of the approved distribution plan must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the facility to which all employees have access. If an employee does not receive the compensation adjustment described in their facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or telephone number provided by the commissioner and included in the approved plan.

Sec. 10. Laws 1999, chapter 245, article 1, section 2, subdivision 8, is amended to read:

Subd. 8. Continuing Care and
Community Support Grants

General	1,174,195,000	1,259,767,000
Lottery Prize	1,158,000	1,158,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Community Social Services
Block Grants

42,597,000	43,498,000
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[CSSA TRADITIONAL APPROPRIATION.]
Notwithstanding Minnesota Statutes, section 256E.06, subdivisions 1 and 2, the appropriations available under that section in fiscal years 2000 and 2001 must be distributed to each county proportionately to the aid received by the county in calendar year 1998. The commissioner, in consultation with counties, shall study the formula limitations in subdivision 2 of that section, and report findings and any recommendations for revision of the CSSA

formula and its formula limitation provisions to the legislature by January 15, 2000.

(b) Consumer Support Grants

1,123,000	1,123,000
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(c) Aging Adult Service Grants

7,965,000	7,765,000
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[LIVING-AT-HOME/BLOCK NURSE PROGRAM.] Of the general fund appropriation, \$120,000 in fiscal year 2000 and \$120,000 in fiscal year 2001 is for the commissioner to provide funding to six additional living-at-home/block nurse programs. This appropriation shall become part of the base for the 2002-2003 biennium.

[MINNESOTA SENIOR SERVICE CORPS.] Of this appropriation, \$160,000 for the biennium is from the general fund to the commissioner for the following purposes:

(a) \$40,000 in fiscal year 2000 and \$40,000 in fiscal year 2001 is to increase the hourly stipend by ten cents per hour in the foster grandparent program, the retired and senior volunteer program, and the senior companion program.

(b) \$40,000 in fiscal year 2000 and \$40,000 in fiscal year 2001 is for a grant to the tri-valley opportunity council in Crookston to expand services in the ten-county area of northwestern Minnesota.

(c) This appropriation shall become part of the base for the 2002-2003 biennium.

[HEALTH INSURANCE COUNSELING.] Of this appropriation, \$100,000 in fiscal year 2000 and \$100,000 in fiscal year 2001 is from the general fund to the commissioner to transfer to the board on aging for the purpose of awarding health insurance counseling and assistance grants to the area agencies on aging providing state-funded health insurance counseling services. Access to health insurance counseling programs shall be provided by the senior linkage line service of the board on aging and the area agencies on aging. The board on aging shall explore opportunities for obtaining alternative funding from nonstate sources, including contributions from individuals seeking health insurance counseling services. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

(d) Deaf and Hard-of-Hearing
Services Grants

1,859,000	1,760,000
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[SERVICES TO DEAF PERSONS WITH MENTAL ILLNESS.] Of this appropriation, \$100,000 each year is to the commissioner for a grant to a nonprofit agency that currently serves deaf and hard-of-hearing adults with mental illness through residential programs and supported housing outreach. The grant must be used to operate a community support program for persons with mental illness that is communicatively accessible for persons who are deaf or hard-of-hearing. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

[DEAF-BLIND ORIENTATION AND MOBILITY SERVICES.] Of this appropriation, \$120,000 for the biennium is to the commissioner for a grant to DeafBlind Services Minnesota to hire an orientation and mobility, and deaf-blind specialist to work with deaf-blind people and for related costs. The specialist will provide services to deaf-blind Minnesotans, and training to teachers and rehabilitation counselors, on a statewide basis. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium. Notwithstanding section 13, this paragraph expires on June 30, 2003.

(e) Mental Health Grants

General	45,169,000	46,528,000
Lottery Prize	1,158,000	1,158,000

[CRISIS HOUSING.] Of the general fund appropriation, \$126,000 in fiscal year 2000 and \$150,000 in fiscal year 2001 is to the commissioner for the adult mental illness crisis housing assistance program under Minnesota Statutes, section 245.99. This appropriation shall become part of the base for the 2002-2003 biennium.

[ADOLESCENT COMPULSIVE GAMBLING GRANT.] \$150,000 in fiscal year 2000 and \$150,000 in fiscal year 2001 is appropriated from the lottery prize fund created under Minnesota Statutes, section 349A.10, subdivision 2, to the commissioner for the purposes of a grant to a compulsive gambling council located in St. Louis county for a statewide compulsive gambling prevention and education project for adolescents.

(f) Developmental Disabilities
Community Support Grants

9,323,000 10,958,000

[CRISIS INTERVENTION PROJECT.] Of this appropriation, \$40,000 in fiscal year 2000 is to the commissioner for the action, support, and prevention project of southeastern Minnesota.

[SILS FUNDING.] Of this appropriation, \$1,000,000 each year is for semi-independent living services under Minnesota Statutes, section 252.275. This appropriation must be added to the base level funding for this activity for the 2002-2003 biennium. Unexpended funds for fiscal year 2000 do not cancel but are available to the commissioner for this purpose in fiscal year 2001.

[FAMILY SUPPORT GRANTS.] Of this appropriation, \$1,000,000 in fiscal year 2000 and \$2,500,000 in fiscal year 2001 is to increase the availability of family support grants under Minnesota Statutes, section 252.32. This appropriation must be added to the base level funding for this activity for the 2002-2003 biennium. Unexpended funds for fiscal year 2000 do not cancel but are available to the commissioner for this purpose in fiscal year 2001.

(g) Medical Assistance Long-Term
Care Waivers and Home Care

349,052,000 414,240,000

[PROVIDER RATE INCREASES.] (a) The commissioner shall increase reimbursement rates by four percent the first year of the biennium and by ~~three~~ six percent the second year for the providers listed in paragraph (b). The increases shall be effective for services rendered on or after July 1 of each year.

(b) The rate increases described in this section shall be provided to home and community-based waived services for persons with mental retardation or related conditions under Minnesota Statutes, section 256B.501; home and community-based waived services for the elderly under Minnesota Statutes, section 256B.0915; waived services under community alternatives for disabled individuals under Minnesota Statutes, section 256B.49; community alternative care waived services under Minnesota Statutes, section 256B.49; traumatic brain injury waived services under Minnesota Statutes, section 256B.49; nursing services and

home health services under Minnesota Statutes, section 256B.0625, subdivision 6a; personal care services and nursing supervision of personal care services under Minnesota Statutes, section 256B.0625, subdivision 19a; private-duty nursing services under Minnesota Statutes, section 256B.0625, subdivision 7; day training and habilitation services for adults with mental retardation or related conditions under Minnesota Statutes, sections 252.40 to 252.46; alternative care services under Minnesota Statutes, section 256B.0913; adult residential program grants under Minnesota Rules, parts 9535.2000 to 9535.3000; adult and family community support grants under Minnesota Rules, parts 9535.1700 to 9535.1760; semi-independent living services under Minnesota Statutes, section 252.275, including SILS funding under county social services grants formerly funded under Minnesota Statutes, chapter 256I; and community support services for deaf and hard-of-hearing adults with mental illness who use or wish to use sign language as their primary means of communication.

(c) The commissioner shall increase reimbursement rates by two percent for the group residential housing supplementary service rate under Minnesota Statutes, section 256I.05, subdivision 1a, for services rendered on or after January 1, 2000.

(d) Providers that receive a rate increase under this section shall use at least 80 percent of the additional revenue the first year to increase the compensation paid to employees other than the administrator and central office staff. In the second year, providers must use the additional revenue as follows:

(1) at least 40 percent to increase the compensation paid to employees other than the administrator and central office staff;

(2) at least 50 percent to increase the per-hour pay rate of all employees other than the administrator and central office staff by an equal dollar amount. For public employees, the portion of this increase reserved to increase the per-hour pay rate for certain staff by an equal dollar amount shall be available and pay rates shall be increased only to the extent that they comply with laws governing public employees collective bargaining. Money received by a provider as a result of the additional rate increase described in this clause shall be used only for wage increases

implemented on or after July 1, 2000, and shall not be used for wage increases implemented prior to that date; and

(3) up to ten percent for other purposes.

(e) A copy of the provider's plan for complying with paragraph (d) must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the provider's operation to which all employees have access. If an employee does not receive the salary adjustment described in the plan and is unable to resolve the problem with the provider, the employee may contact the employee's union representative. If the employee is not covered by a collective bargaining agreement, the employee may contact the commissioner at a phone number provided by the commissioner and included in the provider's plan.

(f) Section 13, sunset of uncodified language, does not apply to this provision.

[DEVELOPMENTAL DISABILITIES WAIVER SLOTS.] Of this appropriation, \$1,746,000 in fiscal year 2000 and \$4,683,000 in fiscal year 2001 is to increase the availability of home and community-based waiver services for persons with mental retardation or related conditions.

(h) Medical Assistance Long-Term Care Facilities

546,228,000	558,349,000
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[MORATORIUM EXCEPTIONS.] Of this appropriation, \$250,000 in fiscal year 2000 and \$250,000 in fiscal year 2001 is from the general fund to the commissioner for the medical assistance costs of moratorium exceptions approved by the commissioner of health under Minnesota Statutes, section 144A.073. Unexpended money appropriated for fiscal year 2000 shall not cancel but shall be available for fiscal year 2001.

[NURSING FACILITY OPERATED BY THE RED LAKE BAND OF CHIPPEWA INDIANS.] (1) The medical assistance payment rates for the 47-bed nursing facility operated by the Red Lake Band of Chippewa Indians must be calculated according to allowable reimbursement costs under the medical assistance program, as specified in Minnesota Statutes, section 246.50, and are subject to the facility-specific Medicare upper limits.

(2) In addition, the commissioner shall make available an operating payment rate adjustment effective July 1, 1999, and July 1, 2000, that is equal to the adjustment provided under Minnesota Statutes, section 256B.431, subdivision 28. The commissioner must use the facility's final 1998 and 1999 Medicare cost reports, respectively, to calculate the adjustment. The adjustment shall be available based on a plan submitted and approved according to Minnesota Statutes, section 256B.431, subdivision 28. Section 13, sunset of uncodified language, does not apply to this paragraph.

[COSTS RELATED TO FACILITY CERTIFICATION.] Of this appropriation, \$168,000 is for the costs of providing one-half the state share of medical assistance reimbursement for residential and day habilitation services under article 3, section 39. This amount is available the day following final enactment.

(i) Alternative Care Grants

General	60,873,000	59,981,000
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[ALTERNATIVE CARE TRANSFER.] Any money allocated to the alternative care program that is not spent for the purposes indicated does not cancel but shall be transferred to the medical assistance account.

[PREADMISSION SCREENING AMOUNT.] The preadmission screening payment to all counties shall continue at the payment amount in effect for fiscal year 1999.

[ALTERNATIVE CARE APPROPRIATION.] The commissioner may expend the money appropriated for the alternative care program for that purpose in either year of the biennium.

(j) Group Residential Housing

General	66,477,000	70,390,000
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[GROUP RESIDENTIAL FACILITY FOR WOMEN IN RAMSEY COUNTY.] (a) Notwithstanding Minnesota Statutes 1998, section 256I.05, subdivision 1d, the new 23-bed group residential facility for women in Ramsey county, with approval by the county agency, may negotiate a supplementary service rate in addition to the board and lodging rate for facilities licensed and registered by the Minnesota department of health under Minnesota Statutes, section 15.17. The supplementary service rate shall not exceed \$564 per person per

month and the total rate may not exceed \$1,177 per person per month.

(b) Of the general fund appropriation, \$19,000 in fiscal year 2000 and \$38,000 in fiscal year 2001 is to the commissioner for the costs associated with paragraph (a). This appropriation shall become part of the base for the 2002-2003 biennium.

(k) Chemical Dependency
Entitlement Grants

General	36,751,000	38,847,000
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(l) Chemical Dependency
Nonentitlement Grants

General	6,778,000	6,328,000
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[CHEMICAL DEPENDENCY SERVICES.] Of this appropriation, \$450,000 in fiscal year 2000 is to the commissioner for chemical dependency services to persons who qualify under Minnesota Statutes, section 254B.04, subdivision 1, paragraph (b).

Sec. 11. [INSTRUCTION TO REVISOR.]

The revisor, in the next edition of Minnesota Statutes, shall recodify section 256.9751 as section 256.9731, and make any necessary changes in cross-references.

ARTICLE 4

ASSISTANCE PROGRAM MODIFICATIONS

Section 1. Minnesota Statutes 1999 Supplement, section 119B.011, subdivision 15, is amended to read:

Subd. 15. [INCOME.] "Income" means earned or unearned income received by all family members, including public assistance cash benefits and at-home infant care subsidy payments, unless specifically excluded and child support and maintenance distributed to the family under section 256.741, subdivision 15. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs or reimbursement for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; state and federal earned income tax credits; in-kind income such as food stamps, energy assistance, foster care assistance, medical assistance, child care assistance, and housing subsidies; earned income of full or part-time students, who have not earned a high school diploma or GED high school equivalency diploma including earnings from summer employment; grant awards under the family subsidy program; nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.74 or 256.741.

Sec. 2. [119B.30] [NOTICE TO PARENTS USING LEGAL NONLICENSED CHILD CARE.]

Each county that is reimbursing legal nonlicensed child care arrangements shall send a notice to the parent, guardian, or eligible relative caregiver of each child using reimbursed legal nonlicensed child care arrangements. The notice must inform the parent, guardian, or eligible relative caregiver that the child care arrangement is not licensed by the commissioner of human services and as a result has not been inspected to ensure that the child care safety standards are being met.

Sec. 3. Minnesota Statutes 1999 Supplement, section 256.019, is amended to read:

256.019 [RECOVERY OF MONEY; APPORTIONMENT.]

Subdivision 1. [RETENTION RATES.] When an assistance recovery amount is recovered from any source for assistance given collected and posted by a county agency under the provisions governing public assistance programs including the aid to families with dependent children program formerly codified in sections 256.72 to 256.87, MFIP, general assistance medical care, emergency assistance, general assistance, and Minnesota supplemental aid, the county may keep one-half of the recovery made by the county agency using any method other than recoupment. For medical assistance, if the recovery is made by a county agency using any method other than recoupment, the county may keep one-half of the nonfederal share of the recovery.

This does not apply to recoveries from medical providers or to recoveries begun by the department of human services' surveillance and utilization review division, state hospital collections unit, and the benefit recoveries division or, by the attorney general's office, or child support collections. In the food stamp program, the nonfederal share of recoveries in the federal tax refund offset program (FTROP) only will be divided equally between the state agency and the involved county agency.

Subd. 2. [RETENTION RATES FOR AFDC AND MFIP.] (a) When an assistance recovery amount is collected and posted by a county agency under the provisions governing the aid to families with dependent children program formerly codified in sections 256.72 to 256.87 or MFIP under chapter 256J, the commissioner shall reimburse the county agency from the proceeds of the recovery using the applicable rate specified in paragraph (b) or (c).

(b) For recoveries of overpayments made on or before September 30, 1996 from the aid to families with dependent children program including the emergency assistance program, the commissioner shall reimburse the county agency at a rate of one-quarter of the recovery made by any method other than recoupment.

(c) For recoveries of overpayments made after September 30, 1996, from the aid to families with dependent children including the emergency assistance program and programs funded in whole or in part by the Temporary Assistance to Needy Families program under section 256J.02, subdivision 2, and recoveries of non-federally funded food assistance under section 256J.11, the commissioner shall reimburse the county agency at a rate of one-quarter of the recovery made by any method other than recoupment.

Sec. 4. Minnesota Statutes 1998, section 256.741, is amended by adding a subdivision to read:

Subd. 15. [CHILD SUPPORT PASS-THROUGH.] The state shall distribute current child support and maintenance received by the state to an individual who assigns the right to that support under subdivision 2, paragraph (a).

Sec. 5. Minnesota Statutes 1999 Supplement, section 256D.053, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM ESTABLISHED.] The Minnesota food assistance program is established to provide food assistance to legal noncitizens residing in this state who are ineligible to participate in the federal Food Stamp Program solely due to the provisions of section 402 or 403 of Public Law Number 104-193, as authorized by Title VII of the 1997 Emergency Supplemental Appropriations Act, Public Law Number 105-18, and as amended by Public Law Number 105-185.

Beginning July 1, 2000, the Minnesota food assistance program is limited to those noncitizens described in this subdivision who are 50 years of age or older.

Sec. 6. Minnesota Statutes 1999 Supplement, section 256J.02, subdivision 2, is amended to read:

Subd. 2. [USE OF MONEY.] State money appropriated for purposes of this section and TANF block grant money must be used for:

(1) financial assistance to or on behalf of any minor child who is a resident of this state under section 256J.12;

(2) employment and training services under this chapter or chapter 256K;

(3) emergency financial assistance and services under section 256J.48;

(4) diversionary assistance under section 256J.47;

(5) the health care and human services training and retention program under chapter 116L, for costs associated with families with children with incomes below 200 percent of the federal poverty guidelines;

(6) the pathways program under section 116L.04, subdivision 1a;

(7) welfare-to-work extended employment services for MFIP participants with severe impairment to employment as defined in section 268A.15, subdivision 1a;

(8) the family homeless prevention and assistance program under section 462A.204;

(9) the rent assistance for family stabilization demonstration project under section 462A.205;
and

(10) welfare to work transportation authorized under Public Law Number 105-178;

(11) reimbursements for the federal share of child support collections passed through to the custodial parent; and

(12) program administration under this chapter.

Sec. 7. [256J.021] [SEPARATE STATE PROGRAM FOR TWO-PARENT FAMILIES.]

Starting October 1, 2000, and each year thereafter, the commissioner must treat financial assistance expenditures made to or on behalf of any minor child under section 256J.02, subdivision 2, clause (1), who is a resident of this state under section 256J.12 and who is part of a two-parent eligible household as expenditures under a separately funded state program and report those expenditures to the department of health and human services as separate state program expenditures under Code of Federal Regulations, title 45, chapter II, part 263.5.

Sec. 8. [256J.022] [CHILD SUPPORT PASS-THROUGH.]

For purposes of claiming the pass-through of child support under section 256.741 as maintenance of effort for the temporary assistance to needy families grant, the commissioner shall exclude 50 percent of the amount passed through under section 256J.21, subdivision 2. That 50 percent shall include the entire state share of current child support and maintenance payments and an amount of the federal share sufficient to provide a disregard equivalent to 50 percent of the combined state and federal shares.

Sec. 9. Minnesota Statutes 1999 Supplement, section 256J.08, subdivision 86, is amended to read:

Subd. 86. [UNEARNED INCOME.] "Unearned income" means income received by a person that does not meet the definition of earned income. Unearned income includes income from a contract for deed, interest, dividends, reemployment compensation, disability insurance payments, veterans benefits, pension payments, return on capital investment, insurance payments or settlements, severance payments, child support and maintenance payments, and payments for illness or disability whether the premium payments are made in whole or in part by an employer or participant.

Sec. 10. Minnesota Statutes 1999 Supplement, section 256J.21, subdivision 2, is amended to read:

Subd. 2. [INCOME EXCLUSIONS.] (a) The following must be excluded in determining a family's available income:

(1) payments for basic care, difficulty of care, and clothing allowances received for providing family foster care to children or adults under Minnesota Rules, parts 9545.0010 to 9545.0260 and 9555.5050 to 9555.6265, and payments received and used for care and maintenance of a third-party beneficiary who is not a household member;

(2) reimbursements for employment training received through the Job Training Partnership Act, United States Code, title 29, chapter 19, sections 1501 to 1792b;

(3) reimbursement for out-of-pocket expenses incurred while performing volunteer services, jury duty, employment, or informal carpooling arrangements directly related to employment;

(4) all educational assistance, except the county agency must count graduate student teaching assistantships, fellowships, and other similar paid work as earned income and, after allowing deductions for any unmet and necessary educational expenses, shall count scholarships or grants awarded to graduate students that do not require teaching or research as unearned income;

(5) loans, regardless of purpose, from public or private lending institutions, governmental lending institutions, or governmental agencies;

(6) loans from private individuals, regardless of purpose, provided an applicant or participant documents that the lender expects repayment;

(7)(i) state income tax refunds; and

(ii) federal income tax refunds;

(8)(i) federal earned income credits;

(ii) Minnesota working family credits;

(iii) state homeowners and renters credits under chapter 290A; and

(iv) federal or state tax rebates;

(9) funds received for reimbursement, replacement, or rebate of personal or real property when these payments are made by public agencies, awarded by a court, solicited through public appeal, or made as a grant by a federal agency, state or local government, or disaster assistance organizations, subsequent to a presidential declaration of disaster;

(10) the portion of an insurance settlement that is used to pay medical, funeral, and burial expenses, or to repair or replace insured property;

(11) reimbursements for medical expenses that cannot be paid by medical assistance;

(12) payments by a vocational rehabilitation program administered by the state under chapter 268A, except those payments that are for current living expenses;

(13) in-kind income, including any payments directly made by a third party to a provider of goods and services;

(14) assistance payments to correct underpayments, but only for the month in which the payment is received;

(15) emergency assistance payments;

(16) funeral and cemetery payments as provided by section 256.935;

(17) nonrecurring cash gifts of \$30 or less, not exceeding \$30 per participant in a calendar month;

(18) any form of energy assistance payment made through Public Law Number 97-35, Low-Income Home Energy Assistance Act of 1981, payments made directly to energy providers by other public and private agencies, and any form of credit or rebate payment issued by energy providers;

(19) Supplemental Security Income, including retroactive payments;

(20) Minnesota supplemental aid, including retroactive payments;

(21) proceeds from the sale of real or personal property;

(22) adoption assistance payments under section 259.67;

(23) state-funded family subsidy program payments made under section 252.32 to help families care for children with mental retardation or related conditions;

(24) interest payments and dividends from property that is not excluded from and that does not exceed the asset limit;

(25) rent rebates;

(26) income earned by a minor caregiver, minor child through age 6, or a minor child who is at least a half-time student in an approved elementary or secondary education program;

(27) income earned by a caregiver under age 20 who is at least a half-time student in an approved elementary or secondary education program;

(28) MFIP child care payments under section 119B.05;

(29) all other payments made through MFIP to support a caregiver's pursuit of greater self-support;

(30) income a participant receives related to shared living expenses;

(31) reverse mortgages;

(32) benefits provided by the Child Nutrition Act of 1966, United States Code, title 42, chapter 13A, sections 1771 to 1790;

(33) benefits provided by the women, infants, and children (WIC) nutrition program, United States Code, title 42, chapter 13A, section 1786;

(34) benefits from the National School Lunch Act, United States Code, title 42, chapter 13, sections 1751 to 1769e;

(35) relocation assistance for displaced persons under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, United States Code, title 42, chapter 61, subchapter II, section 4636, or the National Housing Act, United States Code, title 12, chapter 13, sections 1701 to 1750jj;

(36) benefits from the Trade Act of 1974, United States Code, title 19, chapter 12, part 2, sections 2271 to 2322;

(37) war reparations payments to Japanese Americans and Aleuts under United States Code, title 50, sections 1989 to 1989d;

(38) payments to veterans or their dependents as a result of legal settlements regarding Agent Orange or other chemical exposure under Public Law Number 101-239, section 10405, paragraph (a)(2)(E);

(39) income that is otherwise specifically excluded from MFIP consideration in federal law, state law, or federal regulation;

(40) security and utility deposit refunds;

(41) American Indian tribal land settlements excluded under Public Law Numbers 98-123, 98-124, and 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech Lake, and Mille Lacs reservations and payments to members of the White Earth Band, under United States Code, title 25, chapter 9, section 331, and chapter 16, section 1407;

(42) all income of the minor parent's parents and stepparents when determining the grant for the minor parent in households that include a minor parent living with parents or stepparents on MFIP with other children; and

(43) income of the minor parent's parents and stepparents equal to 200 percent of the federal poverty guideline for a family size not including the minor parent and the minor parent's child in households that include a minor parent living with parents or stepparents not on MFIP when determining the grant for the minor parent. The remainder of income is deemed as specified in section 256J.37, subdivision 1b;

(44) payments made to children eligible for relative custody assistance under section 257.85;

(45) vendor payments for goods and services made on behalf of a client unless the client has the option of receiving the payment in cash; and

(46) the principal portion of a contract for deed payment; and

(47) 50 percent of current child support and maintenance payments.

Sec. 11. Minnesota Statutes 1999 Supplement, section 256J.33, subdivision 4, is amended to read:

Subd. 4. [MONTHLY INCOME TEST.] A county agency must apply the monthly income test retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when the countable income equals or exceeds the MFIP standard of need or the family wage level for the assistance unit. The income applied against the monthly income test must include:

(1) gross earned income from employment, prior to mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36, unless the employment income is specifically excluded under section 256J.21, subdivision 2;

(2) gross earned income from self-employment less deductions for self-employment expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or business state and federal income taxes, personal FICA, personal health and life insurance, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;

(3) unearned income after deductions for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36, unless the income has been specifically excluded in section 256J.21, subdivision 2;

(4) gross earned income from employment as determined under clause (1) which is received by a member of an assistance unit who is a minor child or minor caregiver and less than a half-time student;

(5) child support and spousal support received or ~~anticipated to be received~~ by an assistance unit;

(6) the income of a parent when that parent is not included in the assistance unit;

(7) the income of an eligible relative and spouse who seek to be included in the assistance unit; and

(8) the unearned income of a minor child included in the assistance unit.

Sec. 12. Minnesota Statutes 1999 Supplement, section 256J.34, subdivision 1, is amended to read:

Subdivision 1. [PROSPECTIVE BUDGETING.] A county agency must use prospective budgeting to calculate the assistance payment amount for the first two months for an applicant who has not received assistance in this state for at least one payment month preceding the first month of payment under a current application. Notwithstanding subdivision 3, paragraph (a), clause (2), a county agency must use prospective budgeting for the first two months for a person who applies to be added to an assistance unit. Prospective budgeting is not subject to overpayments or underpayments unless fraud is determined under section 256.98.

(a) The county agency must apply the income received or anticipated in the first month of MFIP eligibility against the need of the first month. The county agency must apply the income received or anticipated in the second month against the need of the second month.

(b) When the assistance payment for any part of the first two months is based on anticipated income, the county agency must base the initial assistance payment amount on the information available at the time the initial assistance payment is made.

(c) The county agency must determine the assistance payment amount for the first two months of MFIP eligibility by budgeting both recurring and nonrecurring income for those two months.

~~(d) The county agency must budget the child support income received or anticipated to be received by an assistance unit to determine the assistance payment amount from the month of application through the date in which MFIP eligibility is determined and assistance is authorized. Child support income which has been budgeted to determine the assistance payment in the initial two months is considered nonrecurring income. An assistance unit must forward any payment of child support to the child support enforcement unit of the county agency following the date in which assistance is authorized.~~

Sec. 13. Minnesota Statutes 1999 Supplement, section 256J.34, subdivision 4, is amended to read:

Subd. 4. [SIGNIFICANT CHANGE IN GROSS INCOME.] The county agency must recalculate the assistance payment when an assistance unit experiences a significant change, as defined in section 256J.08, resulting in a reduction in the gross income received in the payment month from the gross income received in the budget month. The county agency must issue a supplemental assistance payment based on the county agency's best estimate of the assistance unit's income and circumstances for the payment month. Supplemental assistance payments that result from significant changes are limited to two in a 12-month period regardless of the reason for the change. Notwithstanding any other statute or rule of law, supplementary assistance payments shall not be made when the significant change in income is the result of receipt of a lump sum, receipt of an extra paycheck, business fluctuation in self-employment income, or an assistance unit member's participation in a strike or other labor action. ~~Supplementary assistance payments due to a significant change in the amount of direct support received must not be made after the date the assistance unit is required to forward support to the child support enforcement unit under subdivision 1, paragraph (d).~~

Sec. 14. Minnesota Statutes 1999 Supplement, section 256J.37, subdivision 9, is amended to read:

Subd. 9. [UNEARNED INCOME.] (a) The county agency must apply unearned income to the MFIP standard of need. When determining the amount of unearned income, the county agency must deduct the costs necessary to secure payments of unearned income. These costs include legal fees, medical fees, and mandatory deductions such as federal and state income taxes.

(b) ~~Effective January 1, 2001, the county agency shall count \$100 of the value of public and assisted rental subsidies provided through the Department of Housing and Urban Development (HUD) as unearned income. The full amount of the subsidy must be counted as unearned income when the subsidy is less than \$100.~~

~~(c) The provisions of paragraph (b) shall not apply to MFIP participants who are exempt from the employment and training services component because they are:~~

~~(i) individuals who are age 60 or older;~~

~~(ii) individuals who are suffering from a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment; or~~

~~(iii) caregivers whose presence in the home is required because of the professionally certified illness or incapacity of another member in the assistance unit, a relative in the household, or a foster child in the household.~~

~~(d) The provisions of paragraph (b) shall not apply to an MFIP assistance unit where the parental caregiver receives supplemental security income.~~

Sec. 15. Minnesota Statutes 1999 Supplement, section 256J.46, subdivision 1, is amended to read:

Subdivision 1. [SANCTIONS FOR PARTICIPANTS NOT COMPLYING WITH PROGRAM REQUIREMENTS.] (a) A participant who fails without good cause to comply with the requirements of this chapter, and who is not subject to a sanction under subdivision 2, shall be subject to a sanction as provided in this subdivision.

A sanction under this subdivision becomes effective the month following the month in which a required notice is given. A sanction must not be imposed when a participant comes into compliance with the requirements for orientation under section 256J.45 or third-party liability for medical services under section 256J.30, subdivision 10, prior to the effective date of the sanction. A sanction must not be imposed when a participant comes into compliance with the requirements for employment and training services under sections 256J.49 to 256J.72 ten days prior to the effective date of the sanction. For purposes of this subdivision, each month that a participant fails to comply with a requirement of this chapter shall be considered a separate occurrence of noncompliance. A participant who has had one or more sanctions imposed must remain in compliance with the provisions of this chapter for six months in order for a subsequent occurrence of noncompliance to be considered a first occurrence.

(b) Sanctions for noncompliance shall be imposed as follows:

(1) For the first occurrence of noncompliance by a participant in a single-parent household or by one participant in a two-parent household, the job counselor must initiate personal contact with the participant by either having a personal meeting with the participant or a telephone conversation with the participant. The job counselor shall thoroughly review the exemption categories and good cause categories to determine if the participant falls under one or more of these categories. If the participant does not fall under an exemption or good cause category, the assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an assistance unit of the same size with the residual grant paid to the participant. The reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that the participant returns to compliance.

(2) For a second or subsequent occurrence of noncompliance, or when both participants in a two-parent household are out of compliance at the same time, the assistance unit's shelter costs shall be vendor paid up to the amount of the cash portion of the MFIP grant for which the participant's assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment of the assistance unit's shelter costs. The residual amount of the grant after vendor payment, if any, must be reduced by an amount equal to 30 percent of the MFIP standard of need for an assistance unit of the same size before the residual grant is paid to the assistance unit. The reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that a participant in a one-parent household returns to compliance. In a two-parent household, the grant reduction must be in effect for a minimum of

one month and shall be removed in the month following the month both participants return to compliance. The vendor payment of shelter costs and, if applicable, utilities shall be removed six months after the month in which the participant or participants return to compliance.

(c) No later than during the second month that a sanction under paragraph (b), clause (2), is in effect due to noncompliance with employment services, the participant's case file must be reviewed to determine if:

- (i) the continued noncompliance can be explained and mitigated by providing a needed preemployment activity, as defined in section 256J.49, subdivision 13, clause (16);
- (ii) the participant qualifies for a good cause exception under section 256J.57; or
- (iii) the participant qualifies for an exemption under section 256J.56.

If the lack of an identified activity can explain the noncompliance, the county must work with the participant to provide the identified activity, and the county must restore the participant's grant amount to the full amount for which the assistance unit is eligible. The grant must be restored retroactively to the first day of the month in which the participant was found to lack preemployment activities or to qualify for an exemption or good cause exception.

If the participant is found to qualify for a good cause exception or an exemption, the county must restore the participant's grant to the full amount for which the assistance unit is eligible.

Sec. 16. Minnesota Statutes 1998, section 256J.47, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A family is eligible to receive diversionary assistance once every ~~36~~ 12 months if:

- (1) a family member has resided in this state for at least 30 days;
- (2) the caregiver provides verification that the caregiver has either experienced an unexpected occurrence that makes it impossible to retain or obtain employment or the caregiver has a temporary loss of income, which is not due to refusing to accept or terminating suitable employment as defined in section 256J.49, without good cause under section 256J.57, resulting in an emergency;
- (3) the caregiver is at risk of MFIP-S eligibility if diversionary assistance is not provided and household income is below ~~140~~ 200 percent of the federal poverty guidelines; and
- (4) the diversionary assistance will resolve the emergency and divert the family from applying for MFIP-S.

For purposes of this section, diversionary assistance means a one-time lump-sum payment to an individual or third-party vendor to prevent long-term receipt of public assistance.

Sec. 17. Minnesota Statutes 1998, section 256J.50, subdivision 7, is amended to read:

Subd. 7. [LOCAL SERVICE UNIT PLAN.] (a) Each local or county service unit shall prepare and submit a plan as specified in section 268.88.

(b) The plan must include a description of how projects funded under the local interventions for family employment in section 256J.62, subdivision 3a, operate in the local service unit, including:

- (1) target population of hard-to-employ participants and working participants in need of job retention and wage advancement services, with a description of how individual participant needs will be met;
- (2) services that will be provided which may include, but are not limited to, paid work experience, enhanced mental health services, outreach to sanctioned families, child care for social services, child care transition year set-aside, homeless and housing advocacy, and transportation;

(3) a description of services the county provides, or will provide, to MFIP participants affected by chemical dependency, mental health issues, or family violence;

(4) projected expenditures by activity; and

(5) anticipated program outcomes, including the anticipated impact the intervention efforts will have on performance measures under section 256J.751 and on reducing the number of MFIP participants expected to reach their 60-month time limit.

Each plan must demonstrate how the county or tribe is working within its organization and with other organizations in the community to serve hard-to-employ populations and working participants in need of job retention and wage advancement services, including how organizations in the community were engaged in planning for use of these funds, the services other entities will provide under the plan, and whether multicounty or regional strategies are being implemented as part of this plan.

(c) The activities and the projected expenditures described in the plan must enhance MFIP activities without supplanting existing activities and expenditures.

(d) This plan must be approved before the local service unit is eligible for funds from the local intervention for family employment allocation in section 256J.62.

Sec. 18. Minnesota Statutes 1998, section 256J.52, subdivision 2, is amended to read:

Subd. 2. [INITIAL ASSESSMENT.] (a) The job counselor must, with the cooperation of the participant, assess the participant's ability to obtain and retain employment. This initial assessment must include a review of the participant's education level, prior employment or work experience, transferable work skills, and existing job markets.

(b) The job counselor must thoroughly review the good cause exemptions under section 256J.57, and exempt a participant according to that section of law if the participant falls under one or more of the exemption categories, and the participant agrees that the participant does not wish to participate in employment and training services. If the participant does not fall under an exemption category, the job counselor must carefully screen the participant to determine if the participant is experiencing potential barriers to employment, which may include, but are not limited to, mental health problems, physical impairments or disabilities, chronic health conditions, chemical dependency problems, or remedial reading or math skills. If the participant is not exempt but the job counselor determines that the participant has potential barriers to employment that will not be overcome with job search, the job counselor must conduct a secondary assessment under subdivision 4.

(c) In assessing the participant, the job counselor must determine if the participant needs refresher courses for professional certification or licensure, in which case, the job search plan under subdivision 3 must include the courses necessary to obtain the certification or licensure, in addition to other work activities, provided the combination of the courses and other work activities are at least for 40 hours per week.

~~(e)~~ (d) If a participant can demonstrate to the satisfaction of the county agency that lack of proficiency in English is a barrier to obtaining suitable employment, the job counselor must include participation in an intensive English as a second language program if available or otherwise a regular English as a second language program in the individual's employment plan under subdivision 5. Lack of proficiency in English is not necessarily a barrier to employment.

~~(d)~~ (e) The job counselor may approve an education or training plan, and postpone the job search requirement, if the participant has a proposal for an education program which:

(1) can be completed within 12 months;

(2) meets the criteria of section 256J.53, subdivisions 2, 3, and 5; and

(3) is likely, without additional training, to lead to monthly employment earnings which, after

subtraction of the earnings disregard under section 256J.21, equal or exceed the family wage level for the participant's assistance unit.

(e) (f) A participant who, at the time of the initial assessment, presents a plan that includes farming as a self-employed work activity must have an employment plan developed under subdivision 5 that includes the farming as an approved work activity.

Sec. 19. Minnesota Statutes 1999 Supplement, section 256J.52, subdivision 3, is amended to read:

Subd. 3. [JOB SEARCH; JOB SEARCH SUPPORT PLAN.] (a) If, after the initial assessment, the job counselor determines that the participant possesses sufficient skills that the participant is likely to succeed in obtaining suitable employment, the participant must conduct job search for a period of up to eight weeks, for at least 30 hours per week. The participant must accept any offer of suitable employment. Upon agreement by the job counselor and the participant, a job search support plan may limit a job search to jobs that are consistent with the participant's employment goal. The job counselor and participant must develop a job search support plan which specifies, at a minimum: whether the job search is to be supervised or unsupervised; support services that will be provided while the participant conducts job search activities; the courses necessary to obtain certification or licensure, if applicable, and after obtaining the license or certificate, the client must comply with subdivision 5; and how frequently the participant must report to the job counselor on the status of the participant's job search activities. The job search support plan may also specify that the participant fulfill a specified portion of the required hours of job search through attending adult basic education or English as a second language classes.

(b) A participant with low skills in reading or mathematics who is proficient only at or below an eighth-grade level must be allowed to include basic education activities, which includes, but is not limited to, regular or intensive English as a second language activities, obtaining a GED or its equivalent, and learning or enhancing soft skills, in a job search support plan.

(c) During the eight-week job search period, either the job counselor or the participant may request a review of the participant's job search plan and progress towards obtaining suitable employment. If a review is requested by the participant, the job counselor must concur that the review is appropriate for the participant at that time. If a review is conducted, the job counselor may make a determination to conduct a secondary assessment prior to the conclusion of the job search.

(e) (d) Failure to conduct the required job search, to accept any offer of suitable employment, to develop or comply with a job search support plan, or voluntarily quitting suitable employment without good cause results in the imposition of a sanction under section 256J.46. If at the end of eight weeks the participant has not obtained suitable employment, the job counselor must conduct a secondary assessment of the participant under subdivision 3 4.

Sec. 20. Minnesota Statutes 1999 Supplement, section 256J.52, subdivision 4, is amended to read:

Subd. 4. [SECONDARY ASSESSMENT.] (a) The job counselor must conduct a secondary assessment for those participants who:

(1) in the judgment of the job counselor, have barriers to obtaining employment that will not be overcome with a job search support plan under subdivision 3;

(2) have completed eight weeks of job search under subdivision 3 without obtaining or retaining suitable employment;

(3) have not received a secondary assessment, are working at least 20 hours per week, and the participant, job counselor, or county agency requests a secondary assessment; or

(4) have an existing job search plan or employment plan developed for another program or are already involved in training or education activities under section 256J.55, subdivision 5.

(b) In the secondary assessment the job counselor must evaluate the participant's skills and prior work experience, family circumstances, interests and abilities, need for preemployment activities, supportive or educational services, and the extent of any barriers to employment. Failure to complete a secondary assessment shall result in the imposition of a sanction as specified in sections 256J.46 and 256J.57. The job counselor must use the information gathered through the secondary assessment to develop an employment plan under subdivision 5.

(c) The job counselor may require the participant to complete a professional chemical use assessment to be performed according to the rules adopted under section 254A.03, subdivision 3, including provisions in the administrative rules which recognize the cultural background of the participant, or a professional psychological assessment by a qualified mental health professional as a component of the secondary assessment, when the job counselor has a reasonable belief, based on objective evidence, that a participant's ability to obtain and retain suitable employment is impaired by a ~~medical condition~~ mental health or chemical abuse problem. The job counselor ~~may~~ must ensure that appropriate services, including counseling, treatment, child care assistance, and transportation, are available to the participant to meet needs identified by the assessment. Data gathered as part of a professional assessment must be classified and disclosed according to the provisions in section 13.46.

(d) The provider shall make available to participants information regarding additional vendors or resources which provide employment and training services that may be available to the participant under a plan developed under this section. At a minimum, the provider must make available information on the following resources: business and higher education partnerships operated under the Minnesota job skills partnership, community and technical colleges, adult basic education programs, and services offered by vocational rehabilitation programs. The information must include a brief summary of services provided and related performance indicators. Performance indicators must include, but are not limited to, the average time to complete program offerings, placement rates, entry and average wages, and retention rates. To be included in the information given to participants, a vendor or resource must provide counties with relevant information in the format required by the county.

Sec. 21. Minnesota Statutes 1999 Supplement, section 256J.52, subdivision 5, is amended to read:

Subd. 5. [EMPLOYMENT PLAN; CONTENTS.] (a) Based on the secondary assessment under subdivision 4, the job counselor and the participant must develop an employment plan for the participant that includes specific activities that are tied to an employment goal and a plan for long-term self-sufficiency, and that is designed to move the participant along the most direct path to unsubsidized employment. The employment plan must list the specific steps that will be taken to obtain employment and a timetable for completion of each of the steps. Upon agreement by the job counselor and the participant, the employment plan may limit a job search to jobs that are consistent with the participant's employment goal.

(b) As part of the development of the participant's employment plan, the participant shall have the option of selecting from among the vendors or resources that the job counselor determines will be effective in supplying one or more of the services necessary to meet the employment goals specified in the participant's plan. In compiling the list of vendors and resources that the job counselor determines would be effective in meeting the participant's employment goals, the job counselor must determine that adequate financial resources are available for the vendors or resources ultimately selected by the participant.

(c) A participant with low skills in reading or mathematics who is proficient only at or below an eighth-grade level must be allowed to include basic education activities, which includes, but is not limited to, regular to intensive English as a second language activities, obtaining a GED or its equivalent, and learning or enhancing soft skills, in an employment plan.

(d) The job counselor and the participant must sign the developed plan to indicate agreement between the job counselor and the participant on the contents of the plan.

Sec. 22. [256J.522] [24 MONTHS OF EDUCATION.]

Subdivision 1. [INITIAL ASSESSMENT.] (a) The job counselor must, with the cooperation of the participant, assess the participant's ability to obtain and retain employment. This initial assessment must include a review of the participant's education level, prior employment or work experience, transferable work skills, and existing job markets.

(b) In assessing the participant, the job counselor must determine if the participant needs refresher courses for professional certification or licensure, in which case, the job search plan under section 256J.52, subdivision 3, must include the courses necessary to obtain the certification or licensure, in addition to other work activities, provided the combination of the courses and other work activities are at least for 40 hours per week.

(c) The job counselor shall approve an education or training plan, and postpone the job search requirement, if less than 30 percent of the statewide MFIP caseload is participating in education and training, and if the participant has a proposal for an education program which:

(1) can be completed within 24 months;

(2) meets the criteria of section 256J.53, subdivisions 2, 3, and 5; and

(3) is likely, without additional training, to lead to monthly employment earnings which, after subtraction of the earnings disregard under section 256J.21, equal or exceed the family wage level for the participant's assistance unit.

(d) A participant who, at the time of the initial assessment, presents a plan that includes farming as a self-employed work activity must have an employment plan developed under section 256J.52, subdivision 5, that includes the farming as an approved work activity.

If an education or training program is approved, the participant must maintain satisfactory progress in the program as required under section 256J.53, subdivision 3. The participant is not limited to one education or training program but may participate in education or training programs that meet the criteria in this paragraph, up to a total of 24 months. Job search as required under section 256J.53, subdivision 5, applies to participants approved for an education program under this section.

Subd. 2. [LENGTH OF PROGRAM.] In order for a post-secondary education or training program to be approved work activity as defined in section 256J.49, subdivision 13, clause (18), it must be a program lasting 24 months or less, and the participant must meet the requirements of subdivision 3, and section 256J.53, subdivision 3.

Subd. 3. [DOCUMENTATION SUPPORTING PROGRAM.] (a) In order for a post-secondary education or training program to be an approved activity in a participant's employment plan, the participant or the employment and training service provider must provide documentation that:

(1) the participant's employment plan identifies specific goals that can only be met with the additional education or training;

(2) there are suitable employment opportunities that require the specific education or training in the area in which the participant resides or is willing to reside;

(3) the education or training will result in significantly higher wages for the participant than the participant could earn without the education or training;

(4) the participant can meet the requirements for admission into the program; and

(5) there is a reasonable expectation that the participant will complete the training program based on such factors as the participant's MFIP assessment, previous education, training, and work history; current motivation; and changes in previous circumstances.

(b) The job counselor shall approve an education or training program that meets the requirements under paragraph (a).

Subd. 4. [SUNSET.] The provisions in this section supercede Minnesota Statutes, sections

256J.52, subdivision 2; 256J.53, subdivision 1; and 256J.53, subdivision 2, from July 1, 2000, to June 30, 2002. On June 30, 2002, this section sunsets and beginning July 1, 2002, Minnesota Statutes, sections 256J.53, subdivision 2; 256J.53, subdivision 1; and 256J.53, subdivision 2, are in full force and effect.

Sec. 23. Minnesota Statutes 1998, section 256J.53, subdivision 3, is amended to read:

Subd. 3. [SATISFACTORY PROGRESS REQUIRED.] In order for a ~~post-secondary education or training program to be an approved activity in a participant's employment plan~~ participant to continue with post-secondary education or training, the participant must maintain satisfactory progress in the program. "Satisfactory progress" in an education or training program means (1) the participant remains in good standing while the participant is enrolled in the program, as defined by the education or training institution, or (2) the participant makes satisfactory progress as the term is defined in the participant's employment plan.

Sec. 24. Minnesota Statutes 1999 Supplement, section 256J.56, is amended to read:

256J.56 [EMPLOYMENT AND TRAINING SERVICES COMPONENT; EXEMPTIONS.]

(a) An MFIP caregiver is exempt from the requirements of sections 256J.52 to 256J.55 if the caregiver belongs to any of the following groups:

(1) individuals who are age 60 or older;

(2) individuals who are suffering from a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment. Persons in this category with a temporary illness, injury, or incapacity must be reevaluated at least quarterly;

(3) caregivers whose presence in the home is required because of the professionally certified illness or incapacity of another member in the assistance unit, a relative in the household, or a foster child in the household;

(4) women who are pregnant, if the pregnancy has resulted in a professionally certified incapacity that prevents the woman from obtaining or retaining employment;

(5) caregivers of a child under the age of one year who personally provide full-time care for the child. This exemption may be used for only 12 months in a lifetime. In two-parent households, only one parent or other relative may qualify for this exemption;

(6) individuals who are single parents, or one parent in a two-parent family, employed at least 35 hours per week;

(7) individuals experiencing a personal or family crisis that makes them incapable of participating in the program, as determined by the county agency. If the participant does not agree with the county agency's determination, the participant may seek professional certification, as defined in section 256J.08, that the participant is incapable of participating in the program.

Persons in this exemption category must be reevaluated every 60 days; ~~or~~

(8) second parents in two-parent families employed for 20 or more hours per week, provided the first parent is employed at least 35 hours per week; or

(9) caregivers with a child or an adult in the household who meets the disability or medical criteria for home care services under section 256B.0627, subdivision 1, paragraph (c), or a home and community-based waiver services program under chapter 256B, or meets the criteria for severe emotional disturbance under section 245.4871, subdivision 6, or for serious and persistent mental illness under section 245.462, subdivision 20, paragraph (c). Caregivers in this exemption category are presumed to be prevented from obtaining or retaining employment.

A caregiver who is exempt under clause (5) must enroll in and attend an early childhood and family education class, a parenting class, or some similar activity, if available, during the period of

time the caregiver is exempt under this section. Notwithstanding section 256J.46, failure to attend the required activity shall not result in the imposition of a sanction.

(b) The county agency must provide employment and training services to MFIP caregivers who are exempt under this section, but who volunteer to participate. Exempt volunteers may request approval for any work activity under section 256J.49, subdivision 13. The hourly participation requirements for nonexempt caregivers under section 256J.50, subdivision 5, do not apply to exempt caregivers who volunteer to participate.

Sec. 25. Minnesota Statutes 1998, section 256J.62, is amended by adding a subdivision to read:

Subd. 3a. [LOCAL INTERVENTIONS FOR FAMILY EMPLOYMENT.] (a) Of the local intervention for family employment funds appropriated for that purpose, 80 percent shall be allocated to counties and tribes based on the average proportion of the MFIP caseload that has received MFIP assistance for 24 of the last 36 months, as sampled on March 31, June 30, September 30, and December 31 of the previous calendar year, less the number of child only cases and cases where all the caregivers are age 60 or over. Two-parent cases, with the exception of those with a caregiver age 60 or over, will be multiplied by a factor of two.

(b) Counties or tribes must have an approved local service unit plan under section 256J.50, subdivision 7, paragraph (b), in order to expend funds under this section. The commissioner may approve funding for a county or tribe at less than the amount allocated under paragraph (a) based on plan review, or at more than allocated under paragraph (a) based on paragraph (c).

(c) Of the local intervention for family employment funds appropriated for that purpose, 20 percent shall be retained by the commissioner and awarded to counties or tribes whose local service unit plans under section 256J.50, subdivision 7, paragraph (b), demonstrate additional need based on their identification of hard-to-employ families and working participants in need of job retention and wage advancement services, strong anticipated outcomes for families and an effective plan for monitoring performance, or, use of a multientity or regional approach to serve hard-to-employ families and working participants in need of job retention and wage advancement services who are identified as a target population to be served in the plan submitted under section 256J.50, subdivision 7, paragraph (b).

The commissioner may award funds under this paragraph to other public, private, or nonprofit entities to deliver services in a county or region where the entity or entities submit a plan that demonstrates nonduplication of services, a strong capability to fulfill the terms of the plan, and an innovative or multientity approach.

(d) If a county or tribe does not submit a local service unit plan under section 256J.50, subdivision 7, paragraph (b), or if the plan is not approved or is not approved at the full amount allocated to the county or tribe under paragraph (a), remaining funds under paragraph (a) may be used by the commissioner to contract with other public, private, or nonprofit entities in the county or region to deliver services that meet the purposes of paragraph (b) of the federal TANF funds appropriations section in article 1.

(e) Counties and tribes must submit semiannual progress reports detailing program outcomes.

(f) Intervention fund money may not be expended on TANF assistance as defined in the Code of Federal Regulations, title 45, section 260.31.

Sec. 26. [256J.88] [CHILD ONLY TANF PROGRAM.]

Children who receive assistance under this chapter, in which the assistance unit does not include a caregiver, but only includes a minor child, shall become part of the program established under this section.

Sec. 27. [REPORT RELATED TO MFIP SANCTIONS.]

The commissioner of human services shall provide a report to the chairs of the house and senate policy and fiscal committees having jurisdiction over issues related to MFIP, which

provides information on the number of MFIP participants, since the program started in 1998, who have been sanctioned for three or more months at the 30 percent sanction level, and also, if available, the reason for the sanction. The report is due November 1, 2000.

Sec. 28. [DAKOTA COUNTY DIVERSION PILOT PROJECT.]

The commissioner of human services and representatives of the Dakota county employment and economic assistance department shall plan a Dakota county diversion pilot project to encourage rapid entrance into the work force and to improve employability and self-sufficiency for MFIP eligible families. The pilot project must be designed so that it does not result in any additional program costs for the Minnesota family investment program (MFIP). The project is intended to test the use of assistance combined with enhanced employment services as a way of diverting families from MFIP.

By December 1, 2000, Dakota county and the commissioner of human services shall submit a proposal for the pilot project to the chairs of the house health and human services finance committee and the senate health and family security budget division. The proposal shall include:

(1) a description of the project, including the possibility that the program could, if successful, be recommended for continuation on a permanent basis in Dakota county or statewide;

(2) how client sanctions for failure to comply with program requirements would be defined for the project;

(3) how the project could be tracked and evaluated;

(4) projected program cost savings, if any; and

(5) fiscal implications, if any, of modifying the MAXIS system for the pilot project.

Sec. 29. [REPEALER.]

(a) Laws 1997, chapter 203, article 9, section 21, is repealed.

(b) Laws 1998, chapter 407, article 6, section 111, is repealed.

Sec. 30. [EFFECTIVE DATE.]

Sections 4, 6, 7, 8, 9, and 10 are effective January 1, 2001.

ARTICLE 5

TECHNICAL CORRECTIONS

Section 1. Minnesota Statutes 1999 Supplement, section 62J.535, subdivision 2, is amended to read:

Subd. 2. [COMPLIANCE.] (a) ~~Concurrent with the effective dates~~ date of required compliance established under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, for uniform electronic billing standards, all health care providers must conform to the uniform billing standards developed under subdivision 1.

(b) Notwithstanding paragraph (a), the requirements for the uniform remittance advice report shall be effective 12 months after the date of the required compliance of the standards for the electronic remittance advice transaction are effective under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 1998, section 125A.74, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A district may enroll as a provider in the medical assistance program and receive medical assistance payments for covered special education services provided

to persons eligible for medical assistance under chapter 256B. To receive medical assistance payments, the district must pay the nonfederal share of medical assistance services provided according to section 256B.0625, subdivision 26, and comply with relevant provisions of state and federal statutes and regulations governing the medical assistance program.

Sec. 3. Minnesota Statutes 1998, section 125A.74, subdivision 2, is amended to read:

Subd. 2. [FUNDING.] A district that provides a covered service to an eligible person and complies with relevant requirements of the medical assistance program is entitled to receive payment for the service ~~provided, including that portion of the payment services that will subsequently be reimbursed by the federal government, in the same manner as other medical assistance providers. The school district is not required to provide matching funds or pay part of the costs of the service, as long as the rate charged for the service does not exceed medical assistance limits that apply to all medical assistance providers.~~

Sec. 4. Minnesota Statutes 1999 Supplement, section 144.395, is amended by adding a subdivision to read:

Subd. 3. [SUNSET.] The tobacco use prevention and local public health endowment fund expires June 30, 2015. Upon expiration, the commissioner of finance shall transfer the principal and any remaining interest to the general fund.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 5. Minnesota Statutes 1999 Supplement, section 144.396, subdivision 11, is amended to read:

Subd. 11. [AUDITS REQUIRED.] The legislative auditor shall audit tobacco use prevention and local public health endowment fund expenditures to ensure that the money is spent for tobacco use prevention measures and public health initiatives.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 1999 Supplement, section 144.396, subdivision 12, is amended to read:

Subd. 12. [ENDOWMENT FUND NOT TO SUPPLANT EXISTING FUNDING.] Appropriations from the ~~account~~ tobacco use prevention and local public health endowment fund must not be used as a substitute for traditional sources of funding tobacco use prevention activities or public health initiatives. Any local unit of government receiving money under this section must ensure that existing local financial efforts remain in place.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 1999 Supplement, section 256B.0916, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION OF WAITING LIST.] (a) The legislature recognizes that as of January 1, 1999, 3,300 persons with mental retardation or related conditions have been screened and determined eligible for the home and community-based waiver services program for persons with mental retardation or related conditions. Many wait for several years before receiving service.

(b) The waiting list for this program shall be reduced or eliminated by June 30, 2003. In order to reduce the number of eligible persons waiting for identified services provided through the home and community-based waiver for persons with mental retardation or related conditions, during the period from July 1, 1999, to June 30, 2003, funding shall be increased to add 100 additional eligible persons each year beyond the February 1999 medical assistance forecast.

(c) The commissioner shall allocate resources in such a manner as to use all resources budgeted for the home and community-based waiver for persons with mental retardation or related conditions according to the priorities listed in subdivision 2, paragraph (b), and then to serve other

persons on the waiting list. Resources allocated for a fiscal year to serve persons affected by public and private sector ICF/MR closures, but not expected to be expended for that purpose, must be reallocated within that fiscal year to serve other persons on the waiting list, and the number of waiver diversion slots shall be adjusted accordingly.

(d) For fiscal year 2001, at least one-half of the increase in funding over the previous year provided in the February 1999 medical assistance forecast for the home and community-based waiver for persons with mental retardation and related conditions, including changes made by the 1999 legislature, must be used to serve persons who are not affected by public and private sector ICF/MR closures.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 1999 Supplement, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) For a person who is eligible under subdivision 3, paragraph (a), clause (3), general assistance medical care covers, except as provided in paragraph (c):

- (1) inpatient hospital services;
- (2) outpatient hospital services;
- (3) services provided by Medicare certified rehabilitation agencies;
- (4) prescription drugs and other products recommended through the process established in section 256B.0625, subdivision 13;
- (5) equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level;
- (6) eyeglasses and eye examinations provided by a physician or optometrist;
- (7) hearing aids;
- (8) prosthetic devices;
- (9) laboratory and X-ray services;
- (10) physician's services;
- (11) medical transportation;
- (12) chiropractic services as covered under the medical assistance program;
- (13) podiatric services;
- (14) dental services;
- (15) outpatient services provided by a mental health center or clinic that is under contract with the county board and is established under section 245.62;
- (16) day treatment services for mental illness provided under contract with the county board;
- (17) prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization;
- (18) psychological services, medical supplies and equipment, and Medicare premiums, coinsurance and deductible payments;
- (19) medical equipment not specifically listed in this paragraph when the use of the equipment will prevent the need for costlier services that are reimbursable under this subdivision;

(20) services performed by a certified pediatric nurse practitioner, a certified family nurse practitioner, a certified adult nurse practitioner, a certified obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise covered under this chapter as a physician service, (2) a the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the operating payment rate, and (3) the service is within the scope of practice of the nurse practitioner's license as a registered nurse, as defined in section 148.171;

(21) services of a certified public health nurse or a registered nurse practicing in a public health nursing clinic that is a department of, or that operates under the direct authority of, a unit of government, if the service is within the scope of practice of the public health nurse's license as a registered nurse, as defined in section 148.171; and

(22) telemedicine consultations, to the extent they are covered under section 256B.0625, subdivision 3b.

(b) Except as provided in paragraph (c), for a recipient who is eligible under subdivision 3, paragraph (a), clause (1) or (2), general assistance medical care covers the services listed in paragraph (a) with the exception of special transportation services.

(c) Gender reassignment surgery and related services are not covered services under this subdivision unless the individual began receiving gender reassignment services prior to July 1, 1995.

(d) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. For payments made during fiscal year 1990 and later years, the commissioner shall consult with an independent actuary in establishing prepayment rates, but shall retain final control over the rate methodology. Notwithstanding the provisions of subdivision 3, an individual who becomes ineligible for general assistance medical care because of failure to submit income reports or recertification forms in a timely manner, shall remain enrolled in the prepaid health plan and shall remain eligible for general assistance medical care coverage through the last day of the month in which the enrollee became ineligible for general assistance medical care.

~~(e) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions:~~

~~(i) For the period July 1, 1985 to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.~~

~~(ii) For the period January 1, 1986 to December 31, 1986, reductions below the cost per service~~

~~unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.~~

~~(iii) For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.~~

~~(iv) For the period July 1, 1987 to June 30, 1988, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than five percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.~~

~~(v) For the period July 1, 1988 to June 30, 1989, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may not be reduced. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.~~

~~(f) There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.~~

~~(g) (f) Any county may, from its own resources, provide medical payments for which state payments are not made.~~

~~(h) (g) Chemical dependency services that are reimbursed under chapter 254B must not be reimbursed under general assistance medical care.~~

~~(i) (h) The maximum payment for new vendors enrolled in the general assistance medical care program after the base year shall be determined from the average usual and customary charge of the same vendor type enrolled in the base year.~~

~~(j) (i) The conditions of payment for services under this subdivision are the same as the conditions specified in rules adopted under chapter 256B governing the medical assistance program, unless otherwise provided by statute or rule.~~

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 1999 Supplement, section 256J.11, subdivision 2, is amended to read:

Subd. 2. [NONCITIZENS; FOOD PORTION.] Notwithstanding Laws 1998, chapter 407, article 6, section 111, state dollars shall fund the food portion of a noncitizen's MFIP benefits when federal food stamp dollars cannot be used to fund those benefits. The assistance provided under this subdivision, which is designated as a supplement to replace lost benefits under the federal food stamp program, must be disregarded as income in all programs that do not count food stamps as income where the commissioner has the authority to make the income disregard determination for the program.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 10. Laws 1999, chapter 245, article 1, section 2, subdivision 5, is amended to read:
Subd. 5. Basic Health Care Grants

Summary by Fund

General	867,174,000	916,234,000
Health Care Access	116,490,000	145,469,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Minnesota Care Grants-
Health Care

Access	116,490,000	145,469,000
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[HOSPITAL INPATIENT COPAYMENTS.]

The commissioner of human services may require hospitals to refund hospital inpatient copayments paid by enrollees pursuant to Minnesota Statutes, section 256L.03, subdivision 5, between March 1, 1999, and December 31, 1999. If the commissioner requires hospitals to refund these copayments, the hospitals shall collect the copayment directly from the commissioner.

[MINNESOTACARE OUTREACH FEDERAL MATCHING FUNDS.] Any federal matching funds received as a result of the MinnesotaCare outreach activities authorized by Laws 1997, chapter 225, article 7, section 2, subdivision 1, shall be deposited in the health care access fund and dedicated to the commissioner to be used for those outreach purposes.

[FEDERAL RECEIPTS FOR ADMINISTRATION.] Receipts received as a result of federal participation pertaining to administrative costs of the Minnesota health care reform waiver shall be deposited as nondedicated revenue in the health care access fund. Receipts received as a result of federal participation pertaining to grants shall be deposited in the federal fund and shall offset health care access funds for payments to providers.

[HEALTH CARE ACCESS FUND.] The commissioner may expend money appropriated from the health care access fund for MinnesotaCare in either fiscal year of the biennium.

(b) MA Basic Health Care Grants-
Families and Children

General	307,053,000	320,112,000
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[COMMUNITY DENTAL CLINICS.] Of this appropriation, \$600,000 in fiscal year 2000 is for the commissioner to provide start-up grants to establish community dental clinics under Minnesota Statutes, section 256B.76, paragraph (b), clause ~~(5)~~ (4). The commissioner shall award grants and shall require grant recipients to match the state grant with nonstate funding on a one-to-one basis. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

(c) MA Basic Health Care Grants-
Elderly & Disabled

General	404,814,000	451,928,000
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[SURCHARGE COMPLIANCE.] In the event that federal financial participation in the Minnesota medical assistance program is reduced as a result of a determination that the surcharge and intergovernmental transfers governed by Minnesota Statutes, sections 256.9657 and 256B.19 are out of compliance with United States Code, title 42, section 1396b(w), or its implementing regulations or with any other federal law designed to restrict provider tax programs or intergovernmental transfers, the commissioner shall appeal the determination to the fullest extent permitted by law and may ratably reduce all medical assistance and general assistance medical care payments to providers other than the state of Minnesota in order to eliminate any shortfall resulting from the reduced federal funding. Any amount later recovered through the appeals process shall be used to reimburse providers for any ratable reductions taken.

[BLOOD PRODUCTS LITIGATION.] To the extent permitted by federal law, Minnesota Statutes, section 256.015, 256B.042, and 256B.15, are waived as necessary for the limited purpose of resolving the state's claims in connection with In re Factor VIII or IX Concentrate Blood Products Litigation, MDL-986, No. 93-C7452 (N.D.III.).

(d) General Assistance Medical Care

General	141,805,000	128,012,000
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(e) Basic Health Care - Nonentitlement

General	13,502,000	16,182,000
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[DENTAL ACCESS GRANT.] Of this appropriation, \$75,000 is from the general fund

to the commissioner in fiscal year 2000 for a grant to a nonprofit dental provider group operating a dental clinic in Clay county. The grant must be used to increase access to dental services for recipients of medical assistance, general assistance medical care, and the MinnesotaCare program in the northwest area of the state. This appropriation is available the day following final enactment.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 11. Laws 1999, chapter 245, article 1, section 2, subdivision 8, is amended to read:

Subd. 8. Continuing Care and
Community Support Grants

General	1,174,195,000	1,259,767,000
Lottery Prize	1,158,000	1,158,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) Community Social Services
Block Grants

42,597,000	43,498,000
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[CSSA TRADITIONAL APPROPRIATION.] Notwithstanding Minnesota Statutes, section 256E.06, subdivisions 1 and 2, the appropriations available under that section in fiscal years 2000 and 2001 must be distributed to each county proportionately to the aid received by the county in calendar year 1998. The commissioner, in consultation with counties, shall study the formula limitations in subdivision 2 of that section, and report findings and any recommendations for revision of the CSSA formula and its formula limitation provisions to the legislature by January 15, 2000.

(b) Consumer Support Grants

1,123,000	1,123,000
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(c) Aging Adult Service Grants

7,965,000	7,765,000
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[LIVING-AT-HOME/BLOCK NURSE PROGRAM.] Of the general fund appropriation, \$120,000 in fiscal year 2000 and \$120,000 in fiscal year 2001 is for the commissioner to provide funding to six additional living-at-home/block nurse programs. This appropriation shall become part of the base for the 2002-2003 biennium.

[MINNESOTA SENIOR SERVICE CORPS.] Of this appropriation, \$160,000 for the biennium

is from the general fund to the commissioner for the following purposes:

(a) \$40,000 in fiscal year 2000 and \$40,000 in fiscal year 2001 is to increase the hourly stipend by ten cents per hour in the foster grandparent program, the retired and senior volunteer program, and the senior companion program.

(b) \$40,000 in fiscal year 2000 and \$40,000 in fiscal year 2001 is for a grant to the tri-valley opportunity council in Crookston to expand services in the ten-county area of northwestern Minnesota.

(c) This appropriation shall become part of the base for the 2002-2003 biennium.

[HEALTH INSURANCE COUNSELING.] Of this appropriation, \$100,000 in fiscal year 2000 and \$100,000 in fiscal year 2001 is from the general fund to the commissioner to transfer to the board on aging for the purpose of awarding health insurance counseling and assistance grants to the area agencies on aging providing state-funded health insurance counseling services. Access to health insurance counseling programs shall be provided by the senior linkage line service of the board on aging and the area agencies on aging. The board on aging shall explore opportunities for obtaining alternative funding from nonstate sources, including contributions from individuals seeking health insurance counseling services. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

(d) Deaf and Hard-of-Hearing Services Grants

1,859,000

1,760,000

[SERVICES TO DEAF PERSONS WITH MENTAL ILLNESS.] Of this appropriation, \$100,000 each year is to the commissioner for a grant to a nonprofit agency that currently serves deaf and hard-of-hearing adults with mental illness through residential programs and supported housing outreach. The grant must be used to operate a community support program for persons with mental illness that is communicatively accessible for persons who are deaf or hard-of-hearing. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

[DEAF-BLIND ORIENTATION AND MOBILITY SERVICES.] Of this appropriation, \$120,000 for the biennium is to the commissioner for a grant to Deaf-Blind Services Minnesota to hire an orientation and mobility specialist to work with deaf-blind people. The specialist will provide services to deaf-blind Minnesotans, and training to teachers and rehabilitation counselors, on a statewide basis. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.

(e) Mental Health Grants

General	45,169,000	46,528,000
Lottery Prize	1,158,000	1,158,000

[CRISIS HOUSING.] Of the general fund appropriation, \$126,000 in fiscal year 2000 and \$150,000 in fiscal year 2001 is to the commissioner for the adult mental illness crisis housing assistance program under Minnesota Statutes, section 245.99. This appropriation shall become part of the base for the 2002-2003 biennium.

[ADOLESCENT COMPULSIVE GAMBLING GRANT.] \$150,000 in fiscal year 2000 and \$150,000 in fiscal year 2001 is appropriated from the lottery prize fund created under Minnesota Statutes, section 349A.10, subdivision 2, to the commissioner for the purposes of a grant to a compulsive gambling council located in St. Louis county for a statewide compulsive gambling prevention and education project for adolescents.

(f) Developmental Disabilities

Community Support Grants

9,323,000	10,958,000
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[CRISIS INTERVENTION PROJECT.] Of this appropriation, \$40,000 in fiscal year 2000 is to the commissioner for the action, support, and prevention project of southeastern Minnesota.

[SILS FUNDING.] Of this appropriation, \$1,000,000 each year is for semi-independent living services under Minnesota Statutes, section 252.275. This appropriation must be added to the base level funding for this activity for the 2002-2003 biennium. Unexpended funds for fiscal year 2000 do not cancel but are available to the commissioner for this purpose in fiscal year 2001.

[FAMILY SUPPORT GRANTS.] Of this

appropriation, \$1,000,000 in fiscal year 2000 and \$2,500,000 in fiscal year 2001 is to increase the availability of family support grants under Minnesota Statutes, section 252.32. This appropriation must be added to the base level funding for this activity for the 2002-2003 biennium. Unexpended funds for fiscal year 2000 do not cancel but are available to the commissioner for this purpose in fiscal year 2001.

(g) Medical Assistance Long-Term
Care Waivers and Home Care

349,052,000	414,240,000
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[PROVIDER RATE INCREASES.] (a) The commissioner shall increase reimbursement rates by four percent the first year of the biennium and by three percent the second year for the providers listed in paragraph (b). The increases shall be effective for services rendered on or after July 1 of each year.

(b) The rate increases described in this section shall be provided to home and community-based waived services for persons with mental retardation or related conditions under Minnesota Statutes, section 256B.501; home and community-based waived services for the elderly under Minnesota Statutes, section 256B.0915; waived services under community alternatives for disabled individuals under Minnesota Statutes, section 256B.49; community alternative care waived services under Minnesota Statutes, section 256B.49; traumatic brain injury waived services under Minnesota Statutes, section 256B.49; nursing services and home health services under Minnesota Statutes, section 256B.0625, subdivision 6a; personal care services and nursing supervision of personal care services under Minnesota Statutes, section 256B.0625, subdivision 19a; private-duty nursing services under Minnesota Statutes, section 256B.0625, subdivision 7; day training and habilitation services for adults with mental retardation or related conditions under Minnesota Statutes, sections 252.40 to 252.46; alternative care services under Minnesota Statutes, section 256B.0913; adult residential program grants under Minnesota Rules, parts 9535.2000 to 9535.3000; adult and family community support grants under Minnesota Rules, parts 9535.1700 to 9535.1760; semi-independent living services under Minnesota Statutes, section 252.275, including SILS funding under county social

services grants formerly funded under Minnesota Statutes, chapter 256I; and community support services for deaf and hard-of-hearing adults with mental illness who use or wish to use sign language as their primary means of communication.

(c) The commissioner shall increase reimbursement rates by two percent for the group residential housing supplementary service rate under Minnesota Statutes, section 256I.05, subdivision 1a, for services rendered on or after January 1, 2000.

(d) Providers that receive a rate increase under this section shall use at least 80 percent of the additional revenue to increase the compensation paid to employees other than the administrator and central office staff.

(e) A copy of the provider's plan for complying with paragraph (d) must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the provider's operation to which all employees have access. If an employee does not receive the salary adjustment described in the plan and is unable to resolve the problem with the provider, the employee may contact the employee's union representative. If the employee is not covered by a collective bargaining agreement, the employee may contact the commissioner at a phone number provided by the commissioner and included in the provider's plan.

(f) Section 13, sunset of uncodified language, does not apply to this provision.

[DEVELOPMENTAL DISABILITIES WAIVER SLOTS.] Of this appropriation, \$1,746,000 in fiscal year 2000 and \$4,683,000 in fiscal year 2001 is to increase the availability of home and community-based waiver services for persons with mental retardation or related conditions.

(h) Medical Assistance Long-Term Care Facilities

546,228,000

558,349,000

[MORATORIUM EXCEPTIONS.] Of this appropriation, \$250,000 in fiscal year 2000 and \$250,000 in fiscal year 2001 is from the general fund to the commissioner for the medical assistance costs of moratorium exceptions approved by the commissioner of health under Minnesota Statutes, section 144A.073. Unexpended money appropriated for fiscal year

2000 shall not cancel but shall be available for fiscal year 2001.

[NURSING FACILITY OPERATED BY THE RED LAKE BAND OF CHIPPEWA INDIANS.] (1) The medical assistance payment rates for the 47-bed nursing facility operated by the Red Lake Band of Chippewa Indians must be calculated according to allowable reimbursement costs under the medical assistance program, as specified in Minnesota Statutes, section 246.50, and are subject to the facility-specific Medicare upper limits.

(2) In addition, the commissioner shall make available an operating payment rate adjustment effective July 1, 1999, and July 1, 2000, that is equal to the adjustment provided under Minnesota Statutes, section 256B.431, subdivision 28. The commissioner must use the facility's final 1998 and 1999 Medicare cost reports, respectively, to calculate the adjustment. The adjustment shall be available based on a plan submitted and approved according to Minnesota Statutes, section 256B.431, subdivision 28. Section 13, sunset of uncodified language, does not apply to this paragraph.

[ICF/MR DISALLOWANCES.] Of this appropriation, \$65,000 in fiscal 2000 is to reimburse a four-bed ICF/MR in Ramsey county for disallowances resulting from field audit findings. This is a one-time appropriation and shall not become part of base level funding for this activity for the 2002-2003 biennium.* **(The preceding text beginning "ICF/MR DISALLOWANCES." was vetoed by the governor.)**

[COSTS RELATED TO FACILITY CERTIFICATION.] Of this appropriation, \$168,000 is for the costs of providing one-half the state share of medical assistance reimbursement for residential and day habilitation services under article 3, section 39 43. This amount is available the day following final enactment.

(i) Alternative Care Grants

General	60,873,000	59,981,000
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[ALTERNATIVE CARE TRANSFER.] Any money allocated to the alternative care program that is not spent for the purposes indicated does not cancel but shall be transferred to the medical assistance account.

[PREADMISSION SCREENING AMOUNT.]

The preadmission screening payment to all counties shall continue at the payment amount in effect for fiscal year 1999.

[ALTERNATIVE CARE APPROPRIATION.]

The commissioner may expend the money appropriated for the alternative care program for that purpose in either year of the biennium.

(j) Group Residential Housing

General	66,477,000	70,390,000
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[GROUP RESIDENTIAL FACILITY FOR WOMEN IN RAMSEY COUNTY.] (a)

Notwithstanding Minnesota Statutes 1998, section 256I.05, subdivision 1d, the new 23-bed group residential facility for women in Ramsey county, with approval by the county agency, may negotiate a supplementary service rate in addition to the board and lodging rate for facilities licensed and registered by the Minnesota department of health under Minnesota Statutes, section ~~15.17~~ 157.17. The supplementary service rate shall not exceed \$564 per person per month and the total rate may not exceed \$1,177 per person per month.

(b) Of the general fund appropriation, \$19,000 in fiscal year 2000 and \$38,000 in fiscal year 2001 is to the commissioner for the costs associated with paragraph (a). This appropriation shall become part of the base for the 2002-2003 biennium.

(k) Chemical Dependency
Entitlement Grants

General	36,751,000	38,847,000
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(l) Chemical Dependency
Nonentitlement Grants

General	6,778,000	6,328,000
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[CHEMICAL DEPENDENCY SERVICES.] Of this appropriation, \$450,000 in fiscal year 2000 is to the commissioner for chemical dependency services to persons who qualify under Minnesota Statutes, section 254B.04, subdivision 1, paragraph (b).

[REPEAT DWI OFFENDER PROGRAM.] Of this appropriation, \$100,000 in fiscal year 2000 and \$100,000 in fiscal year 2001 is for the commissioner to pay for chemical dependency treatment for repeat DWI offenders at Brainerd regional human services center. Payment to the Brainerd regional human services center may only be authorized from this appropriation after

all potential public and private third-party payers have been billed and a determination made that the offender is not eligible for reimbursement of the treatment costs. This appropriation shall not become part of the base for the 2002-2003 biennium.* **(The preceding text beginning "REPEAT DWI OFFENDER PROGRAM." was vetoed by the governor.)**

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 12. Laws 1999, chapter 245, article 4, section 121, is amended to read:

Sec. 121. [EFFECTIVE DATE.]

(a) Sections 3, 5, 45, and 97, paragraph (d), and 98, paragraph (d), are effective July 1, 2000.

(b) Section 56 is effective upon federal approval.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 13. [REPEALER.]

(a) Minnesota Statutes 1999 Supplement, section 144.396, subdivision 13, is repealed.

(b) Laws 1997, chapter 203, article 7, section 27, is repealed.

EFFECTIVE DATE: This section is effective the day following final enactment.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 and 4 to 13 are effective the day following final enactment.

Sections 2 and 3 are effective July 1, 2000.

ARTICLE 6

APPROPRIATIONS

Section 1. [ECONOMIC DEVELOPMENT; APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "2000" and "2001," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 2000, or June 30, 2001, respectively. The term "first year" means the fiscal year ending June 30, 2000, and "second year" means the fiscal year ending June 30, 2001.

SUMMARY BY FUND

	2000	2001	TOTAL
General	\$ 5,000,000	\$ 69,886,000	\$ 74,886,000
TANF	-0-	250,000	250,000
LCMR	-0-	225,000	225,000
Workforce Development Fund	-0-	5,576,000	5,576,000
TOTAL	\$ 5,000,000	\$ 75,937,000	\$ 80,937,000

APPROPRIATIONS

Available for the Year
Ending June 30

2000 2001

Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation	5,000,000	11,855,000
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Summary by Fund

General	5,000,000	9,180,000
LCMR	-0-	225,000
Workforce Development Fund	-0-	2,450,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Business and Community Development	-0-	11,855,000
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Summary by Fund

General	-0-	9,180,000
LCMR	-0-	225,000
Workforce Development Fund	-0-	2,450,000

\$400,000 the second year is for a grant to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. This is a one-time appropriation and is not added to the agency's budget base. The commissioner may release the funds only upon:

- (1) certification that matching funds from each participating organization are available; and
- (2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc. for the biennium.

\$1,000,000 in the second year is for catalyst grants to local governments to expand telecommunications capacity in areas of Minnesota that have limited capacity. Grants are for capital expenditures related to providing Internet access to residences and businesses using either traditional fiber optic cable or wireless technology, including, but not limited to, multipoint microwave distribution. The commissioner shall award catalyst grants for at least one rural and one urban wireless project. Eligible capital expenditures include equipment and construction costs but do not include the costs of planning, engineering, or preliminary design. The commissioner, after consultation with the commissioner of administration, shall award catalyst grants according to a competitive

grant process. A preference shall be given for projects that will enable both business and residential Internet access at speeds of at least 512 kilobytes per second. Grant requests shall be made by application to the commissioner of trade and economic development. The application must, at a minimum, document for each applicant the following:

- (1) intent to aggregate, or current aggregation of, demand for services among private, nonprofit, and public sector within or among communities;
- (2) the extent to which the proposal involves private-public shared funding and collaborative planning among different economic and government sectors, including, but not limited to, private sector providers, public sector technology investments such as the state information infrastructure, library systems, health care providers, businesses, schools, and other educational institutions, and the nonprofit sector to leverage public and private investments to the maximum benefit of all citizens;
- (3) the extent to which the supporting information infrastructure employs an open network architecture that will ensure interconnectivity and interoperability across community sectors; and
- (4) the existence of a comprehensive technology plan that integrates technology goals with community and economic development goals for the community and region.

The maximum catalyst grant for any project is \$250,000 or 25 percent of the eligible capital expenditures, whichever is less. This is a one-time appropriation and is not added to the agency's budget base.

\$500,000 in the second year is for a grant to the community resources program under Minnesota Statutes, chapter 466A. This is a one-time appropriation and is not added to the agency's budget base.

\$200,000 the second year is for a grant to the board of the rural policy and development center for operation of the center. This is a one-time appropriation and is not added to the agency's budget base. This appropriation is available as matched in cash on a dollar-for-dollar basis from nonstate sources.

\$950,000 the second year is for a grant to Lifetrack Resources, Inc., for programs to improve the self-sufficiency of persons who are

disadvantaged, including services in the CAREER collaborative for refugees and immigrants related to developing job-seeking skills and workplace orientation, functional work English, and on-site job coaching. Of this appropriation, \$500,000 is from the general fund and \$450,000 is from the workforce development fund. Of this amount, \$450,000 is to provide services in the metropolitan area and \$500,000 is to provide similar services to similar clientele in Willmar, Albert Lea, Austin, Rochester, and Marshall either directly by Lifetrack Resources, Inc., or through contracts with other service providers.

\$2,000,000 the second year is from the work force development fund for the jobs skills partnership board to make distance-work grants under Minnesota Statutes, section 116L.16. This appropriation is available until expended. This is a one-time appropriation and is not added to the agency's budget base.

\$250,000 the second year is for separate grants of \$125,000 to the cities of Minneapolis and St. Paul for the purpose of programs related to the retrofitting and reinventing of aging commercial corridors in those cities. This is a one-time appropriation and is not added to the agency's budget base.

4,916,000 in the second year is for grants to cities for community rehabilitation projects, including improvements to municipal steam heating systems.

\$50,000 the second year is for a grant to county and district agricultural societies and associations that are eligible to receive aid under Minnesota Statutes, section 38.02. The commissioner shall administer this appropriation pursuant to a need-based competitive grant process. This is a one-time appropriation and is not added to the agency's budget base.

\$216,000 in the second year is for one-time rural job creation grants under Minnesota Statutes, section 469.309. This is a one-time appropriation and is not added to the agency's budget base.

\$725,000 in the second year is for a grant to the city of Duluth for repair and restoration of the aerial lift bridge.

\$100,000 in the second year is for a grant to the city of St. Paul for native landscaping along trunk highway No. 5 from the Minneapolis-St. Paul International Airport to the Fort Snelling

tunnel and improved landscaping on West Seventh Street from the Mississippi river to I-35E.

\$98,000 in the second year is for a grant to the Neighborhood Development Center, Inc. The center shall use the grant for the purpose of expanding and improving its neighborhood and ethnic-based entrepreneur training, lending, and support programs in the poorest communities of Minneapolis and St. Paul. This is a one-time appropriation and is not added to the department's budget base.

\$225,000 in the second year is for a grant to the city of Owatonna for infrastructure improvements.

\$225,000 in the second year is from the future resources fund for an agreement with the city of Virginia for relocation of the Silver Lake storm sewer outlet, construction of sedimentation ponds, and renovation of the Sauntry Creek diversion structure. Native plantings must be used in buffer strips. This is a one-time appropriation and is not added to the agency's budget base. This appropriation must be matched by at least \$225,000 of nonstate money.

Subd. 3. Tourism	5,000,000	-0-
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Summary by Fund

General	5,000,000	-0-
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\$5,000,000 the first year is for participating in, guaranteeing, or making loans to tourism related businesses in Minnesota that have been adversely impacted by the lack of snowfall in the winter of 1999-2000 or the preceding two winters. The commissioner shall establish an application process and form for the loans. The maximum loan term shall be for ten years and the maximum interest rate may not exceed six percent. Loans may be used for working capital, operations, and for capital improvements. Loan repayments shall be deposited in the tourism loan account and may be used for the purposes of the tourism loan program under Minnesota Statutes, section 116J.617.

Sec. 3. MINNESOTA TECHNOLOGY, INC.	-0-	900,000
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\$200,000 the second year is for a grant to the e-Business Institute. This is a one-time appropriation and is not added to the agency's budget base.

\$200,000 the second year is for a grant to Minnesota Project Innovation. This is a one-time

appropriation and is not added to the agency's budget base.

\$400,000 the second year is for a grant to the Natural Resources Research Institute. This is a one-time appropriation and is not added to the agency's budget base.

\$100,000 the second year is for a grant to the Minnesota Council for Quality. This is a one-time appropriation and is not added to the agency's budget base.

Sec. 4. ECONOMIC SECURITY	-0-	5,258,000
Summary by Fund		
General	-0-	1,882,000
TANF	-0-	250,000
Workforce Development Fund	-0-	3,126,000

\$126,000 the second the year is for a grant to Advocating Change Together, Inc., (ACT). This appropriation is from the workforce development fund. The grant must be used for the training of individuals with developmental and other mental health disabilities, the maintenance of related data, or technical assistance for work advancement or additional workforce training. No part of this grant may be applied to litigation costs or used for legal advocacy or legal assistance purposes. This is a one-time appropriation and is not added to the agency's budget base.

\$250,000 in the second year is to administer the alien certification program. This is a one-time appropriation and is not added to the agency's budget base.

\$3,000,000 in the second year is from the workforce development fund and is for summer youth employment programs. This is a one-time appropriation and is not added to the agency's budget base. This appropriation is available immediately.

\$1,000,000 in the second year is for a pilot parental leave program. The commissioner, to the extent of funds available under this \$1,000,000 appropriation, shall reimburse an "employer" as defined in Minnesota Statutes, section 268.035, subdivision 14, that provides qualified paid parental leave. The reimbursement is one-half of the employer payment to an employee, subject to a maximum of 26 weeks. A "qualified paid parental leave" is a paid leave of absence to an employee who is a natural or

adoptive parent in conjunction with the birth or adoption of a child. Qualified paid parental leave does not include sick leave or vacation leave but must be in addition to sick leave or vacation leave. The leave must be at least six weeks and must be used within the first year of birth or during the first year in which the employee becomes an adoptive parent. In order to receive reimbursement under this section, an employer must pay the employee at least \$200 per week. An employer may not be reimbursed more than \$250 per week nor may weekly state reimbursement exceed more than one-third of the employee's weekly wage with the employer at the time of the leave. Reimbursement may be done on a quarterly or other basis as determined by the commissioner. Benefits received under this section shall be considered income for the purposes of Minnesota Statutes, section 119B.061. The commissioner of economic security shall notify employers of the voluntary paid parental leave program through the department's Web site and other communications with employers. The commissioner shall develop an application process for a pilot program that reasonably allocates the available funds for this pilot program. Reimbursement may be made for leave taken on or after July 1, 2000. This is a one-time appropriation and is not added to the agency's budget base. Up to five percent of this appropriation may be used for administration. This appropriation is available until expended.

\$250,000 in the second year is to provide services to people with severe impairments to employment as defined in Minnesota Statutes, section 268A.15, subdivision 1a. This appropriation is from the state's federal TANF block grant under Public Law Number 104-193 to the commissioner of human services to be transferred to the commissioner of economic security. This is a one-time appropriation and is not added to the agency's budget base.

\$572,000 in the second year is for enterprise zone incentive grants under Minnesota Statutes, section 469.305. This is a one-time appropriation and is not added to the agency's budget base.

\$30,000 in the second year is for a grant to the city of Minneapolis for a service provider located in Hennepin county that provides prevention services to high-risk populations.

\$30,000 in the second year is for a grant to the Tri-County Action Programs, Inc.

Sec. 5. HOUSING FINANCE AGENCY

Summary by Fund

General	-0-	56,500,000
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Subdivision 1. Total Appropriation	-0-	56,500,000
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The amounts that may be spent from this appropriation for certain programs are specified in the following subdivisions.

This appropriation is for transfer to the housing development fund for the programs specified. Except as otherwise indicated, this transfer is not part of the agency's permanent budget base.

Subd. 2. Family Homeless Prevention

\$1,000,000 the second year is for the family homeless prevention and assistance program under Minnesota Statutes, section 462A.204.

Subd. 3. Nursing Home Conversion Grant Program

\$1,000,000 the second year is for the nursing home conversion grant and loan program under Minnesota Statutes, section 462A.34.

Sec. 6. COMMERCE	-0-	129,000
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\$129,000 in the second year is from the general fund to maintain the no-call information list as described in Minnesota Statutes, section 325G.54.

Sec. 7. MINNESOTA HISTORICAL SOCIETY

-0-	1,150,000
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\$850,000 in the second year is for salary adjustments. This is a one-time appropriation and is not added to the agency's budget base.

\$300,000 in the second year is for grants to county and local jurisdictions for historic preservation projects and accessibility improvements. The grants must be matched by at least an equal amount from nonstate sources.

Sec. 8. BOARD OF ARCHITECTURE, ENGINEERING, LAND SURVEYING, LANDSCAPE ARCHITECTURE, AND INTERIOR DESIGN

-0-	130,000
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\$130,000 in the second year is for enforcement activities of the board.

Sec. 9. OFFICE OF STRATEGIC AND LONG-RANGE PLANNING

-0-	15,000
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\$15,000 in the second year is for duties related to the legislative job training program task force.

Sec. 10. [JUDY GARLAND MUSEUM.]

Notwithstanding Laws 1997, chapter 200, article 1, section 2, subdivision 2, the match required for the appropriation for an agreement under that law with the Judy Garland Children's Museum and the department of trade and economic development is an equal match of \$200,000.

Sec. 11. [UPPER RED LAKE BUSINESS LOAN PROGRAM.]

The appropriation to the commissioner of trade and economic development in Laws 1999, chapter 223, article 1, section 2, subdivision 4, for the Upper Red Lake business loan program is available until December 31, 2000, and applications for grants under that program may be accepted until that date.

Sec. 12. [JOBS SKILLS PARTNERSHIP BOARD.]

(a) The appropriation by Laws 1999, chapter 223, article 1, section 2, subdivision 2, to the department of trade and economic development from the workforce development fund for the jobs skills partnership board for the pathways program does not cancel and is available until expended. If the appropriation for either year is insufficient, the appropriation for the other year is available.

(b) The appropriation by Laws 1999, chapter 223, article 1, section 2, subdivision 2, to the department of trade and economic development from the state's federal TANF block grant under Title I of Public Law Number 104-193 to the commissioner of human services, to be transferred to the commissioner of trade and economic development for the pathways program under Minnesota Statutes, section 116L.04, subdivision 1a, does not cancel and is available until expended. If the appropriation for either year is insufficient, the appropriation for the other year is available.

(c) The appropriation by Laws 1999, chapter 245, article 1, section 2, subdivision 10, to the commissioner of health and human services from the state's federal TANF block grant under Title I of Public Law Number 104-193, to increase employment and training services grants for MFIP of which \$750,000 is to be transferred to the jobs skills partnership board for the health care and human services worker training and retention program, does not cancel and is available until expended. If the appropriation for either year is insufficient, the appropriation for the other year is available.

Sec. 13. [REEMPLOYMENT INSURANCE; FOOD SERVICES.]

Notwithstanding the provisions of Minnesota Statutes, section 268.085, subdivision 8, wage credits from an employer are not subject to the provisions of Minnesota Statutes, section 268.085, subdivision 7, if those wage credits were earned during the school year by an employee of a private employer performing work pursuant to a contract between the employer and an elementary or secondary school and the employment was related to food services provided to the school by the employer. This section expires December 31, 2001.

Sec. 14. [LEGISLATIVE JOB TRAINING PROGRAM TASK FORCE.]

(a) There is established a legislative job training program task force to study all federal and state job training programs and make legislative recommendations for the consolidation and modification of state job training programs. This task force shall also make recommendations regarding the cost-effectiveness of locating work-force centers and their affiliates at Minnesota state colleges and universities campuses.

(b) The task force consists of:

(1) five members of the house of representatives to be appointed by the speaker of the house, two of whom must be from the minority caucus; and

(2) five members of the senate to be appointed by the subcommittee on committees of the committee on rules and administration, two of whom must be from the minority caucus.

The task force shall review existing reports on state job training programs as the starting point for its study. The recommendations shall specifically address the use of federal job training program funds and the coordination of federal and state programs. The task force shall investigate the role of the state under the federal Workforce Investment Act, including the opportunity that act gives to the state to exercise discretion in the use of federal funds. The task force shall submit its recommendations to the legislature by January 15, 2001. The task force shall expire January 20, 2001. The director of the office of strategic and long-range planning shall assist the task force in its duties.

Sec. 15. [WORKFORCE CENTER LOCATIONS.]

The commissioner of the department of administration shall assist the commissioner of economic security and the board of trustees of the Minnesota state colleges and universities system to develop and report to the legislature by January 15, 2001, on a ten-year plan for the possible location of workforce centers or affiliate location on Minnesota college and university campuses, where appropriate.

The plan must identify space requirements, current workforce center lease expiration dates, and the campuses that can immediately accommodate workforce centers, and recommend timelines for colocating workforce centers with Minnesota state colleges and universities system facilities.

If additional space would be required to accommodate the workforce center, the plan must outline alternative capital financing mechanisms, including private build-lease.

Sec. 16. [EXEMPTION FROM ADDITIONAL BENEFITS REQUIREMENTS; HENNEPIN PAPER.]

Notwithstanding Minnesota Statutes, section 268.125, an applicant is eligible to receive additional benefits for any week under Minnesota Statutes, section 268.125, if:

(1) the applicant was laid off due to lack of work from the Hennepin Paper Company in Morrison county;

(2) the applicant is a member of a group certified on May 4, 1999, under the North American Free Trade Agreement or the Trade Adjustment Act as having been impacted by foreign imports;

(3) the applicant has exhausted all rights to regular benefits under Minnesota Statutes, section 268.07, and does not qualify for a new benefit account under Minnesota Statutes, section 268.07, and is not entitled to receive unemployment benefits under any other state or federal law;

(4) the applicant is presently attending training or is on vacation from training pursuant to the North American Free Trade Agreement or the Trade Adjustment Act;

(5) the applicant has filed a continued request for benefits under Minnesota Statutes, section 268.086, for the week;

(6) a majority of the applicant's wage credits were from the Hennepin Paper Company;

(7) the applicant is not subject to a disqualification under Minnesota Statutes, section 268.095; and

(8) the applicant meets the eligibility requirements under Minnesota Statutes, section 268.085, except for subdivision 1, clause (2).

The disqualification provisions under Minnesota Statutes, section 268.095, apply to this section.

The applicant's weekly additional benefit amount shall be the same as the applicant's weekly benefit amount under Minnesota Statutes, section 268.07.

The maximum amount of the additional benefits available shall be 18 times the applicant's weekly benefit amount under Minnesota Statutes, section 268.07.

Additional benefits under this section are payable from the fund.

This section expires January 1, 2001.

Sec. 17. [EXEMPTION FROM ADDITIONAL BENEFITS REQUIREMENTS; EVTAC MINING.]

Notwithstanding Minnesota Statutes, section 268.125, subdivisions 1, and 3, clauses (1) and (5), an applicant is eligible to receive additional benefits under Minnesota Statutes, section 268.125, effective the week following the week in which the applicant exhausted regular benefits if:

(1) the applicant was laid off due to lack of work from the Evtac Mining Company in St. Louis county between the months of June and August of 1999; and

(2) the commissioner of economic security finds that the applicant satisfies the conditions of Minnesota Statutes, section 268.125, subdivision 3, clauses (2) to (4).

This section does not apply to any applicant who, with respect to any period prior to September 1, 2000, receives, or has an agreement to receive, a retirement pension financed in whole or in part by the Evtac Mining Company.

Sec. 18. [EFFECTIVE DATE.]

Sections 16 and 17 and any appropriation and related rider for fiscal year 2000 are effective the day following final enactment.

ARTICLE 7

MISCELLANEOUS STATUTORY PROVISIONS

Section 1. Minnesota Statutes 1998, section 16C.05, subdivision 3, is amended to read:

Subd. 3. [EXCEPTION.] The requirements of subdivision 2 do not apply to contracts of the department of economic security distributing state and federal funds for the purpose of subcontracting the provision of program services to eligible recipients. For these contracts, the commissioner of economic security is authorized to directly enter into agency contracts and encumber available funds. For contracts distributing state or federal funds pursuant to the federal Economic Dislocation and Worker Adjustment Assistance Act, United States Code, title 29, section 1651 et seq., or sections 268.9771, 268.978, 268.9781, and 268.9782, the commissioner of economic security is authorized to directly enter into agency contracts with approval of the workforce development council and encumber available funds to ensure a rapid response to the needs of dislocated workers. The commissioner of economic security shall adopt internal procedures to administer and monitor funds distributed under these contracts. This exception also applies to any contracts entered into by the commissioner of children, families, and learning and the jobs skills partnership board that were previously entered into by the commissioner of economic security.

Sec. 2. Minnesota Statutes 1998, section 80A.122, is amended by adding a subdivision to read:

Subd. 4a. [EXPIRATION.] (a) A filing made in connection with the securities of an open-end investment company under subdivision 1 expires the next June 30 unless renewed. To renew a notice filing, an issuer shall:

(1) before expiration of a current notice filing, file with the commissioner the documents specified by the commissioner under subdivision 1, clause (2), together with any fees required by section 80A.28, subdivision 1, paragraph (c); and

(2) no later than September 1 following expiration, file a sales report for the prior fiscal year with the commissioner specifying:

(i) the registered sales;

(ii) the actual sales; and

(iii) the balance that could be sold without an additional filing under section 80A.28, subdivision 1, paragraph (c).

(b) No portion of the unsold balance of shares indicated on the issuer's sales report may be lawfully sold in this state in connection with a renewed notice filing until fees have been paid to renew the shares.

Sec. 3. Minnesota Statutes 1998, section 80A.28, subdivision 1, is amended to read:

Subdivision 1. (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.13, subdivision 1, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the commissioner, the issuer shall submit an amended notice filing to the commissioner under section 80A.122, subdivision 1, clause (3), together with a fee of 1/20 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the commissioner as provided in this section and section 80A.122, subdivision 4a. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the last day of each fiscal year, the commissioner shall determine the total amount of all fees that were collected under this paragraph in connection with any filings made for that fiscal year for securities of an open-end investment company on behalf of a security that is a federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. To the extent the total fees collected by the commissioner in connection with these filings exceed \$25,000,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of \$25,000,000. No individual refund is required of amounts of \$100 or less for a fiscal year.

Sec. 4. Minnesota Statutes 1998, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. [PARTNERSHIP PROGRAM.] (a) The partnership program may provide grants-in-aid to educational or other nonprofit training educational institutions using the following guidelines:

(1) the educational or other nonprofit educational institution is a provider of training within the state in either the public or private sector;

(2) the program involves skills training that is an area of employment need; and

(3) preference will be given to educational or other nonprofit training institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.

(b) A single grant to any one institution shall not exceed \$400,000.

Sec. 5. Minnesota Statutes 1999 Supplement, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. [PATHWAYS PROGRAM.] The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the department of economic security to design and provide services for temporary assistance for needy families recipients.

Pathways grants-in-aid may be awarded to educational or other nonprofit training educational institutions for education and training programs, which may include support services that serve public assistance recipients transitioning from public assistance to employment or programs that serve persons at or below 200 percent of the federal poverty guidelines.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from public assistance directly to work; and

(4) demonstrate the active participation of department of economic security workforce centers, Minnesota state college and university institutions and other educational institutions, and local welfare agencies.

Pathways projects must demonstrate the active involvement and financial commitment of private business. Pathways projects must be matched with cash or in-kind contributions on at least a one-to-one ratio by participating private business.

A single grant to any one institution shall not exceed \$400,000.

The board shall annually, by March 31, report to the commissioners of economic security and trade and economic development on pathways programs, including the number of public assistance recipients participating in the program, the number of participants placed in employment, the salary and benefits they receive, and the state program costs per participant.

Sec. 6. [116L.16] [DISTANCE-WORK GRANTS.]

The job skills partnership board may make grants-in-aid for distance-work projects. The purpose of the grants is to promote distance-work projects involving technology in rural areas and may include a consortium of organizations partnering in the development of rural technology industry. Grants may be used to identify and train rural workers in technology and provide rural workers with physical connections to telecommunications infrastructure, where necessary, in order to be self-employed or employed from their homes or satellite offices. Grants must be made according to Minnesota Statutes, sections 116L.02 and 116L.04, except that:

(1) the business match may include, but is not limited to, additional management or technology staff costs; start-up equipment costs such as telecommunications infrastructure, additional software, or computer upgrades; consulting fees for implementation of distance-work policies or identification and skill assessment of potential employees; and the joint financial contribution of two or more businesses acting as a consortium;

- (2) cash or in-kind contributions by partnering organizations may be used as a match;
 (3) eligible grantees may be educational or nonprofit educational training organizations; and
 (4) grants-in-aid may be packaged with loans under Minnesota Statutes, section 116L.06, subdivision 6.

The board shall, to the extent there are sufficient applications, make grant awards to as many parts of the state as possible. Subject to the requirement for geographic distribution of grants, preference shall be given to grant applications that provide the most cost-effective training proposals, that provide the best prospects for high-paying jobs with high retention rates, or that are from more economically distressed rural areas or communities.

Grantees must meet reporting and evaluation requirements established by the board.

Sec. 7. [136F.77] [EQUITY INVESTMENTS.]

The board may acquire an interest in a product or a private business entity for the purpose of developing and providing educational materials and related programs or services to further the mission of the Minnesota state colleges and universities and foster the economic growth of the state. The board may enter into joint venture agreements with private corporations to develop educational materials and related programs or services. Any proceeds from the investments or ventures are appropriated to the board. The state is not liable for any obligations or liabilities that arise from investments under this section. The board must report annually by September 1 to the legislature regarding its earnings from partnerships and the disposition of those earnings.

Sec. 8. Minnesota Statutes 1998, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are in the amounts as follows:

(a) employment of minors under the age of 14 (each employee)	\$50 <u>\$ 500</u>
(b) employment of minors under the age of 16 during school hours while school is in session (each employee)	50 <u>500</u>
(c) employment of minors under the age of 16 before 7:00 a.m. (each employee)	50 <u>500</u>
(d) employment of minors under the age of 16 after 9:00 p.m. (each employee)	50 <u>500</u>
(e) employment of a high school student under the age of 18 in violation of section 181A.04, subdivision 6 (each employee)	100 <u>1,000</u>
(f) employment of minors under the age of 16 over eight hours a day (each employee)	50 <u>500</u>
(g) employment of minors under the age of 16	

over 40 hours a week (each employee)	50
	<u>500</u>
(h) employment of minors under the age of 18 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	100
	<u>1,000</u>
(i) employment of minors under the age of 16 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	100
	<u>1,000</u>
(j) minors under the age of 18 injured in hazardous employment (each employee)	500
	<u>5,000</u>
(k) minors employed without proof of age (each employee)	25
	<u>250</u>

An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

Sec. 9. Minnesota Statutes 1998, section 216C.051, subdivision 9, is amended to read:

Subd. 9. [EXPIRATION.] This section is repealed ~~June 30~~ March 15, 2000 2001.

Sec. 10. Minnesota Statutes 1998, section 216C.41, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY WINDOW.] Payments may be made under this section only for electricity generated:

(a) from a qualified hydroelectric facility that is operational and generating electricity before ~~January 1~~ December 31, 2001; or

(b) from a qualified wind energy conversion facility that is operational and generating electricity before January 1, 2005.

Sec. 11. [268.028] [ALIEN LABOR CERTIFICATION; PERFORMANCE STANDARDS.]

The department of economic security shall have as a goal to process completed applications for certification for permanent alien laborers within 60 days of receipt of the completed application.

Sec. 12. Minnesota Statutes 1999 Supplement, section 268.085, subdivision 4, is amended to read:

Subd. 4. [SOCIAL SECURITY BENEFITS.] (a) Any applicant aged 62 or over shall be required to state when filing an application for benefits and when filing continued requests for benefits whether the applicant is receiving, has filed for, or intends to file for, primary social security old age or disability benefits for any week during the benefit year.

(b) There shall be deducted from an applicant's weekly benefit amount 50 percent of the weekly equivalent of the primary social security old age or disability benefit the applicant has received, has filed for, or intends to file for, with respect to that week.

(c) Notwithstanding paragraph (b), an applicant shall be ineligible for benefits for any week with respect to which the applicant is receiving, has received, or has filed for primary social security disability benefits.

This paragraph shall not apply if the Social Security Administration approved the collecting of primary social security disability benefits each month the applicant was employed during the base period.

(d) Information from the Social Security Administration shall be considered conclusive, absent specific evidence showing that the information was erroneous.

(e) Any applicant who receives primary social security old age or disability benefits for periods that the applicant has been paid reemployment compensation benefits shall be considered overpaid those reemployment compensation benefits under section 268.18, subdivision 1.

Sec. 13. Minnesota Statutes 1999 Supplement, section 268.98, subdivision 3, is amended to read:

Subd. 3. [COST LIMITATIONS.] (a) For purposes of sections 268.9781 and 268.9782, funds allocated to a grantee are subject to the following limitations:

(1) a maximum of 15 percent for administration in a worker adjustment services plan and ten percent in a dislocation event services grant;

(2) a minimum of 50 percent for provision of training assistance;

(3) ~~no more than ten percent statewide may be allocated annually~~ a maximum of 30 percent for support services, as defined in section 268.975, subdivision 13; and

(4) the balance used for provision of basic readjustment assistance.

(b) A waiver of the cost limitation on providing training assistance may be requested. The waiver may not permit less than 30 percent of the funds be spent on training assistance.

(c) The commissioner shall prescribe the form and manner for submission of an application for a waiver under paragraph (b). Criteria for granting a waiver shall be established by the commissioner in consultation with the workforce development council.

Sec. 14. Minnesota Statutes 1999 Supplement, section 326.105, is amended to read:

326.105 [FEES.]

The fee for licensure or renewal of licensure as an architect, professional engineer, land surveyor, landscape architect, or geoscience professional is ~~\$104~~ \$120 per biennium. The fee for certification as a certified interior designer or for renewal of the certificate is ~~\$104~~ \$120 per biennium. The fee for an architect applying for original certification as a certified interior designer is \$50 per biennium. The initial license or certification fee for all professions is ~~\$104~~ \$120. The renewal fee shall be paid biennially on or before June 30 of each even-numbered year. The renewal fee, when paid by mail, is not timely paid unless it is postmarked on or before June 30 of each even-numbered year. The application fee is \$25 for in-training applicants and \$75 for professional license applicants.

The fee for monitoring licensing examinations for applicants is \$25, payable by the applicant.

Sec. 15. [326.2441] [INSPECTION FEE SCHEDULE.]

Subdivision 1. [SCHEDULE.] State electrical inspection fees shall be paid according to subdivisions 2 to 13.

Subd. 2. [FEE FOR EACH SEPARATE INSPECTION.] The minimum fee for each separate inspection of an installation, replacement, alteration, or repair is \$20.

Subd. 3. [FEE FOR SERVICES, GENERATORS, OTHER POWER SUPPLY SOURCES, OR FEEDERS TO SEPARATE STRUCTURES.] The inspection fee for the installation, addition, alteration, or repair of each service, change of service, temporary service, generator, other power supply source, or feeder to a separate structure is:

(1) 0 ampere to and including 400 ampere capacity, \$25;

(2) 401 ampere to and including 800 ampere capacity, \$50; and

(3) ampere capacity above 800, \$75.

Where multiple disconnects are grouped at a single location and are supplied by a single set of supply conductors the cumulative rating of the overcurrent devices shall be used to determine the supply ampere capacity.

Subd. 4. [FEE FOR CIRCUITS, FEEDERS, FEEDER TAPS, OR SETS OF TRANSFORMER SECONDARY CONDUCTORS.] The inspection fee for the installation, addition, alteration, or repair of each circuit, feeder, feeder tap, or set of transformer secondary conductors, including the equipment served, is:

(1) 0 ampere to and including 200 ampere capacity, \$5; and

(2) ampere capacity above 200, \$10.

Subd. 5. [LIMITATIONS TO FEES OF SUBDIVISIONS 3 AND 4.] (a) The fee for a one-family dwelling and each dwelling unit of a two-family dwelling with a supply of up to 500 amperes where a combination of ten or more sources of supply, feeders, or circuits are installed, added, altered, repaired, or extended is \$80. This fee applies to each separate installation for new dwellings and additions, alterations, or repairs to existing dwellings and includes not more than two inspections. The fee for additional inspections or other installations is that specified in subdivisions 2 to 4. The installer may submit fees for additional inspections when filing the request for electrical inspection.

(b) The fee for each dwelling unit of a multifamily dwelling with three to 12 dwelling units is \$50 and the fee for each additional dwelling unit is \$25. These fees include only inspection of the wiring within individual dwelling units and the final feeder to that unit. This limitation is subject to the following conditions:

(1) the multifamily dwelling is provided with common service equipment and each dwelling unit is supplied by a separate feeder. The fee for multifamily dwelling services or other power source supplies and all other circuits is that specified in subdivisions 2 to 4; and

(2) this limitation applies only to new installations for multifamily dwellings where the majority of the individual dwelling units are available for inspection during each inspection trip.

(c) A separate request for electrical inspection form must be filed for each dwelling unit that is supplied with an individual set of service entrance conductors. These fees are the one-family dwelling rate specified in paragraph (a).

Subd. 6. [ADDITIONS TO FEES OF SUBDIVISIONS 3 TO 5.] (a) The fee for the electrical supply for each manufactured home park lot is \$25. This fee includes the service or feeder conductors up to and including the service equipment or disconnecting means. The fee for feeders and circuits that extend from the service or disconnecting means is that specified in subdivision 4.

(b) The fee for each recreational vehicle site electrical supply equipment is \$5. The fee for recreational vehicle park services, feeders, and circuits is that specified in subdivisions 3 and 4.

(c) The fee for each street, parking lot, or outdoor area lighting standard is \$1, and the fee for each traffic signal standard is \$5. Circuits originating within the standard or traffic signal controller shall not be used when computing the fee.

(d) The fee for transformers for light, heat, and power is \$10 for transformers rated up to ten kilovolt-amperes and \$20 for transformers rated in excess of ten kilovolt-amperes.

(e) The fee for transformers and electronic power supplies for electric signs and outline lighting is \$5 per unit.

(f) The fee for alarm, communication, remote control, and signaling circuits or systems, and circuits of less than 50 volts, is 50 cents for each system device or apparatus.

(g) The fee for each separate inspection of the bonding for a swimming pool, spa, fountain, an

equipotential plane for an agricultural confinement area, or similar installation shall be \$20. Bonding conductors and connections require an inspection before being concealed.

(h) The fee for all wiring installed on center pivot irrigation booms is \$40.

(i) The fee for retrofit modifications to existing lighting fixtures is 25 cents per lighting fixture.

Subd. 7. [INVESTIGATION FEES: WORK WITHOUT A REQUEST FOR ELECTRICAL INSPECTION.] (a) Whenever any work for which a request for electrical inspection is required by the board has begun without the request for electrical inspection form being filed with the board, a special investigation shall be made before a request for electrical inspection form is accepted by the board.

(b) An investigation fee, in addition to the full fee required by subdivisions 1 to 6, shall be paid before an inspection is made. The investigation fee is two times the hourly rate specified in subdivision 10 or the inspection fee required by subdivisions 1 to 6, whichever is greater, not to exceed \$1,000. The payment of the investigation fee does not exempt any person from compliance with all other provisions of the board rules or statutes nor from any penalty prescribed by law.

Subd. 8. [REINSPECTION FEE.] When reinspection is necessary to determine whether unsafe conditions have been corrected and the conditions are not the subject of an appeal pending before the board or any court, a reinspection fee of \$20 may be assessed in writing by the inspector.

Subd. 9. [SUPPLEMENTAL FEE.] When inspections scheduled by the installer are preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due to circumstances beyond the control of the inspector, a supplemental inspection fee of \$20 may be assessed in writing by the inspector.

Subd. 10. [SPECIAL INSPECTION.] For inspections not covered in this section, or for requested special inspections or services, the fee shall be \$30 per hour, including travel time, plus 31 cents per mile traveled, plus the reasonable cost of equipment or material consumed. This provision is applicable to inspection of empty conduits and other jobs as may be determined by the board. This fee may also be assessed when installations are not accessible by roadway and require alternate forms of transportation.

Subd. 11. [INSPECTION OF TRANSITORY PROJECTS.] (a) For inspection of transitory projects including, but not limited to, festivals, fairs, carnivals, circuses, shows, production sites, and portable road construction plants, the inspection procedures and fees are as specified in paragraphs (b) to (i).

(b) The fee for inspection of each generator or other source of supply is that specified in subdivision 3. A like fee is required at each engagement or setup.

(c) In addition to the fee for generators or other sources of supply, there must be an inspection of all installed feeders, circuits, and equipment at each engagement or setup at the hourly rate specified in subdivision 10, with a two-hour minimum.

(d) An owner, operator, or appointed representative of a transitory enterprise including, but not limited to, festivals, fairs, carnivals, circuses, production companies, shows, portable road construction plants, and similar enterprises shall notify the board of its itinerary or schedule and make application for initial inspection a minimum of 14 days before its first engagement or setup. An owner, operator, or appointed representative of a transitory enterprise who fails to notify the board 14 days before its first engagement or setup may be subject to the investigation fees specified in subdivision 7. The owner, operator, or appointed representative shall request inspection and pay the inspection fee for each subsequent engagement or setup at the time of the initial inspection. For subsequent engagements or setups not listed on the itinerary or schedule submitted to the board and where the board is not notified at least 48 hours in advance, a charge of \$100 may be made in addition to all required fees.

(e) Amusement rides, devices, concessions, attractions, or other units must be inspected at their first appearance of the year. The inspection fee is \$20 per unit with a supply of up to 60 amperes and \$30 per unit with a supply above 60 amperes.

(f) An additional fee at the hourly rate specified in subdivision 10 must be charged for additional time spent by each inspector if equipment is not ready or available for inspection at the time and date specified on the application for initial inspection or the request for electrical inspection form.

(g) In addition to the fees specified in paragraphs (a) and (b), a fee of two hours at the hourly rate specified in subdivision 10 must be charged for inspections required to be performed on Saturdays, Sundays, holidays, or after regular business hours.

(h) The fee for reinspection of corrections or supplemental inspections where an additional trip is necessary may be assessed as specified in subdivision 8.

(i) The board may retain the inspection fee when an owner, operator, or appointed representative of a transitory enterprise fails to notify the board at least 48 hours in advance of a scheduled inspection that is canceled.

Subd. 12. [HANDLING FEE.] The handling fee to pay the cost of printing and handling of the form requesting an inspection is \$1.

Subd. 13. [NATIONAL ELECTRICAL CODE USED FOR INTERPRETATION OF PROVISIONS.] For purposes of interpretation of this section and Minnesota Rules, chapter 3800, the most recently adopted edition of the National Electrical Code shall be prima facie evidence of the definitions, interpretations, and scope of words and terms used.

Sec. 16. [462A.34] [NURSING HOME FACILITY CONVERSION LOAN AND GRANT PROGRAM.]

Subdivision 1. [CREATION.] The nursing home facility conversion loan program is created to be administered by the commissioner. The nursing home facility conversion revolving loan fund account is created in the housing development fund. The commissioner may make loans to nursing home facilities from the nursing home facility conversion revolving loan fund account for capital and other costs including, but not limited to, start-up and training costs, related to the conversion of a nursing home facility to an assisted-living facility or other living alternatives to nursing home facility care. The commissioner must seek the advisory recommendation of the interagency committee created by section 144A.31 before making a loan under this section.

A loan may not be used to expand a current building except:

(1) for additional space required to accommodate related supportive services, such as dining rooms, kitchen and recreation areas, or other community use areas; or

(2) if new construction of assisted living units, which would expand parameters of the existing building, is more cost effective than the conversion of existing space.

A facility seeking expansion must agree that a specified number of existing nursing facility beds will not continue to be licensed.

The commissioner shall establish an application process for loans which may utilize other application processes administered by the commissioner. Denial of approval of an application in one year does not preclude submission of an application in a subsequent year.

Subd. 2. [ELIGIBILITY.] A nursing home facility that is currently enrolled as a nursing home facility provider with the Medicaid program is eligible to apply for a nursing home facility conversion loan.

Subd. 3. [LOAN PREFERENCE.] Loan applications must be considered in the following descending order of priority:

(1) nursing home facility conversion of all beds;

(2) nursing home facility partial conversion of beds; and

(3) nursing home facility for conversion to other alternatives to nursing home facility care.

Subd. 4. [LOAN TERMS.] Loans may be made at market rates or below market rates for a term of up to 15 years. Loans shall be fully amortized and repayments must be made monthly over the term of the loan. Loans shall be secured or unsecured. All loan repayments, including interest, must be deposited in the nursing home facility conversion revolving loan fund account and are appropriated to the commissioner for the purposes of this section.

Subd. 5. [GRANTS.] The commissioner may use money in the revolving fund to make grants of up to \$100,000 to a facility to plan for a project that would be eligible for a loan under this section. No more than five grants may be made in a calendar year.

Subd. 6. [MEDICAL ASSISTANCE COSTS.] In approving loans, the commissioner shall ensure that conversion projects do not increase medical assistance costs for nursing facility reimbursement.

Sec. 17. [INSTRUCTION TO REVISOR.]

The revisor shall change references in Minnesota Rules from Minnesota Rules, part 3800.3810, to Minnesota Statutes, section 326.2441.

Sec. 18. [REPEALER.]

Minnesota Rules, part 3800.3810, is repealed.

Sec. 19. [EFFECTIVE DATE.]

Section 9 is effective the day following final enactment.

Section 12 is effective the day following final enactment and is retroactive to August 1, 1999.

ARTICLE 8

CRIMINAL JUSTICE PROVISIONS

Section 1. [CRIMINAL JUSTICE APPROPRIATIONS.]

The sums shown in the columns headed "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article to be available for the fiscal years indicated for each purpose. The figures "2000" and "2001," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 2000, or June 30, 2001, respectively.

SUMMARY BY FUND

		2000	2001
General Fund Total	\$	4,213,000	12,280,000
TOTAL	\$	4,213,000	12,280,000

APPROPRIATIONS

Available for the Year
Ending June 30

		2000	2001
Sec. 2. SUPREME COURT		-0-	104,000

\$100,000 is for civil legal services to low-income clients. A portion of this appropriation is to print and distribute educational materials for contract for deed vendors and vendees, informing them in plain English of the requirements of state law affecting contracts for deed. These materials must

accurately describe state law and be prepared with input from a variety of interest groups, including real estate attorneys, attorneys who represent low-income individuals, realtors, and housing organizations.

\$4,000 is a one-time appropriation to conduct a one-half day judicial seminar on parenting plans.

Sec. 3. COURT OF APPEALS	-0-	200,000
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\$200,000 is to restore legal/judicial support services.

Sec. 4. DISTRICT COURT	-0-	2,963,000
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\$2,754,000 is to reduce judge unit vacancies and restore judicial branch infrastructure funding.

\$130,000 is to continue the community court in the second judicial district.

\$79,000 is a one-time appropriation for extraordinary prosecution costs in Carlton county.

Sec. 5. CORRECTIONS	-0-	3,000,000
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\$2,000,000 is a one-time appropriation to make the local adult detention and criminal justice system facility grants described in section 55.

\$455,000 is a one-time appropriation for predesign of changes to accommodate an 800 bed expansion at MCF-Faribault. The commissioner shall hold public hearings in the Faribault area to determine the degree of local support for the bed expansion and may use this appropriation only if satisfied that there is a sufficient level of local support.

\$500,000 is a one-time appropriation for predesign of a joint headquarters building for the department of corrections and the department of public safety.

\$45,000 is a one-time appropriation for predesign of a vocational building at MCF-St. Cloud.

Sec. 6. PUBLIC SAFETY

Subdivision 1. Total

Appropriation	3,813,000	1,133,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

\$280,000 is for costs associated with the organization of the capitol police department, including the salaries and benefits for its director and three full-time licensed peace officers, and training for its employees.

Subd. 2. Driver and Vehicle
Services

-0- 20,000

\$20,000 is for costs related to the recodification of the driving while impaired laws, if S.F. No. 2677/H.F. No. 2995 is enacted.

Subd. 3. Emergency Management

3,813,000 -0-

\$3,813,000 is for the state match of federal disaster assistance money under Minnesota Statutes, section 12.221. This appropriation is available to fund state obligations incurred through the receipt of federal disaster assistance grants and is added to the appropriation in Laws 1999, chapter 216, article 1, section 7, subdivision 2.

Subd. 4. Criminal Apprehension

-0- 225,000

\$200,000 is a one-time appropriation for overtime costs.

\$25,000 is a one-time appropriation to develop and conduct the court security training program described in section 49.

Subd. 5. Law Enforcement and
Community Grants

-0- 480,000

\$300,000 is a one-time appropriation for juvenile prostitution law enforcement and officer training grants under Minnesota Statutes, section 299A.71.

\$150,000 is a one-time appropriation for a grant to the Ramsey county attorney's office to establish and fund the joint domestic abuse prosecution unit described in section 56.

\$30,000 is a one-time appropriation for grants under Minnesota Statutes, section 299A.62, to local law enforcement agencies or regional jails for the purchase of dogs trained to detect or locate controlled substances by scent. Grants are limited to one dog per agency. Local law enforcement agencies that previously received a grant under Laws 1999, chapter 216, article 1, section 7, subdivision 6, are ineligible for a grant.

Subd. 6. Drug Policy and
Violence Prevention

-0- 128,000

\$128,000 is for distribution as matching funds to counties participating in multijurisdictional narcotics task forces that receive federal Byrne grant funds. These matching funds are available statewide to any county currently participating in a task force, any county seeking to join an existing task force, and any county starting its own task force. These matching funds may be used to enhance enforcement of drug laws by training and educating law enforcement personnel and other interested members of the community.

Sec. 7. CENTER FOR
CRIME VICTIM SERVICES

400,000

3,040,000

\$400,000 the first year is for per diem payments for battered women shelter facilities incurred during the administrative transfer of responsibility for these payments from the department of human services to the department of public safety. This appropriation is available until expended.

\$3,000,000 the second year is to increase allocations for designated battered women shelter facilities.

\$40,000 is a one-time appropriation for a grant to the center for applied research and policy analysis at Metropolitan state university for the domestic violence shelter study described in section 51.

Sec. 8. BOARD OF PUBLIC
DEFENSE

-0-

500,000

\$500,000 is for costs related to obtaining services under Minnesota Statutes, section 611.27, subdivision 16.

Sec. 9. SENTENCING
GUIDELINES COMMISSION

-0-

20,000

\$20,000 is for salary increases.

Sec. 10. MINNESOTA SAFETY
COUNCIL

-0-

300,000

\$300,000 is a one-time appropriation to continue the crosswalk safety awareness program described in section 50.

Sec. 11. HUMAN SERVICES

-0-

1,000,000

\$1,000,000 is for youth shelter and prostitution prevention grants under Minnesota Statutes, section 260B.551.

Sec. 12. UNIVERSITY OF
MINNESOTA

-0-

20,000

\$20,000 is a one-time appropriation to cover the cost of updating the parent education curriculum.

Sec. 13. Minnesota Statutes 1998, section 169.21, subdivision 2, is amended to read:

Subd. 2. [RIGHTS IN ABSENCE OF SIGNAL.] (a) Where traffic-control signals are not in place or in operation, the driver of a vehicle shall stop to yield the right-of-way to a pedestrian crossing the roadway within a marked crosswalk or ~~within any crosswalk~~ at an intersection ~~but~~ with no marked crosswalk. The driver must remain stopped until the pedestrian has passed the lane in which the vehicle is stopped. No pedestrian shall suddenly leave a curb or other place of safety and walk or run into the path of a vehicle which is so close that it is impossible for the driver to yield. This provision shall not apply under the conditions as otherwise provided in this subdivision.

(b) When any vehicle is stopped at a marked crosswalk or at ~~any unmarked crosswalk~~ at an intersection with no marked crosswalk to permit a pedestrian to cross the roadway, the driver of any other vehicle approaching from the rear shall not overtake and pass the stopped vehicle.

(c) It is unlawful for any person to drive a motor vehicle through a column of school children crossing a street or highway or past a member of a school safety patrol or adult crossing guard, while the member of the school safety patrol or adult crossing guard is directing the movement of children across a street or highway and while the school safety patrol member or adult crossing guard is holding an official signal in the stop position. A peace officer may arrest the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of this paragraph within the past four hours.

(d) A person who violates this subdivision is guilty of a misdemeanor and may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both. A person who violates this subdivision a second or subsequent time within one year of a previous conviction under this subdivision is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Sec. 14. Minnesota Statutes 1998, section 169.21, subdivision 3, is amended to read:

Subd. 3. [CROSSING BETWEEN INTERSECTIONS.] Every pedestrian crossing a roadway at any point other than within a marked crosswalk or ~~within an unmarked crosswalk~~ at an intersection with no marked crosswalk shall yield the right-of-way to all vehicles upon the roadway.

Any pedestrian crossing a roadway at a point where a pedestrian tunnel or overhead pedestrian crossing has been provided shall yield the right-of-way to all vehicles upon the roadway.

Between adjacent intersections at which traffic-control signals are in operation pedestrians shall not cross at any place except in a marked crosswalk.

Notwithstanding the other provisions of this section every driver of a vehicle shall: (a) exercise due care to avoid colliding with any bicycle or pedestrian upon any roadway and (b) give an audible signal when necessary and exercise proper precaution upon observing any child or any obviously confused or incapacitated person upon a roadway.

Sec. 15. [169.2151] [PEDESTRIAN SAFETY CROSSINGS.]

A local road authority may provide by ordinance for the designation of pedestrian safety crossings on highways under the road authority's jurisdiction where pedestrian safety considerations require extra time for pedestrian crossing in addition to the time recommended under the Minnesota manual of uniform traffic control devices for pedestrian signals. The ordinance may provide for timing of pedestrian signals for such crossings, consistent with the recommendations of the uniform manual for pedestrian signal timing at senior citizen and handicapped pedestrian crossings. Cities other than cities of the first class may designate a pedestrian safety crossing only with the approval of the road authority having jurisdiction over the crossing. The authority of local road authorities to determine pedestrian signal timing under this

section is in addition to any other control exercised by local road authorities over the timing of pedestrian signals.

Sec. 16. [241.018] [PER DIEM CALCULATION.]

(a) The commissioner of corrections shall develop a uniform method to calculate the average department wide per diem cost of incarcerating offenders at state correctional facilities. In addition to other costs currently factored into the per diem, it must include an appropriate percentage of capitol costs for all correctional facilities and 65 percent of the department's management services budget.

(b) The commissioner also shall use this method of calculating per diem costs for offenders in each state correctional facility. When calculating the per diem cost of incarcerating offenders at a particular facility, the commissioner shall include an appropriate percentage of capital costs for the facility and an appropriate prorated amount, given the facility's population, of 65 percent of the department's management services budget.

(c) The commissioner shall ensure that the new per diem method is used in all future instances in which the department's or any facility's per diem charge is reported.

(d) The commissioner shall report information related to these per diems to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice funding by January 15, 2001.

Sec. 17. Minnesota Statutes 1999 Supplement, section 241.272, subdivision 6, is amended to read:

Subd. 6. [USE OF FEES.] Excluding correctional fees collected from offenders supervised by department agents under the authority of section 244.19, subdivision 1, paragraph (a), clause (3), all correctional fees collected under this section go to the general fund. Fees collected by agents under the authority of section 244.19, subdivision 1, paragraph (a), clause (3), shall go to the county treasurer in the county where supervision is provided. These fees shall be used according to section 244.18, subdivision 6.

Sec. 18. [LEGISLATIVE INTENT.]

It is the intent of the legislature that this article encourage courts to place juvenile offenders at the Minnesota correctional facility-Red Wing who would otherwise be placed in out-of-state facilities. Except as provided in section 25, it is not the legislature's intent to discourage the placement of juvenile offenders at nonstate-operated facilities within Minnesota.

Sec. 19. Minnesota Statutes 1999 Supplement, section 242.192, is amended to read:

242.192 [CHARGES TO COUNTIES.]

(a) The commissioner shall charge counties or other appropriate jurisdictions for one-half the actual per diem cost of confinement, excluding educational costs and non-billable service, of juveniles at the Minnesota correctional facility-Red Wing and of juvenile females committed to the commissioner of corrections. This charge applies to juveniles committed to the commissioner of corrections and juveniles admitted to the Minnesota correctional facility-Red Wing under established admissions criteria. This charge applies to both counties that participate in the Community Corrections Act and those that do not. The commissioner shall annually determine costs, making necessary adjustments to reflect the actual costs of confinement the per diem cost of confinement based on projected population, pricing incentives, market conditions, and the requirement that expense and revenue balance out over a period of two years. All money received under this section must be deposited in the state treasury and credited to the general fund.

(b) The department of corrections shall be responsible for the other half of the per diem cost of confinement described in this section.

Sec. 20. [242.193] [JUVENILE RESIDENTIAL TREATMENT GRANTS.]

Subdivision 1. [GRANTS.] Within the limits of available appropriations, the commissioner of corrections shall make juvenile residential treatment grants to counties to defray the cost of juvenile residential treatment. The commissioner shall distribute 80 percent of the money appropriated for these purposes to noncommunity corrections act counties and 20 percent to community corrections act counties. The commissioner shall distribute the money according to the formula contained in section 401.10.

Subd. 2. [REPORT.] By January 15 of each year, each county that received a grant shall submit a report to the commissioner describing the purposes for which the grants were used. By March 15 of each year, the commissioner shall summarize this information and report it to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice funding.

Sec. 21. Minnesota Statutes 1998, section 242.41, is amended to read:

242.41 [THE MINNESOTA CORRECTIONAL FACILITY-RED WING.]

There is established the Minnesota correctional facility-Red Wing at Red Wing, Minnesota, in which may be placed persons committed to the commissioner of corrections by the courts of this state who, in the opinion of the commissioner, may benefit from the programs available thereat or admitted consistent with established admissions criteria. When reviewing placement requests from counties, the commissioner shall take into consideration the purpose of the Minnesota correctional facility-Red Wing which is to educate and provide treatment for serious and chronic juvenile offenders for which the county has exhausted local resources. The general control and management of the facility shall be under the commissioner of corrections.

Sec. 22. Minnesota Statutes 1998, section 242.43, is amended to read:

242.43 [COMMISSIONER, DUTIES.]

The commissioner of corrections shall receive, clothe, maintain, and instruct, at the expense of the state, all children duly committed to the corrections department and placed in a state correctional facility for juveniles and keep them in custody until placed on probation, paroled, or discharged. The commissioner may place any of these children in suitable foster care facilities or cause them to be instructed in such trades or employment as in the commissioner's judgment will be most conducive to their reformation and tend to the future benefit and advantage of these children. The commissioner may discharge any child so committed, or may recall to the facility at any time any child paroled, placed on probation, or transferred; and, upon recall, may resume the care and control thereof. The discharge of a child by the commissioner shall be a complete release from all penalties and disabilities created by reason of the commitment.

Upon the parole or discharge of any inmate of any state juvenile correctional facility, the commissioner of corrections may pay to each inmate released an amount of money not exceeding the sum of \$10. All payments shall be made from the current expense fund of the facility.

Sec. 23. Minnesota Statutes 1998, section 242.44, is amended to read:

242.44 [PUPILS.]

The commissioner of corrections, so far as the accommodations of the correctional facilities and other means at the commissioner's disposal will permit, shall may receive and keep until they reach 19 years of age, or until placed in homes, or discharged, all persons committed to the commissioner's care and custody by a juvenile court juvenile delinquents and juvenile offenders serving a juvenile disposition under section 260B.130, subdivision 4. The commissioner's housing of these individuals must be consistent with federal and state law, including established admissions criteria for Minnesota correctional facility-Red Wing. The commissioner may place these youths at employment, may provide education suitable to their years and capacity, and may place them in suitable homes. Under rules prescribed by the commissioner, when deemed best for these youths, they persons committed to the commissioner's care and custody by a juvenile court may be paroled or discharged from the facility by the commissioner. All pupils in the facility shall be clothed, instructed, and maintained at the expense of the state by the commissioner of corrections.

Sec. 24. [260B.199] [PLACEMENT OF JUVENILE OFFENDERS AT MCF-RED WING.]

Subdivision 1. [WHEN COURT MUST CONSIDER; PROHIBITION ON PLACEMENT AT OUT-OF-STATE FACILITY.] Before a court orders a disposition under section 260B.198 or 260B.130, subdivision 4, for a child, the court shall determine whether the child meets the established admissions criteria for the Minnesota correctional facility-Red Wing. If the child meets the admissions criteria, the court shall consider placing the child at the facility and may not place the child in an out-of-state facility, unless the court makes a finding on the record that the needs of the child cannot be met at the Minnesota correctional facility-Red Wing or that the out-of-state facility is located closer to the child's home.

Subd. 2. [REPORT REQUIRED.] (a) A court that places a child in an out-of-state facility shall report the following information to the sentencing guidelines commission:

- (1) the out-of-state facility the child was placed at and the reasons for this placement;
- (2) the in-state facilities at which placement was considered;
- (3) the reasons for not choosing an in-state facility;

(4) the reasons why the child did not meet the established admissions criteria for the Minnesota correctional facility-Red Wing, if applicable; and

(5) if the child met the admissions criteria, the reasons why the needs of the child could not be met at the Minnesota correctional facility-Red Wing or specific information on the distance to the out-of-state facility from the offender's home compared to that of the Minnesota correctional facility-Red Wing.

(b) By February 15 of each year, the commission shall forward a summary of the reports received from courts under this subdivision for the preceding year to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding.

Sec. 25. [260B.1991] [MANDATORY COMMITMENT TO COMMISSIONER OF CORRECTIONS.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) "Chemical dependency treatment" means a comprehensive set of planned and organized services, therapeutic experiences, and interventions that are intended to improve the prognosis, function, or outcome of residents by reducing the risk of the use of alcohol, drugs, or other mind-altering substances and assist the resident to adjust to, and deal more effectively with, life situations.

(c) An offender has "failed or refused to successfully complete" treatment when based on factors within the offender's control, the offender is not able to substantially achieve the program's goals and the program's director determines that based on the offender's prior placement or treatment history, further participation in the program would not result in its successful completion.

(d) "Probation" has the meaning given in section 609.02, subdivision 15.

(e) "Sex offender treatment" means a comprehensive set of planned and organized services, therapeutic experiences, and interventions that are intended to improve the prognosis, function, or outcome of residents by reducing the risk of sexual reoffense and other aggressive behavior and assist the resident to adjust to, and deal more effectively with, life situations.

Subd. 2. [WHEN COMMITMENT REQUIRED.] (a) A court having jurisdiction over a child shall commit the child to the custody of the commissioner of corrections if the child:

(1) was previously adjudicated delinquent or convicted as an extended jurisdiction juvenile for an offense for which registration under section 243.166 was required;

(2) was placed on probation for the offense and ordered to complete a sex offender or chemical dependency treatment program; and

(3) subsequently failed or refused to successfully complete the program.

(b) If the child was initially convicted as an extended jurisdiction juvenile, the court may execute the child's adult sentence under section 260B.130, subdivision 4. Notwithstanding paragraph (c), if the court does not do this, it shall comply with paragraph (a).

(c) If the court makes a finding on the record that the needs of the child cannot be met at the Minnesota correctional facility-Red Wing, the court may order an appropriate alternative placement, including at an out-of-state facility that is located closer to the child's home than the Minnesota correctional facility-Red Wing.

Subd. 3. [REPORT REQUIRED.] (a) A court ordering a placement under subdivision 2, paragraph (c), shall report to the sentencing guidelines commission on the placement ordered and the reasons why the needs of the child could not be met at the Minnesota correctional facility-Red Wing. If the placement is to an out-of-state facility, the report must include specific information on the distance to the out-of-state facility from the offender's home compared to that of the Minnesota correctional facility-Red Wing.

(b) By February 15 of each year, the commission shall summarize the reports received from courts under this subdivision for the preceding year and forward this summary to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding.

Sec. 26. [260B.551] [YOUTH SHELTER AND JUVENILE PROSTITUTION PREVENTION GRANTS.]

Subdivision 1. [ESTABLISHMENT.] A grant program is established to increase the availability of shelter for homeless, runaway, or thrown-away youth at risk of being prostituted or currently being used in prostitution. The goal of the grants is to significantly increase the number of existing beds for these youth in Minnesota. By providing emergency and transitional housing, the number of youth at risk of being sexually exploited or actually being sexually exploited will be reduced.

Subd. 2. [ELIGIBILITY.] The commissioner of human services shall make shelter and prevention grants to nonprofit corporations or government agencies to provide emergency and transitional housing for children and teens. These grants may be used for salaries for staff providing these services. The commissioner shall consider the needs for emergency and transitional shelter throughout Minnesota, and give priority to applicants who offer 24-hour emergency facilities. To be eligible for a grant, a nonprofit corporation must meet the following criteria:

(1) the applicant must have a commitment to helping the community or children, or preventing juvenile prostitution, if the organization does not have any past experience with youth involved or at risk of being used in prostitution then the organization must demonstrate their knowledge of the best practices in this area and develop a plan to follow these practices;

(2) the grant must be used to create and maintain shelter for homeless, runaway, and thrown-away youth;

(3) the applicant may not use the grant to conduct general education or awareness programs unrelated to the operation of a shelter;

(4) the applicant must present a plan to communicate with local law enforcement officials, social services, and the department of human services consistent with state and federal law; and

(5) the applicant must present a plan to encourage a homeless, runaway, or thrown-away youth to either reconnect with their family or transition into long-term housing.

Subd. 3. [GRANT APPLICATION.] A nonprofit corporation or government agency must submit an application to the commissioner of human services in the form and manner the commissioner establishes. The application must describe how the applicant meets the eligibility criteria under subdivision 2. The commissioner may require the applicant to provide additional information.

Sec. 27. [299A.71] [JUVENILE PROSTITUTION LAW ENFORCEMENT AND OFFICER TRAINING GRANTS.]

Subdivision 1. [ESTABLISHMENT.] A grant program is established for enhanced law enforcement efforts and peace officer education and training to combat juvenile prostitution. The goal of the grants is to provide peace officers with the knowledge and skills to recognize individuals who sexually exploit youth, charge and prosecute these individuals for promotion and solicitation of prostitution, and effectively communicate with the victims of juvenile prostitution.

Subd. 2. [ELIGIBILITY.] The commissioner of public safety shall make juvenile prostitution prevention grants to local law enforcement agencies to provide enhanced efforts targeted to juvenile prostitution and training and staff development relating to the prevention of juvenile prostitution. The law enforcement agency must utilize all of the grant funding received for efforts to combat juvenile prostitution.

Subd. 3. [GRANT APPLICATION.] A local law enforcement agency must submit an application to the commissioner of public safety in the form and manner the commissioner establishes.

Sec. 28. [299N.01] [DEFINITIONS.]

As used in this chapter, the following terms have the meanings given:

- (1) "commissioner" means the commissioner of public safety; and
- (2) "law enforcement agency" has the meaning given in section 626.84, subdivision 1.

Sec. 29. [299N.02] [CAPITOL POLICE DEPARTMENT.]

Subdivision 1. [DESCRIPTION AND RESPONSIBILITIES.] The capitol police department is a law enforcement agency organized as a division in the department of public safety. It is responsible for providing law enforcement services in the capitol complex and in other state-owned or leased buildings and property as designated by the commissioner. The department has primary jurisdiction over offenses occurring in these locations. It is also responsible for providing necessary security to the following: legislators; constitutional officers, except for the governor; members of the judiciary; commissioners of state agencies; state employees; visiting dignitaries; and members of the public. In addition, the department shall provide public information services in the capitol complex.

Subd. 2. [DIRECTOR.] The capitol police department is under the supervision and control of a director appointed by the commissioner. The director is the agency's chief law enforcement officer. The director must be a peace officer, as defined in section 626.84, subdivision 1, paragraph (c), and licensed under sections 626.84 to 626.863, and possess the necessary police and management experience to manage a law enforcement agency. The director serves at the commissioner's pleasure in the unclassified service. The director may appoint, discipline, and discharge all of the department's personnel. The director shall ensure that only individuals licensed as peace officers, as defined in section 626.84, subdivision 1, paragraph (c), are assigned to duties involving the providing of law enforcement services and that only these officers wear uniforms consistent with section 626.88, subdivision 2.

Subd. 3. [STATEWIDE ARREST AUTHORITY.] Members of the capitol police department who are licensed peace officers possess statewide arrest authority.

Subd. 4. [RESPONSIBILITIES OF CAPITOL SECURITY DIVISION TRANSFERRED.] The responsibilities of the capitol complex security division are transferred to the capitol police department under section 15.039.

Subd. 5. [LEGISLATURE'S AUTHORITY NOT SUPERSEDED.] This section shall not be construed to supersede the power of the legislature to appoint and assign personnel and equipment necessary for the conduct of its business.

Subd. 6. [COMPLIANCE WITH OTHER LAWS.] Except as provided in this chapter:

(1) the capitol police department is subject to all laws governing the operation and management of a law enforcement agency; and

(2) members of the capitol police department who are licensed peace officers are subject to all laws governing the qualifications and conduct of peace officers.

Subd. 7. [TRAINING.] The director shall ensure that capitol police officers and employees receive appropriate training and support, including the additional training and support recommended in the January 2000 Capitol Complex Security Study, option 2, item 1.

Sec. 30. [299N.03] [CAPITOL COMPLEX SECURITY OVERSIGHT COMMITTEE.]

Subdivision 1. [MEMBERSHIP.] (a) The capitol complex oversight committee consists of the following individuals or their designees:

(1) the senate majority leader;

(2) the speaker of the house of representatives;

(3) the chief justice of the supreme court;

(4) the chair of the senate committee or division having jurisdiction over criminal justice funding;

(5) the chair of the house of representatives committee or division having jurisdiction over criminal justice funding;

(6) the commissioner of public safety;

(7) the commissioner of administration;

(8) the senate sergeant at arms;

(9) the house of representatives' sergeant at arms;

(10) the director of the state historical society;

(11) the president of a statewide association representing government relations professionals;

(12) the director of the capitol police department; and

(13) an employee of the capitol police department, chosen by the organization serving as its employees' exclusive representative.

(b) The committee may elect a chair from among its members. The director and the employee of the capitol police department may not vote on matters relating to the department's budget or evaluating its effectiveness or other matters in which they have a conflict of interest.

Subd. 2. [DUTIES.] The oversight committee shall:

(1) develop both a short-term and a long-term plan relating to the provision of security in the capitol complex and in other state-owned or leased buildings and property, including providing necessary security to the following: legislators, constitutional officers, members of the judiciary, commissioners of state agencies, state employees, visiting dignitaries, and members of the public;

(2) develop guidelines that may be used to evaluate the methods by which this security is provided;

(3) evaluate the budget for providing this security and make annual budgetary recommendations to the legislature; and

(4) provide oversight to the entity providing capitol area security and annually report to the legislature on the entity's effectiveness.

The plans described in clause (1) must consider potential shifting needs for security and the impact of new security technology.

Subd. 3. [EXPIRATION AND COMPENSATION.] Notwithstanding section 15.059, the oversight committee does not expire. Committee members may not receive compensation for serving, but may receive expense reimbursements as provided in section 15.059.

Sec. 31. [299N.04] [CONTRACT SERVICES; APPROPRIATION.]

Fees received for contracted security services provided by the capitol police department are to be credited to a special account in the treasury and are appropriated annually to the commissioner to be used for the operation of the department.

Sec. 32. Minnesota Statutes 1998, section 477A.0121, subdivision 4, is amended to read:

Subd. 4. [PUBLIC DEFENDER COSTS.] Each calendar year, 1.5 percent of the total appropriation for this section shall be retained by the commissioner of revenue to make reimbursements to the commissioner of finance for payments made under section 611.27. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27 and the costs of services other than counsel under section 611.27, subdivision 16. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county criminal justice aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.

Sec. 33. Minnesota Statutes 1998, section 609.322, subdivision 1, is amended to read:

Subdivision 1. [INDIVIDUALS UNDER AGE 16 18.] Whoever, while acting other than as a prostitute or patron, intentionally does any of the following may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$40,000, or both:

- (1) solicits or induces an individual under the age of 16 18 years to practice prostitution;
- (2) promotes the prostitution of an individual under the age of 16 18 years; or
- (3) receives profit, knowing or having reason to know that it is derived from the prostitution, or the promotion of the prostitution, of an individual under the age of 16 18 years.

Sec. 34. Minnesota Statutes 1998, section 611.21, is amended to read:

611.21 [SERVICES OTHER THAN COUNSEL.]

~~(a) Private counsel appointed by the court for an indigent defendant, or representing a defendant who, at the outset of the prosecution, has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9902(2), and public defenders in districts that are not fully state funded, may file an ex parte application requesting investigative, expert, or other services necessary to an adequate defense in the case. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the services on behalf of the defendant. The court may establish a limit on the amount which may be expended or promised for such services. The court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained, but such ratification shall be given only in unusual situations. The court shall determine reasonable compensation for the services and direct payment by the county in which the prosecution originated, to the organization or person who rendered them, upon the filing of a claim for compensation supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source.~~

(b) The compensation to be paid to a person for such service rendered to a defendant under this section, or to be paid to an organization for such services rendered by an employee, may not exceed \$1,000, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the court as necessary to provide fair compensation for services of an unusual character or duration and the amount of the excess payment is approved by the chief judge of the district. The chief judge of the judicial district may delegate approval authority to an active district judge.

(c) If the court denies authorizing counsel to obtain services on behalf of the defendant, the court shall make written findings of fact and conclusions of law that state the basis for determining that counsel may not obtain services on behalf of the defendant. When the court issues an order denying counsel the authority to obtain services, the defendant may appeal immediately from that order to the court of appeals and may request an expedited hearing.

(d) The provisions of this section do not apply to representation by a public defender appointed by the court in districts that are fully state funded.

Sec. 35. Minnesota Statutes 1998, section 611.27, subdivision 5, is amended to read:

Subd. 5. [DISTRICT PUBLIC DEFENDER BUDGETS.] The board of public defense may only fund those items and services in district public defender budgets which were included in the original budgets of district public defender offices as of January 1, 1990. All other public defense related costs remain the responsibility of the counties unless the state specifically appropriates for these. The cost of additional state funding of these items and services must be offset by reductions in local aids in the same manner as the original state takeover, or, in the case of expenses other than counsel under section 611.27, subdivision 16, by the use of county criminal justice aid under section 477A.0121, subdivision 4.

Sec. 36. Minnesota Statutes 1998, section 611.27, is amended by adding a subdivision to read:

Subd. 16. [SERVICES OTHER THAN COUNSEL.] (a) An assistant public defender, who has been appointed by the court to represent an indigent defendant, may request from the board of public defense, funds to pay for investigative, expert or other services necessary to an adequate defense in the case.

(b) The board of public defense shall pay for the services described in paragraph (a) in districts fully funded by the state from funds appropriated for that purpose. If sufficient funds are not available to the board, the commissioner of finance shall make payment from county criminal justice aid retained by the commissioner of revenue for that purpose under section 477A.0121, subdivision 4.

(c) In districts that are not fully funded by the state, the board shall pay a total annual amount of not more than 25 percent of the total amount specifically appropriated to it to pay for the services described in paragraph (a).

Sec. 37. Minnesota Statutes 1998, section 611A.32, subdivision 5, is amended to read:

Subd. 5. [CLASSIFICATION OF DATA COLLECTED BY GRANTEEES.] Personal history information and other information collected, used or maintained by a grantee or a shelter facility receiving per diem payments from which the identity of any battered woman may be determined is private data on individuals, as defined in section 13.02, subdivision 12, and the grantee or facility shall maintain the data in accordance with the provisions of chapter 13.

Sec. 38. [611A.37] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of sections 611A.37 to 611A.375, the terms defined have the meanings given them unless otherwise provided or indicated by the context.

Subd. 2. [DIRECTOR.] "Director" means the director of the Minnesota center for crime victim services or a designee.

Subd. 3. [CENTER.] "Center" means the Minnesota center for crime victim services.

Subd. 4. [SHELTER FACILITY.] "Shelter facility" means a secure crisis shelter, housing network, safe home, or other facility operated by a nonprofit organization and designated by the center for the purpose of providing food, lodging, safety, and 24-hour coverage for battered women and their children.

Subd. 5. [DESIGNATED SHELTER FACILITY.] "Designated shelter facility" means a facility that has applied and been approved by the center to provide shelter and services to battered women and their children.

Subd. 6. [PER DIEM RATE.] "Per diem rate" means a daily charge per person for providing food, lodging, safety, and 24-hour coverage for battered women and their children.

Subd. 7. [RESERVE AMOUNT.] "Reserve amount" means the amount the center has reserved for each shelter facility.

Subd. 8. [SHELTER RESIDENT.] "Shelter resident" means a woman or child residing in a shelter facility.

Subd. 9. [BATTERED WOMAN.] "Battered woman" means a woman who has experienced domestic abuse as defined in section 518B.01, subdivision 2, paragraph (a).

Sec. 39. [611A.371] [PROGRAM PURPOSE.]

The purpose of the per diem program is to provide reimbursement in a timely, efficient manner to local programs for maintenance and security costs to assure the availability of safe shelter for battered women. Per diem funding may not be used for other purposes.

Sec. 40. [611A.372] [DUTIES OF THE DIRECTOR.]

In addition to any other duties imposed by law, the director, with the approval of the commissioner of public safety, shall:

- (1) supervise the administration of per diem payments to shelter facilities;
- (2) collect data on shelter facilities;
- (3) conduct an annual evaluation of the per diem program; and
- (4) report to the governor and the legislature on the need for emergency secure shelter.

Sec. 41. [611A.373] [ELIGIBILITY.]

Designated shelter facilities may seek reimbursement for reasonable and necessary costs of providing battered women and their children with food, lodging, and safety.

Sec. 42. [611A.374] [PAYMENTS.]

Subdivision 1. [PAYMENT REQUESTS.] Designated shelter facilities may submit requests for payment monthly based on the number of persons housed. Upon approval of the request for payment by the center, payments shall be made directly to designated shelter facilities from per diem funds on behalf of women and their children who reside in the shelter facility. Payments made to a designated shelter facility must not exceed the annual reserve amount for that facility unless approved by the director. Payments to designated shelter facilities must not affect the eligibility of individuals who reside in shelter facilities for public assistance benefits except when required by federal law or regulation.

Subd. 2. [RESERVE AMOUNT LIMITATION.] The total of all reserve amounts shall not exceed the per diem appropriation.

Sec. 43. [611A.3745] [CONSULTATION WITH BATTERED WOMEN ADVISORY COUNCIL.]

The director shall consult with the battered women advisory council when performing duties under sections 611A.371 to 611A.375.

Sec. 44. [611A.375] [APPEAL PROCESS.]

Within 30 days after receiving a decision by the center to deny payment, a designated shelter facility may request reconsideration. A facility may not appeal a decision by the center to deny payments in excess of the facility's reserve amount. A designated shelter facility denied payment upon reconsideration is entitled to a contested case hearing within the meaning of chapter 14.

Sec. 45. Minnesota Statutes 1999 Supplement, section 626.84, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of sections 626.84 to 626.863, the following terms have the meanings given them:

- (a) "Board" means the board of peace officer standards and training.
- (b) "Director" means the executive director of the board.
- (c) "Peace officer" means:

(1) an employee or an elected or appointed official of a political subdivision or law enforcement agency who is licensed by the board, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol, agents of the division of alcohol and gambling enforcement, state conservation officers, capitol police officers, and metropolitan transit police officers; and

(2) a peace officer who is employed by a law enforcement agency of a federally recognized tribe, as defined in United States Code, title 25, section 450b(e), and who is licensed by the board.

(d) "Constable" has the meaning assigned to it in section 367.40.

(e) "Deputy constable" has the meaning assigned to it in section 367.40.

(f) "Part-time peace officer" means an individual licensed by the board whose services are utilized by law enforcement agencies no more than an average of 20 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply irrespective of the title conferred upon the individual by any law enforcement agency. The limitation on the average number of hours in which the services of a part-time peace officer may be utilized shall not apply to a part-time peace officer who has formally notified the board pursuant to rules adopted by the board of the part-time peace officer's intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g), and 626.845, subdivision 1, clause (g).

(g) "Reserve officer" means an individual whose services are utilized by a law enforcement agency to provide supplementary assistance at special events, traffic or crowd control, and administrative or clerical assistance. A reserve officer's duties do not include enforcement of the general criminal laws of the state, and the officer does not have full powers of arrest or authorization to carry a firearm on duty.

(h) "Law enforcement agency" means:

(1) a unit of state or local government that is authorized by law to grant full powers of arrest and to charge a person with the duties of preventing and detecting crime and enforcing the general criminal laws of the state; and

(2) subject to the limitations in section 626.93, a law enforcement agency of a federally recognized tribe, as defined in United States Code, title 25, section 450b(e).

(i) "Professional peace officer education" means a post-secondary degree program, or a nondegree program for persons who already have a college degree, that is offered by a college or university in Minnesota, designed for persons seeking licensure as a peace officer, and approved by the board.

Sec. 46. Laws 1999, chapter 216, article 1, section 7, subdivision 6, is amended to read:
Subd. 6. Law Enforcement and Community Grants

10,290,000

7,583,000

\$1,000,000 the first year is for grants to pay the costs of developing or implementing a criminal justice information integration plan as described in Minnesota Statutes, section 299C.65, subdivision 6 or 7. The commissioner shall make a minimum of two grants from this appropriation. This is a one-time appropriation.

The commissioner of public safety shall consider using a portion of federal Byrne grant funds for costs related to developing or implementing a criminal justice information system integration plan as described in Minnesota Statutes, section 299C.65, subdivision 6 or 7.

\$400,000 the first year is for a grant to the city of Marshall to construct, furnish, and equip a regional emergency response training center. The balance, if any, does not cancel but is available for the fiscal year ending June 30, 2001.

\$10,000 the first year is for the commissioner of public safety to reconvene the task force that developed the statewide master plan for fire and law enforcement training facilities under Laws 1998, chapter 404, section 21, subdivision 3, for the purpose of developing specific recommendations concerning the siting, financing and use of these training facilities. The commissioner's report shall include detailed recommendations concerning the following issues:

- (1) the specific cities, counties, or regions of the state where training facilities should be located;
- (2) the reasons why a training facility should be sited in the recommended location, including a description of the public safety training needs in that part of the state;
- (3) the extent to which neighboring cities and counties should be required to collaborate in funding and operating the recommended training facilities;
- (4) an appropriate amount for a local funding match (up to 50 percent) for cities and counties using the training facility to contribute in money

or other resources to build, expand, or operate the facility;

(5) the feasibility of providing training at one or more of the recommended facilities for both law enforcement and fire safety personnel;

(6) whether the regional or statewide need for increased public safety training resources can be met through the expansion of existing training facilities rather than the creation of new facilities and, if so, which facilities should be expanded; and

(7) any other issues the task force deems relevant.

By January 15, 2000, the commissioner shall submit the report to the chairs and ranking minority members of the house and senate committees and divisions with jurisdiction over capital investment issues and criminal justice funding and policy.

\$746,000 the first year and \$766,000 the second year are for personnel and administrative costs for the criminal gang oversight council and strike force described in Minnesota Statutes, section 299A.64.

\$1,171,000 the first year and \$2,412,000 are for the grants authorized under Minnesota Statutes, section 299A.66, subdivisions 1 and 2. Of this appropriation, \$1,595,000 each year shall be included in the 2002-2003 biennial base budget.

By January 15, 2000, the criminal gang oversight council shall submit a report to the chairs and ranking minority members of the senate and house committees and divisions with jurisdiction over criminal justice funding and policy describing the following:

(1) the types of crimes on which the oversight council and strike force have primarily focused their investigative efforts since their inception;

(2) a detailed accounting of how the oversight council and strike force have spent all funds and donations they have received since their inception, including donations of goods and services;

(3) the extent to which the activities of the oversight council and strike force overlap or duplicate the activities of the fugitive task force or the activities of any federal, state, or local task forces that investigate interjurisdictional criminal activity; and

(4) the long-term goals that the criminal gang oversight council and strike force hope to achieve.

The commissioner of public safety shall consider using a portion of federal Byrne grant funds for criminal gang prevention and intervention activities to (1) help gang members separate themselves, or remain separated, from gangs; and (2) prevent individuals from becoming affiliated with gangs.

\$50,000 the first year is for a grant to the Minnesota Safety Council to continue the crosswalk safety awareness campaign. The Minnesota Safety Council shall work with the department of transportation to develop a long range plan to continue the crosswalk safety awareness campaign.

\$500,000 the first year is for grants under Minnesota Statutes, section 299A.62, subdivision 1. These grants shall be distributed as provided in Minnesota Statutes, section 299A.62, subdivision 2. This is a one-time appropriation.

Up to \$30,000 of the appropriation for grants under Minnesota Statutes, section 299A.62, is for grants to requesting local law enforcement agencies to purchase dogs trained to detect or locate controlled substances by scent. Grants are limited to one dog per county.

\$50,000 the first year and \$50,000 the second year are for grants to the northwest Hennepin human services council to administer the northwest community law enforcement project, to be available until June 30, 2001. This is a one-time appropriation.

\$30,000 the first year is to assist volunteer ambulance services, licensed under Minnesota Statutes, chapter 144E, in purchasing automatic external defibrillators. Ambulance services are eligible for a grant under this provision if they do not already possess an automatic external defibrillator and if they provide a 25 percent match in nonstate funds. This is a one-time appropriation.

\$50,000 the first year and \$50,000 the second year are for grants under Minnesota Statutes, section 119A.31, subdivision 1, clause (12), to organizations that focus on intervention and prevention of teenage prostitution.

The commissioner of public safety shall administer a program to distribute tire deflators to local or state law enforcement agencies

~~selected by the commissioner of public safety and to distribute or otherwise make available a computer-controlled driving simulator to local or state law enforcement agencies or POST-certified skills programs selected by the commissioner of public safety.~~

Before any decisions are made on which law enforcement agencies will receive tire deflators ~~or the driving simulator~~, a committee consisting of a representative from the Minnesota chiefs of police association, a representative from the Minnesota sheriffs association, a representative from the state patrol, and a representative from the Minnesota police and peace officers association shall evaluate the applications. The commissioner shall consult with the committee concerning its evaluation and recommendations on distribution proposals prior to making a final decision on distribution.

Law enforcement agencies that receive tire deflators under this section must: (i) provide any necessary training to their employees concerning use of the tire deflators; (ii) compile statistics on use of the tire deflators and the results; (iii) provide a one-to-one match in nonstate funds; and (iv) report this information to the commissioner as required.

~~Law enforcement agencies or POST-certified skills programs that receive a computer-controlled driving simulator under this section must:~~

- ~~(1) provide necessary training to their employees in emergency vehicle operations and in the conduct of police pursuits;~~
- ~~(2) provide a five-year plan for maintaining the hardware necessary to operate the driving simulator;~~
- ~~(3) provide a five-year plan to update software necessary to operate the driving simulator;~~
- ~~(4) provide a plan to make the driving simulator available at a reasonable cost and with reasonable availability to other law enforcement agencies to train their officers; and~~
- ~~(5) provide an estimate of the availability of the driving simulator for use by other law enforcement agencies.~~

By January 15, 2001, the commissioner shall report to the chairs and ranking minority members of the house and senate committees and divisions having jurisdiction over criminal

justice matters on the tire deflators and the driving simulator distributed under this section.

\$285,000 the first year is for a one-time grant to the city of Minneapolis to implement a coordinated criminal justice system response to the CODEFOR (Computer Optimized Development-Focus on Results) law enforcement strategy. This appropriation is available until expended.

\$795,000 the first year is for a one-time grant to Hennepin county to implement a coordinated criminal justice system response to the CODEFOR (Computer Optimized Development-Focus on Results) law enforcement strategy. This appropriation is available until expended.

\$420,000 the first year is for a one-time grant to the fourth judicial district public defender's office to accommodate the CODEFOR (Computer Optimized Development-Focus on Results) law enforcement strategy. This appropriation is available until expended.

\$150,000 the first year and \$150,000 the second year are for weed and seed grants under Minnesota Statutes, section 299A.63. Money not expended the first year is available for grants during the second year. This is a one-time appropriation.

\$200,000 each year is a one-time appropriation for a grant to the center for reducing rural violence to continue the technical assistance and related rural violence prevention services the center offers to rural communities.

\$500,000 the first year and \$500,000 the second year are to operate the weekend camp program at Camp Ripley described in Laws 1997, chapter 239, article 1, section 12, subdivision 3, as amended by Laws 1998, chapter 367, article 10, section 13. The powers and duties of the department of corrections with respect to the weekend program are transferred to the department of public safety under Minnesota Statutes, section 15.039. The commissioner shall attempt to expand the program to serve 500 juveniles per year within this appropriation.

An additional \$125,000 the first year and \$125,000 the second year are for the weekend camp program at Camp Ripley.

\$500,000 the first year and \$500,000 the second year are for Asian-American juvenile crime intervention and prevention grants under

Minnesota Statutes, section 256.486. The powers and duties of the department of human services, with respect to that program, are transferred to the department of public safety under Minnesota Statutes, section 15.039. This is a one-time appropriation.

Sec. 47. Laws 1999, chapter 216, article 1, section 18, is amended to read:

Sec. 18. AUTOMOBILE THEFT PREVENTION BOARD

2,277,000

1,886,000

This appropriation is from the automobile theft prevention account in the special revenue fund.

Of this appropriation, up to \$400,000 the first year is transferred to the commissioner of public safety for the purchase and distribution of tire deflators to local or state law enforcement agencies ~~and for the purchase of a computer-controlled driving simulator.~~ Any amount not spent by the commissioner of public safety for this purpose shall be returned to the automobile theft prevention account in the special revenue fund and may be used for other automobile theft prevention activities.

The automobile theft prevention board may not spend any money it receives from surcharges in the fiscal year 2000-2001 biennium, unless the legislature approves the spending.

The executive director of the automobile theft prevention board may not sit on the automobile theft prevention board.

Sec. 48. [AUTOMATED VICTIM NOTIFICATION SYSTEM.]

All courts and state and local correctional facilities shall consider implementing an automated victim notification system. The commissioner of public safety, in cooperation with the commissioners of children, families, and learning; corrections; and economic security; shall provide financial assistance to implement these systems. The commissioners shall determine the extent of the financial assistance and the manner in which it will be provided. Participating local governments shall provide a cash or in-kind match as determined by the commissioner of public safety.

Sec. 49. [COURT SECURITY TRAINING PROGRAM.]

The superintendent of the bureau of criminal apprehension shall develop and implement a training program for court and law enforcement personnel. The training program must:

- (1) include methods to increase security within court houses and surrounding property;
- (2) focus on protecting judges, court employees, members of the public, and participants in the legal process; and
- (3) allow individuals who receive it to, in turn, effectively train others.

Sec. 50. [CROSSWALK SAFETY AWARENESS PROGRAM.]

The Minnesota safety council shall continue its crosswalk safety awareness program by:

- (1) developing and distributing crosswalk safety education campaign materials;
- (2) creating and placing advertisements in mass media throughout the state; and
- (3) making grants to local units of government and law enforcement agencies for:
 - (i) implementing pedestrian safety awareness activities;
 - (ii) providing increased signage and crosswalk markings and evaluating their effect on highway safety; and
 - (iii) enhancing enforcement of pedestrian safety laws.

Sec. 51. [DOMESTIC VIOLENCE SHELTER STUDY.]

By March 15, 2001, the center for applied research and policy analysis at Metropolitan State University, in cooperation with the Minnesota center for crime victim services and the department of public safety, shall study and make recommendations to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice funding on issues related to providing shelter for victims of domestic violence. The study must estimate the relative impact of the following, as it relates to providing shelter for victims of domestic violence:

- (1) the incidence of domestic violence;
- (2) law enforcement practices in response to domestic violence;
- (3) the number of victims seeking shelter and whether adequate shelter space exists, and trends regarding this;
- (4) the number of victims who have children also needing shelter;
- (5) the financial status of domestic violence victims;
- (6) the necessary length of stay in shelters; and
- (7) opportunities for victims to leave shelters.

In studying these issues, the center shall analyze costs and demand for shelters in other states having programs comparable to Minnesota's.

Sec. 52. [REDUCTION IN CORRECTIONS APPROPRIATION.]

The fiscal year 2001 appropriation for juvenile residential treatment grants in Laws 1999, chapter 216, article 1, section 13, subdivision 4, is reduced by \$5,000,000. The commissioner of finance shall reflect this reduction in the department of corrections' base budget for the next biennium.

Sec. 53. [STUDY; REPORT.]

(a) The commissioner of corrections shall study the state's juvenile correctional system as it relates to serious and chronic offenders. The study must analyze and make proposals regarding:

- (1) the role of the state and counties in providing services;
- (2) the funding of these services;
- (3) the extent to which research-based best practices exist and are accessible to counties;
- (4) the method and process used to administer the juvenile commitment and parole systems;
- (5) the degree to which existing practice reflects the legislature's intent in enacting juvenile justice laws; and

(6) other related issues deemed relevant by the commissioner.

(b) By January 15, 2001, the commissioner shall report the study's findings and proposals to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy funding.

Sec. 54. [TRANSFERS FROM AUTOMOBILE THEFT PREVENTION ACCOUNT.]

(a) The fiscal year 2000 transfer from the automobile theft prevention account in the special revenue fund to the commissioner of public safety in Laws 1999, chapter 216, article 1, section 18, is reduced by \$100,000.

(b) By June 30, 2001, the commissioner of finance shall transfer the available unencumbered balance up to \$6,001,000 from the automobile theft prevention account in the special revenue fund to the general fund for use for criminal justice information systems technology.

Sec. 55. [LOCAL ADULT DETENTION AND CRIMINAL JUSTICE SYSTEM FACILITY CONSTRUCTION GRANTS.]

Subdivision 1. [GRANTS AUTHORIZED AND DESCRIBED.] The commissioner of corrections may make grants to counties, groups of counties, or a county or group of counties and a tribal government, for up to 30 percent of the construction cost of local facilities as provided in this section. Applications for grants must be submitted to the commissioner using forms and instructions which the commissioner shall provide. Applications may be submitted by a county, a group of counties, or a county or group of counties and a tribal government. The commissioner shall award grants as provided in subdivisions 3 and 4. Grants may be for up to 30 percent of the cost of the facility, and may only be used for capital expenditures to acquire, design, construct, renovate, equip, and furnish the facility. The commissioner shall require a combined local match of at least 70 percent. All costs of operation of the facility must be paid by the entities receiving the grants, except that costs for adults incarcerated in the facility may be billed to their county of residence by agreement among the counties or by law.

Subd. 2. [USE OF PRIVATE ENTITY.] Applicants shall consider entering into agreements with private entities for the construction and operation of the facility.

Subd. 3. [AWARDING OF REGIONAL ADULT DETENTION FACILITY CONSTRUCTION GRANTS.] The commissioner may award grants to counties, groups of counties, or a county or group of counties and a tribal government that received a regional adult detention facility planning grant under Laws 1999, chapter 216, and submitted a plan as required by that law. These grants must be used to construct regional adult detention facilities in a manner consistent with the plans submitted.

Subd. 4. [AWARDING OF CRIMINAL JUSTICE SYSTEM FACILITY CONSTRUCTION GRANTS.] (a) The commissioner may award a grant to Hennepin county and a grant to Ramsey county to be used to construct a facility in each county to improve the efficiency and effectiveness of its criminal justice system. The facilities must attempt to address the needs of county and city criminal justice agencies in a comprehensive manner and may include space to incarcerate offenders before or after trial and offices for criminal justice agencies.

(b) The commissioner may make a grant to Hennepin county only if the Minneapolis city council approves of the county's proposed use of the grant money.

(c) The commissioner may make a grant to Ramsey county only if the St. Paul city council approves of the county's proposed use of the grant money.

Sec. 56. [JOINT DOMESTIC ABUSE PROSECUTION UNIT.]

Subdivision 1. [ESTABLISHMENT.] A pilot project is established to develop a joint domestic abuse prosecution unit administered by the Ramsey county attorney's office and the St. Paul city attorney's office. The unit has authority to prosecute misdemeanors, gross misdemeanors, and felonies. The unit shall also coordinate efforts with child protection attorneys. The unit may

include four cross-deputized assistant city attorneys and assistant county attorneys. A victim/witness advocate, a law clerk, and a legal secretary may provide support.

Subd. 2. [GOALS.] The goals of this pilot project are to:

- (1) recognize children as both victims and witnesses in domestic abuse situations;
- (2) recognize and respect the interests of children in the prosecution of domestic abuse; and
- (3) reduce the exposure to domestic violence for both adult and child victims.

Subd. 3. [REPORT.] The Ramsey county attorney's office and the St. Paul city attorney's office shall report to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding on the pilot project. The report may include the number and types of cases referred, the number of cases charged, the outcome of cases, and other relevant outcome measures.

Subd. 4. [SHARING OF PILOT PROJECT RESULTS.] The Ramsey county attorney's office and the St. Paul city attorney's office shall share the results of the pilot project with the state and other counties and cities.

Sec. 57. [REPEALER.]

(a) Minnesota Statutes 1998, section 168A.40, subdivisions 1, 3, and 4; and Minnesota Statutes 1999 Supplement, section 168A.40, subdivision 2, are repealed.

(b) Minnesota Statutes 1998, sections 299E.01; 299E.02; and 626.88, subdivision 3, are repealed.

Sec. 58. [EFFECTIVE DATES.]

(a) Sections 28 to 31 and 57, paragraph (b) are effective July 1, 2000. Sections 13 to 15 are effective September 1, 2000. Section 33 is effective August 1, 2000, and applies to crimes committed on or after that date. Section 57, paragraph (a) is effective July 1, 2001.

(b) Sections 32 and 34 to 36 are effective July 1, 2000, for cases assigned to the public defender on or after that date if the appropriation in section 8 is enacted. If this appropriation is not enacted, sections 32 and 34 to 36 do not take effect.

ARTICLE 9

ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE PROVISIONS

Section 1. [APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or any other fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "2000" and "2001" mean that the appropriation or appropriations listed under them are available for the fiscal year ending June 30, 2000, or June 30, 2001, respectively, and if an earlier appropriation was made for that purpose for that year, the appropriation in this act is added to it. Where a dollar amount appears in parentheses, it means a reduction of an earlier appropriation for that purpose for that year.

	APPROPRIATIONS	
	Available for the Year	
	Ending June 30	
	2000	2001
Sec. 2. POLLUTION CONTROL AGENCY	-0-	410,000

To administer the wastewater infrastructure fund.
This is a one-time appropriation and is available until June 30, 2001.

Sec. 3. NATURAL RESOURCES

5,414,000

31,149,000

\$3,955,000 in fiscal year 2000 is for the settlement of legal costs incurred by the Mille Lacs Band, St. Croix Band, Bad River Band, Red Cliff Band, Lac du Flambeau Band, Sokaogon Chippewa Community, and the Lac Courte Oreilles Band related to the 1837 Treaty litigation.

The money necessary for the interest payment on the settlement of legal costs in the 1837 Treaty litigation is appropriated in fiscal year 2000. The amount of the interest payment shall be determined by applying an interest amount of \$614.30 for each day beginning December 10, 1999, through the day of payment of the legal costs.

\$1,565,000 in fiscal year 2001 is for fish and wildlife management. This is a one-time appropriation.

\$500,000 in fiscal year 2001 is for expansion of the walleye stocking program. This is a one-time appropriation. In the next biennium, this amount shall be added as a base appropriation from revenue deposited in the game and fish fund under Minnesota Statutes, section 297A.44, subdivision 1.

\$3,591,000 in fiscal year 2001 from the game and fish fund is for fish and wildlife management.

\$825,000 in fiscal year 2001 from the game and fish fund is for enforcement of natural resources laws.

\$60,000 in fiscal year 2001 is from the game and fish fund for administration and marketing of lifetime licenses.

The commissioner may use up to 50 percent of a snowmobile maintenance and grooming grant under Minnesota Statutes, section 84.83, that was available as of December 31, 1999, to reimburse the intended recipient for the actual cost of snowmobile trail grooming equipment. The costs must be incurred in fiscal year 2000 and recipients seeking reimbursement under this paragraph must provide acceptable documentation of the costs to the commissioner. All applications for reimbursement under this paragraph must be received no later than September 1, 2000.

\$1,459,000 in fiscal year 2000 is for grants to Lake, Cook, and St. Louis counties for

emergency communications equipment, emergency response equipment, and emergency planning and training to respond to a major wildfire. Of this amount, \$227,000 is for a grant to Lake county, \$430,000 is for a grant to Cook county, and \$802,000 is for a grant to St. Louis county. St. Louis county must use a portion of the grant to purchase a NOAA warning system that can be used by all of the counties receiving grants under this section. This appropriation is available until June 30, 2001.

\$12,304,000 in fiscal year 2001 is from the game and fish fund for improvement, enhancement, and protection of fish and wildlife resources. This appropriation is from the revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (1), and is subject to the restrictions contained in paragraph (e).

\$4,537,000 in fiscal year 2001 is from the natural resources fund for state park and recreation area operations. First priority for money appropriated in this paragraph must be to restore camping activities during September and May at state parks where the camping season has been restricted due to budget shortfalls. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (2).

\$1,000,000 in fiscal year 2001 is from the natural resources fund for state trail operations. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (2).

\$5,537,000 in fiscal year 2001 is from the natural resources fund for payment of a grant to the metropolitan council for metropolitan area regional parks and trails maintenance and operations. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (3).

\$738,000 in fiscal year 2001 is from the natural resources fund for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (4).

\$492,000 in fiscal year 2001 is from the natural resources fund for grants of \$164,000 each to the Minnesota zoological garden, the city of St. Paul for the Como Zoo and Conservatory, and the city of Duluth for the Duluth Zoo. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.44, subdivision 1, paragraph (e), clause (5).

Sec. 4. BOARD OF WATER
AND SOIL RESOURCES

-0-

400,000

For professional and technical services to replace wetlands under Minnesota Statutes, section 103G.222, subdivision 1. This is a one-time appropriation.

Sec. 5. AGRICULTURE

1,020,000

636,000

\$200,000 is for the farm advocates program. This appropriation is a one-time appropriation and is available until June 30, 2001.

\$287,000 in fiscal year 2001 is to expand the concept of the Minnesota grown pilot program under Laws 1998, chapter 401, section 6. This is a one-time appropriation.

\$400,000 in fiscal year 2000 is to establish an agricultural water quality and quantity management, research, demonstration, and education program. Of this appropriation, \$200,000 is for projects at the Lamberton site and \$200,000 is for projects at the Waseca site. The commissioner may contract with the University of Minnesota or other parties for the implementation of parts of the program. This appropriation is available until spent and is a one-time appropriation.

\$120,000 in fiscal year 2000 and \$374,000 in fiscal year 2001 are for expansion of the state meat inspection program. If the appropriation for either year is insufficient, the appropriation for the other year is available.

\$300,000 is appropriated from the general fund to the commissioner of agriculture for grants to organizations participating in the farm wrap network and the rural help network. The grants may be used for outreach services, legal and accounting services, and informal mediation support for farmers. This is a one-time appropriation and is available until June 30, 2001.

The appropriation for fiscal year 2001 in Laws 1999, chapter 231, section 11, subdivision 2, for the dairy producers board is canceled.

Sec. 6. BOARD OF ANIMAL HEALTH	245,000	-0-
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\$245,000 in fiscal year 2000 is added to the appropriation for pseudorabies control in Laws 1999, chapter 45, section 1. This appropriation is available until June 30, 2001.

Sec. 7. CITIZENS COUNCIL ON VOYAGEURS NATIONAL PARK	-0-	65,000
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This is a one-time appropriation.

Sec. 8. Minnesota Statutes 1998, section 18E.04, subdivision 4, is amended to read:

Subd. 4. [REIMBURSEMENT PAYMENTS.] (a) The board shall pay a person that is eligible for reimbursement or payment under subdivisions 1, 2, and 3 from the agricultural chemical response and reimbursement account for:

(1) 90 percent of the total reasonable and necessary corrective action costs greater than \$1,000 and less than or equal to \$100,000; and

(2) 100 percent of the total reasonable and necessary corrective action costs greater than \$100,000 but less than or equal to \$200,000;

(3) 80 percent of the total reasonable and necessary corrective action costs greater than \$200,000 but less than or equal to \$300,000; and

(4) 60 percent of the total reasonable and necessary corrective action costs greater than \$300,000 but less than or equal to \$350,000.

(b) A reimbursement or payment may not be made until the board has determined that the costs are reasonable and are for a reimbursement of the costs that were actually incurred.

(c) The board may make periodic payments or reimbursements as corrective action costs are incurred upon receipt of invoices for the corrective action costs.

(d) Money in the agricultural chemical response and reimbursement account is appropriated to the commissioner to make payments and reimbursements directed by the board under this subdivision.

(e) The board may not make reimbursement greater than the maximum allowed under paragraph (a) for all incidents on a single site which:

(1) were not reported at the time of release but were discovered and reported after July 1, 1989; and

(2) may have occurred prior to July 1, 1989, as determined by the commissioner.

(f) The board may only reimburse an eligible person for separate incidents within a single site if the commissioner determines that each incident is completely separate and distinct in respect of location within the single site or time of occurrence.

Sec. 9. [BIG BOG STATE RECREATION AREA.]

Subdivision 1. [85.013] [Subd. 2c.] [BIG BOG STATE RECREATION AREA, BELTRAMI COUNTY.] Big Bog state recreation area is established in Beltrami county.

Subd. 2. [PURPOSE.] The Big Bog state recreation area is created to expand and diversify regional recreational opportunities and to enrich the cultural, biological, and historical opportunities for visitors to an area of the state that has suffered severe economic distress. The Big Bog recreational area will also enhance public appreciation and provide for the long-term protection of a unique ecosystem.

Subd. 3. [BOUNDARIES.] The following described lands are located within the boundaries of Big Bog state recreation area, all in Beltrami county:

(1) Government Lots 1, 2, and 3 of Section 8, Township 154 North, Range 30 West, EXCEPT a tract in Government Lot 3 beginning 100 feet North of the South boundary of Government Lot 3 on the east right-of-way line of State Trunk Highway 72; thence northerly 200 feet along said trunk highway; thence East to the westerly right-of-way line of old Trunk Highway 72; thence southerly 200 feet along said right-of-way line; thence westerly to the point of beginning;

(2) all of Sections 25, 26, and 27; the east Half, the Northwest Quarter, and the North Half of the Southwest Quarter of Section 34; the North Half and the Southwest Quarter of Section 35; the North Half, the East Half of the Southwest Quarter, the Southwest Quarter of the Southwest Quarter, the West Half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 36, all in Township 156 North, Range 31 West; and

(3) all of Sections 1 and 2; the East Half of Section 3; the East Half, the Southeast Quarter of the Northwest Quarter, the East Half of the Southwest Quarter, and the Southwest Quarter of the Southwest Quarter of Section 10; and all of Sections 11, 12, 13, 14, and 15, all in Township 155 North, Range 31 West.

Subd. 4. [ADMINISTRATION.] The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas.

Subd. 5. [CONTINUED LEASE OF LAND IN BIG BOG STATE RECREATION AREA.] Notwithstanding Minnesota Statutes, sections 85.011, 85.013, 85.053, and 86A.05, the commissioner of natural resources may continue to lease, upon the terms and conditions as the commissioner may prescribe and in the form approved by the attorney general, land within the Big Bog state recreation area that is included in lease number 144-15-109 to Waskish township.

Sec. 10. [RED RIVER STATE RECREATION AREA.]

Subdivision 1. [85.013] [Subd. 20a.] [RED RIVER STATE RECREATION AREA, POLK COUNTY.] The Red River state recreation area is established in Polk county.

Subd. 2. [BOUNDARIES.] The following described lands are located within the boundaries of the Red River state recreation area, all in Polk county:

(1) Lots 3 to 14 of Block 2 including streets and alleys adjacent thereto in Riverside Addition;

(2) Block 1 including streets and alleys adjacent thereto in Surprenant's Addition;

(3) Lots 1 to 24 including streets and alleys adjacent thereto in Grigg's Addition;

(4) Lots 2, 4, 6, 8, 10, and 12 of Block 1, Block 3, Lots 1 to 10 of Block 4, and Lots 1 to 12 in Blocks A and B including streets and alleys adjacent thereto in Grand Forks East;

(5) Lots 1 to 5 of Block 1 and Blocks 2 to 14 including streets and alleys adjacent thereto in Lake Park Addition;

(6) Lots 1 to 7 and Lots 19 to 24 of Block 2 including streets and alleys adjacent thereto in E.B. Frederick's Addition;

(7) Lots 1 to 3 of Block 1 and Blocks 2, 3, and 4 including streets and alleys adjacent thereto in Budge's First Addition;

(8) Lots 1 to 4 of Block 1 including streets and alleys adjacent thereto in River Heights 1st Addition;

(9) Blocks 1 and 2 including streets and alleys adjacent thereto in Thompson's Addition;

(10) Lots 1 to 12 of Block 1, Lots 4 to 12 of Block 2, Block 3, and Lots 1 to 4 of Block 4 in

Edwards Outlots and Outlots 4 to 8 including streets and alleys adjacent thereto in Auditor's Plat of Outlots;

(11) Auditor's Plat of Mrs. Hines' Outlot;

(12) Lots 6, 8, 10, 12, 14, 16, 18, 20, 22, and 24 of Block 3 and Lots 1 to 8 of Block 2 including streets and alleys adjacent thereto in the Original Townsite of East Grand Forks;

(13) Blocks 1 to 8 including streets and alleys adjacent thereto in Woodland Addition;

(14) Lots 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, and 23 of Block 31 and Blocks 32 to 38 including streets and alleys adjacent thereto in Traill's Addition;

(15) Blocks 2 to 16 including streets and alleys adjacent thereto in Elm Grove;

(16) Block 1, Lots 1 to 11 of Block 2, and Lots 1 to 11 of Block 3 including streets and alleys adjacent thereto in O'Leary and Ryan's Addition to Elm Grove;

(17) Lots 6 to 10 of Block 1, Lots 8 to 35 of Block 2, Blocks 3, 4, and 5 including streets and alleys adjacent thereto in Folson Park Addition;

(18) Lots 1 to 6 of Block 1 in Jerome's Addition;

(19) Lots 1 to 4 of Block 3 in Prestige Addition;

(20) Lots 1 to 14 of Block 1 in Riverview Addition;

(21) Lots 6 to 16 of Block 3 in Riverview 3rd Addition;

(22) Lots 1 to 4 of Block 1 in Riverview 4th Addition;

(23) Lots 1 and 2 of Block 1 in Riverview 5th Addition;

(24) Lots 1 to 9 of Block 1 and Outlot A in Riverview 6th Addition;

(25) Lots 1 to 18 of Block 1 and Lots 1 to 5 of Block 2 including streets and alleys adjacent thereto in Timberline 2nd Addition;

(26) Lots 14 to 16 of Block 1 including streets and alleys adjacent thereto in Timberline Addition;

(27) Lots 19 and 20 including streets and alleys adjacent thereto in Murphy's Outlots;

(28) Lots 1 to 10 of Block 1 including streets and alleys thereto in Croy's 2nd Addition;

(29) Lots 1 to 6 of Block 1 including the streets and alleys adjacent thereto in Point of Woods 2nd Addition;

(30) Lots 1 to 6 of Block 1 including the streets and alleys adjacent thereto in Point of Woods Addition;

(31) the unplatted portions of Government Lots 1, 2, and 3 of Section 35, Township 152 North, Range 50 West;

(32) all of Government Lot 7, the unplatted portion of Government Lot 9, and that part of Government Lots 6 and 8 and the Southeast Quarter of the Southeast Quarter lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 1, Township 151 North, Range 50 West;

(33) the unplatted portions of Government Lots 2, 3, 4, 5, and 6 of Section 2, Township 151 North, Range 50 West;

(34) all of Government Lots 1 and 2 of Section 11, Township 151 North, Range 50 West;

(35) all of Government Lots 1, 7, and 11, the unplatted portions of Government Lots 3, 5, 9, and 10, and the Northeast Quarter of the Northwest Quarter of Section 12, Township 151 North, Range 50;

(36) all of Government Lots 1 and 2, the Southwest Quarter of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 13, Township 151 North, Range 50 West;

(37) all of Government Lots 1, 2, 3, and 4 of Section 14; Township 151 North, Range 50 West;

(38) that part of Government Lot 7 lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 6, Township 151 North, Range 49 West; and

(39) all of Government Lots 2, 6, 7, and 9, the Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northeast Quarter, the unplatted portions of Government Lots 3 and 5, and that part of Government Lot 1 and the Northeast Quarter of the Northwest Quarter lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 7, Township 151 North, Range 49 West.

Subd. 3. [ADMINISTRATION.] The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas. The commissioner shall appoint a citizens' oversight committee to assist with developing and managing the area. The committee shall serve without compensation and is exempt from Minnesota Statutes, section 15.059.

Sec. 11. Minnesota Statutes 1998, section 85.34, subdivision 1, is amended to read:

Subdivision 1. The commissioner of natural resources with the approval of the Executive Council may lease for purposes of restoration, preservation, historical, recreational, educational, and commercial use and development, that portion of Fort Snelling state park known as the upper bluff consisting of officer's row and, area J, the polo grounds, the adjacent golf course, and residential, storage and service all buildings and improvements located thereon, all lying within an area bounded by Minneapolis-St. Paul International Airport, trunk highway highways numbered 5 and 55, Taylor avenue, Minnehaha avenue, and Bloomington Road. The lease or leases shall be in a form approved by the attorney general and for a term of not to exceed 99 years. The lease or leases may provide for the provision of capital improvements or other performance by the tenant or tenants in lieu of all or some of the payments of rent that would otherwise be required.

Sec. 12. Minnesota Statutes 1998, section 85.34, is amended by adding a subdivision to read:

Subd. 4. All receipts derived from the leasing or operation of the property described in subdivision 1 shall be deposited in the state treasury and be credited to the state parks working capital account designated in section 85.22, subdivision 1. Receipts and expenses from the leasing or operation of the property described in subdivision 1 shall be tracked separately within the account. Money in the account derived from the leasing or operation of the property described in subdivision 1 is annually appropriated for the payment of expenses attributable to the leasing and operation of the property described in subdivision 1, included but not limited to the maintenance, repair, and rehabilitation of historic buildings and landscapes. Any excess receipts in this account are annually appropriated for historic preservation purposes within state parks.

Sec. 13. Minnesota Statutes 1998, section 85.34, is amended by adding a subdivision to read:

Subd. 5. The commissioner of natural resources may provide an exception, in whole or in part, to the rules for use of state parks and other recreational areas for property leased pursuant to subdivision 1. The exception may be provided by commissioner's order and shall be effective for the term of the lease or such lesser period of time specified by the commissioner.

Sec. 14. Minnesota Statutes 1998, section 97A.055, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSES.] The game and fish fund is established as a fund in the state treasury. Money appropriated from this fund must be spent in accordance with the

Federal Aid in Wildlife Restoration Act, as provided by United States Code, title 16, sections 669 to 669i, and the Federal Aid in Sport Fish Restoration Act, as provided by United States Code, title 16, sections 777 to 777k.

Sec. 15. Minnesota Statutes 1998, section 97A.055, subdivision 2, is amended to read:

Subd. 2. [RECEIPTS.] The state treasurer shall credit to the game and fish fund all money received under the game and fish laws including receipts from:

- (1) licenses issued;
- (2) fines and forfeited bail;
- (3) sales of contraband, wild animals, and other property under the control of the division;
- (4) fees from advanced education courses for hunters and trappers;
- (5) reimbursements of expenditures by the division; ~~and~~
- (6) contributions to the division; and
- (7) revenue credited to the game and fish fund under section 297A.44, subdivision 1, paragraph (e), clause (1).

Sec. 16. Minnesota Statutes 1998, section 97A.071, subdivision 2, is amended to read:

Subd. 2. [REVENUE FROM THE SMALL GAME LICENSE SURCHARGE.] Revenue from the small game surcharge and \$4 annually from the lifetime fish and wildlife trust fund, established in sections 97A.4742, for each license issued under section 97A.473, subdivisions 3 and 5, and 97A.474, subdivision 3, shall be credited to the wildlife acquisition account and the money in the account shall be used by the commissioner only for the purposes of this section, and acquisition and development of wildlife lands under section 97A.145 and maintenance of the lands, in accordance with appropriations made by the legislature.

Sec. 17. Minnesota Statutes 1999 Supplement, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. [DEER AND BEAR LICENSES.] (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (4), (5), and (9), and 3, clauses (2), (3), and (7), and licenses issued under section 97B.301, subdivision 4.

(b) At least \$2 from each annual deer license and \$2 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be used for deer habitat improvement or deer management programs.

(c) At least \$1 from each annual deer license and each bear license and \$1 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be used for deer and bear management programs, including a computerized licensing system. Fifty cents from each deer license is appropriated for emergency deer feeding. Money appropriated for emergency deer feeding is available until expended. When the unencumbered balance in the appropriation for emergency deer feeding at the end of a fiscal year exceeds \$1,500,000 for the first time, \$750,000 is canceled to the unappropriated balance of the game and fish fund.

Thereafter, when the unencumbered balance in the appropriation for emergency deer feeding exceeds \$1,500,000 at the end of a fiscal year, the unencumbered balance in excess of \$1,500,000 is canceled and available for deer and bear management programs and computerized licensing.

Sec. 18. Minnesota Statutes 1998, section 97A.411, subdivision 1, is amended to read:

Subdivision 1. [LICENSE PERIOD.] (a) Except as provided in paragraphs (b) ~~and~~, (c), and (d), a license is valid during the lawful time within the license year that the licensed activity may be performed. A license year begins on the first day of March and ends on the last day of February.

(b) A license issued under section 97A.475, subdivision 6, clause (5), 97A.475, subdivision 7, clause (2), (3), (5), or (6), or 97A.475, subdivision 12, clause (2), is valid for the full license period even if this period extends into the next license year, provided that the license period selected by the licensee begins at the time of issuance.

(c) When the last day of February falls on a Saturday, an annual resident or nonresident fish house or dark house license, including a rental fish house or dark house license, obtained for the license year covering the last day of February, is valid through Sunday, March 1 and the angling license of the fish house licensee is extended through March 1.

(d) A lifetime license issued under section 97A.473 or 97A.474 is valid during the lawful time within the license year that the licensed activity may be performed for the lifetime of the licensee.

Sec. 19. Minnesota Statutes 1998, section 97A.421, is amended to read:

97A.421 [VALIDITY AND ISSUANCE OF LICENSES AFTER CONVICTION.]

Subdivision 1. [GENERAL.] (a) The annual license of a person convicted of a violation of the game and fish laws relating to the license or wild animals covered by the license is void when:

(1) a second conviction occurs within three years under a license to take small game or to take fish by angling or spearing;

(2) a third conviction occurs within one year under a minnow dealer's license;

(3) a second conviction occurs within three years for violations of section 97A.425 that do not involve falsifications or intentional omissions of information required to be recorded, or attempts to conceal unlawful acts within the records;

(4) two or more misdemeanor convictions occur within a three-year period under a private fish hatchery license; or

(5) the conviction occurs under a license not described in clause (1), (2), or (4) or is for a violation of section 97A.425 not described in clause (3).

(b) Except for big game licenses and as otherwise provided in this section, for one year after the conviction the person may not obtain the kind of license or take wild animals under a lifetime license, issued under section 97A.473 or 97A.474, relating to the game and fish law violation.

Subd. 2. [ISSUANCE OF LICENSE AFTER CONVICTION FOR BUYING AND SELLING WILD ANIMALS.] A person may not obtain a license to take any wild animal or take wild animals under a lifetime license, issued under section 97A.473 or 97A.474, for a period of three years after being convicted of buying or selling game fish, big game, or small game, and the total amount of the sale is \$300 or more.

Subd. 3. [ISSUANCE OF A BIG GAME LICENSE AFTER CONVICTION.] A person may not obtain any big game license or take big game under a lifetime license, issued under section 97A.473, for three years after the person is convicted of:

(1) a gross misdemeanor violation under the game and fish laws relating to big game;

(2) doing an act without a required big game license; or

(3) the second violation within three years under the game and fish laws relating to big game.

Subd. 4. [ISSUANCE AFTER INTOXICATION OR NARCOTICS CONVICTION.] A person convicted of a violation under section 97B.065, relating to hunting while intoxicated or using narcotics, may not obtain a license to hunt with a firearm or by archery or hunt with a firearm under a lifetime license, issued under section 97A.473 or 97A.474, for five years after conviction.

Subd. 5. [COMMISSIONER MAY REINSTATE CERTAIN LICENSES AFTER CONVICTION.] If the commissioner determines that the public welfare will not be injured, the

commissioner may reinstate licenses voided under subdivision 1 and issue licenses to persons ineligible under subdivision 2. The commissioner's authority applies only to licenses to:

- (1) maintain and operate fur or game farms or private fish hatcheries;
- (2) take fish commercially in Lake of the Woods, Rainy Lake, Namakan Lake, or Lake Superior;
- (3) buy fish from Lake of the Woods, Rainy Lake, Namakan Lake, or Lake Superior commercial fishing licensees; and
- (4) sell live minnows.

Subd. 6. [APPLICABILITY TO MOOSE OR ELK LICENSES.] In this section the term "license" includes an application for a license to take either moose or elk.

Sec. 20. [97A.473] [RESIDENT LIFETIME LICENSES.]

Subdivision 1. [RESIDENT LIFETIME LICENSES AUTHORIZED.] (a) The commissioner may issue a lifetime angling license, a lifetime small game hunting license, a lifetime firearms deer license, or a lifetime sporting license to a person who is a resident of the state for at least one year or who is under age 21 and the child of a person who is a resident of the state for at least one year. The license fees paid for a lifetime license are nonrefundable.

(b) The commissioner may require the holder of a lifetime license issued under this section to notify the department each year that the license is used, by:

- (1) telephone or Internet notification, as specified by the commissioner;
- (2) the purchase of stamps for the license; or
- (3) registration and tag issuance, in the case of the resident lifetime deer license.

Subd. 2. [LIFETIME ANGLING LICENSE; FEE.] (a) A resident lifetime angling license authorizes a person to take fish by angling in the state. The license authorizes those activities authorized by the annual resident angling license. The license does not include a trout and salmon stamp or other stamps required by law.

(b) The fees for a resident lifetime angling license are:

- (1) age 3 and under, \$227;
- (2) age 4 to age 15, \$300;
- (3) age 16 to age 50, \$383; and
- (4) age 51 and over, \$203.

Subd. 3. [LIFETIME SMALL GAME HUNTING LICENSE; FEE.] (a) A resident lifetime small game hunting license authorizes a person to hunt small game in the state. The license authorizes those hunting activities authorized by the annual resident small game hunting license. The license does not include any of the hunting stamps required by law.

(b) The fees for a resident lifetime small game hunting license are:

- (1) age 3 and under, \$217;
- (2) age 4 to age 15, \$290;
- (3) age 16 to age 50, \$363; and
- (4) age 51 and over, \$213.

Subd. 4. [LIFETIME FIREARM DEER HUNTING LICENSE; FEE.] (a) A resident lifetime firearm deer hunting license authorizes a person to take deer with firearms in the state. The license authorizes those activities authorized by the annual resident firearm deer hunting license. The licensee must register and receive tags each year that the license is used. The tags shall be issued at no charge to the licensee.

(b) The fees for a resident lifetime firearm deer hunting license are:

- (1) age 3 and under, \$337;
- (2) age 4 to age 15, \$450;
- (3) age 16 to age 50, \$573; and
- (4) age 51 and over, \$383.

Subd. 5. [LIFETIME SPORTING LICENSE; FEE.] (a) A resident lifetime sporting license authorizes a person to take fish by angling and hunt small game in the state. The license authorizes those activities authorized by the annual resident angling and resident small game hunting licenses. The license does not include a trout and salmon stamp or any of the hunting stamps required by law.

(b) The fees for a resident lifetime sporting license are:

- (1) age 3 and under, \$357;
- (2) age 4 to age 15, \$480;
- (3) age 16 to age 50, \$613; and
- (4) age 51 and over, \$413.

Sec. 21. [97A.474] [NONRESIDENT LIFETIME LICENSES.]

Subdivision 1. [NONRESIDENT LIFETIME LICENSES AUTHORIZED.] (a) The commissioner may issue a lifetime angling license or a lifetime small game hunting license to a nonresident. The license fees paid for a lifetime license are nonrefundable.

(b) The commissioner may require the holder of a lifetime license issued under this section to notify the department each year that the license is used, by:

- (1) telephone or Internet notification, as specified by the commissioner; or
- (2) the purchase of stamps for the license.

Subd. 2. [NONRESIDENT LIFETIME ANGLING LICENSE; FEE.] (a) A nonresident lifetime angling license authorizes a person to take fish by angling in the state. The license authorizes those activities authorized by the annual nonresident angling license. The license does not include a trout and salmon stamp or other stamps required by law.

(b) The fees for a nonresident lifetime angling license are:

- (1) age 3 and under, \$447;
- (2) age 4 to age 15, \$600;
- (3) age 16 to age 50, \$773; and
- (4) age 51 and over, \$513.

Subd. 3. [NONRESIDENT LIFETIME SMALL GAME HUNTING LICENSE; FEE.] (a) A nonresident lifetime small game hunting license authorizes a person to hunt small game in the state. The license authorizes those hunting activities authorized by the annual nonresident small game hunting license. The license does not include any of the hunting stamps required by law.

(b) The fees for a nonresident lifetime small game hunting license are:

- (1) age 3 and under, \$947;
- (2) age 4 to age 15, \$1,280;
- (3) age 16 to age 50, \$1,633; and
- (4) age 51 and over, \$1,083.

Sec. 22. [97A.4742] [LIFETIME FISH AND WILDLIFE TRUST FUND.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] The lifetime fish and wildlife trust fund is established as a fund in the state treasury. All money received from the issuance of lifetime angling, small game hunting, firearm deer hunting, and sporting licenses and earnings on the fund shall be credited to the lifetime fish and wildlife trust fund.

Subd. 2. [INVESTMENT OF FUND; USE OF INCOME FROM FUND.] Money in the lifetime fish and wildlife trust fund shall be invested by the state investment board to secure the maximum return consistent with the maintenance of the perpetuity of the fund. The income received and accruing from investments of the fund shall be deposited in the lifetime fish and wildlife trust fund. Each year the commissioner of finance shall transfer from the lifetime fish and wildlife trust fund to the game and fish fund an amount equal to the amount that would otherwise have been collected from annual license fees for each lifetime license. Surcharge amounts shall be transferred based on sections 97A.071, subdivision 2, and 97A.075, subdivision 1.

Subd. 3. [LIFETIME LICENSE FEES.] By October 15 of each even-numbered year, the commissioner shall report on the adequacy of lifetime license fees and make specific requests for fee adjustments for the lifetime licenses to the legislative committees with jurisdiction over environment and natural resources finance and the commissioner of finance. The commissioner of finance shall review the fee report and make recommendations to the governor and legislature for each fee category under sections 97A.473 and 97A.474, as part of the biennial budget, under sections 16A.10 and 16A.11.

Subd. 4. [ANNUAL REPORT.] By November 15 each year, the commissioner shall submit a report to the legislative committees having jurisdiction over environment and natural resources appropriations and environment and natural resources policy. The report shall state the amount of revenue received in and expenditures made from revenue transferred from the lifetime fish and wildlife trust fund to the game and fish fund and shall describe projects funded, locations of the projects, and results and benefits from the projects. The report may be included in the game and fish fund report required by section 97A.055, subdivision 4. The commissioner shall make the annual report available to the public.

Sec. 23. Minnesota Statutes 1998, section 97A.475, subdivision 2, is amended to read:

Subd. 2. [RESIDENT HUNTING.] Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, \$10 \$12;
- (2) for persons age 65 or over, \$5 \$6;
- (3) to take turkey, \$16 \$18;
- (4) to take deer with firearms, \$22 \$25;
- (5) to take deer by archery, \$22 \$25;
- (6) to take moose, for a party of not more than six persons, \$275 \$310;
- (7) to take bear, \$33 \$38;

- (8) to take elk, for a party of not more than two persons, ~~\$220~~ \$250;
- (9) to take antlered deer in more than one zone, ~~\$44~~ \$50; and
- (10) to take Canada geese during a special season, ~~\$3~~ \$4.

Sec. 24. Minnesota Statutes 1998, section 97A.475, subdivision 3, is amended to read:

Subd. 3. [NONRESIDENT HUNTING.] Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take small game, ~~\$56~~ \$73;
- (2) to take deer with firearms, ~~\$110~~ \$125;
- (3) to take deer by archery, ~~\$110~~ \$125;
- (4) to take bear, ~~\$165~~ \$195;
- (5) to take turkey, ~~\$56~~ \$73;
- (6) to take raccoon, bobcat, fox, coyote, or lynx, ~~\$137.50~~ \$155;
- (7) to take antlered deer in more than one zone, ~~\$220~~ \$250; and
- (8) to take Canada geese during a special season, ~~\$3~~ \$4.

Sec. 25. Minnesota Statutes 1998, section 97A.475, subdivision 4, is amended to read:

Subd. 4. [SMALL GAME SURCHARGE.] Fees for annual licenses to take small game must be increased by a surcharge of \$4. An additional commission may not be assessed on the surcharge and this must be stated on the back of the license with the following statement: "This \$4 surcharge is being paid by hunters for the acquisition and development of wildlife lands."

Sec. 26. Minnesota Statutes 1998, section 97A.475, subdivision 6, is amended to read:

Subd. 6. [RESIDENT FISHING.] Fees for the following licenses, to be issued to residents only, are:

- (1) to take fish by angling, for persons under age 65, ~~\$15~~ \$17;
- (2) to take fish by angling, for persons age 65 and over, ~~\$5.50~~ \$6.50;
- (3) to take fish by angling, for a combined license for a married couple, ~~\$20.50~~ \$25;
- (4) to take fish by spearing from a dark house, ~~\$15~~ \$17; and
- (5) to take fish by angling for a 24-hour period selected by the licensee, ~~\$8~~ \$8.50.

Sec. 27. Minnesota Statutes 1998, section 97A.475, subdivision 7, is amended to read:

Subd. 7. [NONRESIDENT FISHING.] Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take fish by angling, ~~\$31~~ \$34;
- (2) to take fish by angling limited to seven consecutive days selected by the licensee, ~~\$21.50~~ \$24;
- (3) to take fish by angling for a 72-hour period selected by the licensee, ~~\$18~~ \$20;
- (4) to take fish by angling for a combined license for a family, ~~\$41.50~~ \$46;
- (5) to take fish by angling for a 24-hour period selected by the licensee, ~~\$8~~ \$8.50; and

(6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days selected by one of the licensees, ~~\$32~~ \$35.

Sec. 28. Minnesota Statutes 1998, section 97A.475, subdivision 8, is amended to read:

Subd. 8. [MINNESOTA SPORTING.] The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

(1) for an individual, ~~\$20~~ \$23; and

(2) for a combined license for a married couple to take fish and for one spouse to take small game, ~~\$27.50~~ \$32.

Sec. 29. Minnesota Statutes 1998, section 97A.475, subdivision 11, is amended to read:

Subd. 11. [FISH HOUSES AND DARK HOUSES; RESIDENTS.] Fees for the following licenses are:

(1) for a fish house or dark house that is not rented, ~~\$10~~ \$11.50; and

(2) for a fish house or dark house that is rented, ~~\$23~~ \$26.

Sec. 30. Minnesota Statutes 1998, section 97A.475, subdivision 12, is amended to read:

Subd. 12. [FISH HOUSES; NONRESIDENT.] Fees for fish house licenses for a nonresident are:

(1) annual, ~~\$31.50~~ \$33; and

(2) seven consecutive days, ~~\$18.50~~ \$19.

Sec. 31. Minnesota Statutes 1998, section 97A.475, subdivision 13, is amended to read:

Subd. 13. [NETTING WHITEFISH AND CISCOES FOR PERSONAL CONSUMPTION.] The fee for a license to net whitefish and ciscoes in inland lakes and international waters for personal consumption is, for each net, ~~\$9~~ \$10.

Sec. 32. Minnesota Statutes 1998, section 97A.475, subdivision 20, is amended to read:

Subd. 20. [TRAPPING LICENSE.] The fee for a license to trap fur-bearing animals is:

(1) for persons over age 13 and under age 18, ~~\$5.50~~ \$6; and

(2) for persons age 18 and older, ~~\$18~~ \$20.

Sec. 33. Minnesota Statutes 1998, section 97A.485, subdivision 12, is amended to read:

Subd. 12. [YOUTH DEER LICENSE.] The commissioner may, for a fee of ~~\$5~~ \$5.50, issue to a resident under the age of 16 a license, without a tag, to take deer with firearms. A youth holding a license issued under this subdivision may hunt under the license only if accompanied by a licensed hunter who is at least 18 years of age and possesses a valid tag. A deer taken by a youth holding a license issued under this subdivision must be promptly tagged by the licensed hunter accompanying the youth. Section 97B.301, subdivision 6, does not apply to a youth holding a license issued under this subdivision.

Sec. 34. Minnesota Statutes 1999 Supplement, section 97B.020, is amended to read:

97B.020 [FIREARMS SAFETY CERTIFICATE REQUIRED.]

Except as provided in this section, a person born after December 31, 1979, may not obtain a an annual license to take wild animals by firearms unless the person has a firearms safety certificate or equivalent certificate, driver's license or identification card with a valid firearms safety

qualification indicator issued under section 171.07, subdivision 13, previous hunting license, or other evidence indicating that the person has completed in this state or in another state a hunter safety course recognized by the department under a reciprocity agreement. A person who is on active duty and has successfully completed basic training in the United States armed forces, reserve component, or national guard may obtain a hunting license or approval authorizing hunting regardless of whether the person is issued a firearms safety certificate.

Sec. 35. Minnesota Statutes 1998, section 115B.17, subdivision 19, is amended to read:

Subd. 19. [REIMBURSEMENT UNDER CERTAIN SETTLEMENTS.] (a) When the agency determines that some but not all persons responsible for a release are willing to implement response actions, the agency may agree, pursuant to a settlement of its claims under sections 115B.01 to 115B.18, to reimburse the settling parties for response costs incurred to take the actions. The agency may agree to reimburse any amount which does not exceed the amount that the agency estimates may be attributable to the liability of responsible persons who are not parties to the settlement. Reimbursement may be provided only for the cost of conducting remedial design and constructing remedial action pursuant to the terms of the settlement. Reimbursement under this subdivision shall be paid only upon the agency's determination that the remedial action approved by the agency has been completed in accordance with the terms of the settlement. The agency may use money appropriated to it for actions authorized under section 115B.20, subdivision 2, clause (2), to pay reimbursement under this subdivision.

(b) The agency may agree to provide reimbursement under a settlement only when all of the following requirements have been met:

(1) the agency has made the determination under paragraph (c) regarding persons who are not participating in the settlement, and has provided written notice to persons identified under paragraph (c), clauses (1) and (2), of their opportunity to participate in the settlement or in a separate settlement under subdivision 20;

(2) the release addressed in the settlement has been assigned a priority pursuant to agency rules adopted under subdivision 13, and the priority is at least as high as a release for which the agency would be allowed to allocate funds for remedial action under the rules;

(3) an investigation of the release addressed in the settlement has been completed in accordance with a plan approved by the agency; and

(4) the agency has approved the remedial action to be implemented under the settlement.

(c) Before entering into a settlement providing for reimbursement under this subdivision, the agency shall determine that there are one or more persons who meet any of the following criteria who are not participating in the settlement:

(1) persons identified by the agency as responsible for the release addressed in the settlement but who are likely to have only minimal involvement in actions leading to the release, or are insolvent or financially unable to pay any significant share of response action costs;

(2) persons identified by the agency as responsible for the release other than persons described in clause (1) and who are unwilling to participate in the settlement or to take response actions with respect to the release;

(3) persons whom the agency has reason to believe are responsible for the release addressed in the settlement but whom the agency has been unable to identify; or

(4) persons identified to the agency by a party to the proposed settlement as persons who are potentially responsible for the release but for whom the agency has insufficient information to determine responsibility.

(d) Except as otherwise provided in this subdivision, a decision of the agency under this subdivision to offer or agree to provide reimbursement in any settlement, or to determine the amount of reimbursement it will provide under a settlement, is a matter of agency discretion in the

exercise of its enforcement authority. In exercising discretion in this matter, the agency may consider, among other factors, the degree of cooperation with the agency that has been shown prior to the settlement by the parties seeking reimbursement.

(e) The agency may require as a term of settlement under this subdivision that the parties receiving reimbursement from the agency waive any rights they may have to bring a claim for contribution against persons who are not parties to the settlement.

(f) Notwithstanding any provision to the contrary in paragraphs (a) to (e), until June 30, 2001, the agency may use the authority under this subdivision to enter into agreements for the implementation of a portion of an approved response action plan and to provide funds in the form of a grant for the purpose of implementing the agreement. The amount paid for implementing a portion of an approved response action plan may not exceed the proportion of the costs of the response action plan which are attributable to the liability of responsible persons who are not parties to the agreement.

(g) A decision of the agency under paragraph (f) to offer or agree to provide funds in any agreement or to determine the specific remedial actions included in any agreement to implement an approved action plan or the amount of funds the agency will provide under an agreement is a matter of agency discretion in the exercise of its enforcement authority.

Sec. 36. Minnesota Statutes 1998, section 297A.44, subdivision 1, is amended to read:

Subdivision 1. (a) Except as provided in paragraphs (b) to ~~(e)~~ (f), all revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund.

(b) All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall be deposited in the Minnesota agricultural and economic account in the special revenue fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) All revenues, including interest and penalties, derived from the excise and use taxes imposed on sales and purchases included in section 297A.01, subdivision 3, paragraphs (d) and (k), clauses (1) and (2), must be deposited by the commissioner in the state treasury, and credited as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance must be credited to the general fund.

(d) The revenues, including interest and penalties, collected under section 297A.135, subdivision 5, shall be deposited by the commissioner in the state treasury and credited to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.135, subdivision 5, for the previous calendar year.

(e) 97 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.259, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the game and fish fund, and may be spent only on activities that improve, enhance, or protect game and fish resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the revenue must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota zoological garden, the Como park zoo and conservatory, and the Duluth zoo.

(f) The revenue dedicated under paragraph (e) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (e) must be open to public hunting and fishing during the open season. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (e) must be allocated for expenditures in regional and local area offices.

Sec. 37. Minnesota Statutes 1998, section 383B.235, is amended by adding a subdivision to read:

Subd. 3. [EXISTING FACILITY MAY USE CAPACITY.] Notwithstanding subdivisions 1 and 2, an existing resource recovery facility may reclaim, burn, use, process, or dispose of mixed municipal solid waste to the full extent of its maximum yearly capacity as of January 1, 2000. The facility must continue to comply with all federal and state environmental laws and regulations and must obtain a conditional use permit from the municipality where the facility is located.

Sec. 38. Laws 1998, chapter 404, section 7, subdivision 23, as amended by Laws 1999, chapter 231, section 194, and Laws 1999, chapter 240, article 1, section 20, is amended to read:

Subd. 23. Metro Regional Trails 5,000,000

For grants to the metropolitan council for acquisition and development of a capital nature of trail connections in the metropolitan area as specified in this subdivision. The purpose of the grants is to improve trails in the metropolitan park and open space system and connect them with existing state and regional trails. Priority shall be given to matching funds for an ISTEAA grant.

The funds shall be allocated by the council as follows:

(1) \$1,050,000 is allocated to Ramsey county as follows:

(i) \$400,000 to complete six miles of trails between the Burlington Northern Regional Trail and Bald Eagle-Otter Lake Regional Park;

(ii) \$150,000 to complete a one-mile connection between Birch Lake and the Lake Tamarack segment of Bald Eagle-Otter Lake Regional Park;

(iii) \$500,000 to acquire real property and design and construct or renovate recreation facilities

along the Mississippi River in cooperation with the city of St. Paul;

(2) \$1,050,000 is allocated to the city of St. Paul as follows:

(i) \$250,000 to construct a bridge over Lexington Parkway in Como Regional Park; and

(ii) \$800,000 to enhance amenities for the trailhead at the Lilydale-Harriet Island Regional Park pavilion;

(3) \$1,400,000 is allocated to Anoka county to construct:

(i) a pedestrian tunnel under Highway 65 on the Rice Creek West Regional Trail in the city of Fridley; and

(ii) restrooms, trailhead, signs, and amenities at the trailhead to the Rice Creek West Regional Trail; and

(iii) a pedestrian bridge on the Mississippi River Regional Trail crossing over Mississippi Street in the city of Fridley; and

(4) \$1,500,000 is allocated to the suburban Hennepin regional park district as follows:

(i) \$1,000,000 to connect North Hennepin Regional Trail to Luce Line State Trail and Medicine Lake; and

(ii) \$500,000 is for the cost of development and acquisition of the Southwest regional trail in the city of St. Louis Park. The trail must connect the Minneapolis regional trail system at Cedar Lake park to the Hennepin parks regional trail system at the Hopkins trail head.

Sec. 39. Laws 1999, chapter 231, section 6, as amended by Laws 1999, chapter 249, section 10, is amended to read:

Sec. 6. BOARD OF WATER AND SOIL RESOURCES

18,896,000

18,228,000

\$5,480,000 the first year and \$5,480,000 the second year are for natural resources block grants to local governments. Of this amount, \$50,000 each year is for a grant to the North Shore Management Board, \$35,000 each year is for a grant to the St. Louis River Board, \$100,000 each year is for a grant to the Minnesota River Basin Joint Powers Board, and \$27,000 each year is for a grant to the Southeast Minnesota Resources Board.

The board shall reduce the amount of the natural resource block grant to a county by an amount equal to any reduction in the county's general

services allocation to a soil and water conservation district from the county's 1998 allocation.

Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water planning must be matched by an amount that would be raised by a levy under Minnesota Statutes, section 103B.3369.

\$3,867,000 the first year and \$3,867,000 the second year are for grants to soil and water conservation districts for general purposes, nonpoint engineering, and for implementation of the RIM conservation reserve program. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts.

\$4,120,000 the first year and \$4,120,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. Of this amount, \$32,000 the first year is for a grant to the Blue Earth county soil and water conservation districts for stream bank stabilization on the LeSueur river within the city limits of St. Clair; and at least \$1,500,000 the first year and \$1,500,000 the second year are for state cost-share grants for ~~cost-sharing contracts~~ for water quality management on feedlots. ~~Priority must be given to feedlot operators who have received notices of violation and for feedlots in counties that are conducting or have completed a level 2 or level 3 feedlot inventory.~~ This appropriation is available until expended. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

\$100,000 the first year and \$100,000 the second year are for a grant to the Red river basin board to develop a Red river basin water management plan and to coordinate water management activities in the states and provinces bordering the Red river. This appropriation is only available to the extent it is matched by a proportionate amount in United States currency from the states of North Dakota and South Dakota and the province of Manitoba. The unencumbered balance in the first year does not cancel but is available for the second year. This is a one-time appropriation.

\$189,000 the first year and \$189,000 the second

year are for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for floodplain management. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

\$1,203,000 the first year and \$450,000 the second year are for the administrative costs of easement and grant programs.

Any unencumbered balance in the board's program of grants does not cancel at the end of the first year and is available for the second year for the same grant program. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

Sec. 40. Laws 1999, chapter 231, section 11, subdivision 3, is amended to read:

Subd. 3. Agricultural Marketing and Development

6,521,000

5,410,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3a, the total payments from the ethanol development account to all producers may not exceed ~~\$68,447,000~~ \$72,416,000 for the biennium ending June 30, 2001. If, prior to the end of the biennium, the total amount for which all producers are eligible in a quarter exceeds the amount available for payments remaining in the appropriation, the commissioner shall make the payments for the quarter in which the appropriation occurs on a pro rata basis. In fiscal year 2000, the commissioner shall first reimburse producers for eligible unpaid claims accumulated through June 30, 1999.

~~\$500,000 the first year is appropriated to the rural finance authority for making a loan under Minnesota Statutes, section 41B.044. Principal and interest payments on the loan must be deposited in the ethanol development account for producer payments under Minnesota Statutes, section 41B.09 general fund.~~

Notwithstanding the annual and quarterly limits for total payments to all ethanol plants and approved new production capacity limits for specific ethanol plants under Minnesota Statutes, section 41A.09, subdivision 3a, in fiscal years 2000 and 2001:

(1) an ethanol plant with an approved production capacity that is at least 12,000,000 gallons per year and less than 15,000,000 gallons per year is eligible for ethanol producer payments of up to 15,000,000 gallons per year;

(2) total payments in a fiscal year may exceed \$34,000,000; and

(3) total payments in a quarter may exceed \$8,500,000.

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3a, paragraph (f), the commissioner shall make an additional payment in the fourth quarter of fiscal year 2001 to ethanol producers for the lesser of:

(1) 20 cents per gallon of production in the fourth quarter of fiscal year 2001 that is greater than 3,750,000 gallons; or

(2) the total amount of payments lost during the biennium due to plant outages, repair, or major maintenance. The total payments to an ethanol producer for fiscal year 2001, including any payment under this paragraph, may not exceed the total amount that the producer is eligible to receive based on the plant's approved production capacity.

By July 15, 1999, the commissioner shall transfer the unencumbered cash balance in the ethanol development fund established in Minnesota Statutes, section 41B.044, to the general fund.

\$200,000 the first year is for a grant from the commissioner to the Minnesota Turkey Growers Association for assistance to an entity that constructs a facility that uses poultry litter as a fuel for the generation of electricity. This amount must be matched by \$1 of nonstate money for each dollar of state money. This is a one-time appropriation.

\$50,000 the first year is for the commissioner, in consultation with the commissioner of economic development, to conduct a study of the need for a commercial shipping port at which agricultural cooperatives or individual farmers would have access to port facilities. This is a one-time appropriation.

\$71,000 the first year and \$71,000 the second year are for transfer to the Minnesota grown matching account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.109.

\$100,000 the first year is for a grant to the University of Minnesota extension service for its farm safety and health program. This is a one-time appropriation.

\$225,000 the first year and \$75,000 the second

year are for grants to the Minnesota agricultural education leadership council for the planning and implementation of initiatives enhancing and expanding agricultural education in rural and urban areas of the state. Funds not used in the first year are available for the second year. This is a one-time appropriation.

\$480,000 the first year and \$420,000 the second year are to the commissioner of agriculture for programs to aggressively promote, develop, expand, and enhance the marketing of agricultural products from Minnesota producers and processors. The commissioner must enter into collaborative efforts with the department of trade and economic development, the world trade center corporation, and other public or private entities knowledgeable in market identification and development. The commissioner may also contract with or make grants to public or private organizations involved in efforts to enhance communication between producers and markets and organizations that identify, develop, and promote the marketing of Minnesota agricultural crops, livestock, and produce in local, regional, national, and international marketplaces. Grants may be provided to appropriate organizations including those functioning as marketing clubs, to a cooperative known as Minnesota Marketplace, and to recognized associations of producers or processors of organic foods or Minnesota grown specialty crops. Beginning October 15, 1999, and 15 days after the close of each calendar quarter thereafter, the commissioner shall provide to the senate and house committees with jurisdiction over agriculture policy and funding interim reports of the progress toward accomplishing the goals of this item. The commissioner shall deliver a final report on March 1, 2001. If the appropriation for either year is insufficient, the appropriation for the other year is available. This is a one-time appropriation that remains available until expended.

\$60,000 the second year is for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be matched at the rate of one state dollar for each dollar of nonstate money. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation

for either year is insufficient, the appropriation for the other is available.

\$160,000 each year is for value-added agricultural product processing and marketing grants under Minnesota Statutes, section 17.101, subdivision 5.

\$450,000 the first year and \$300,000 the second year are for continued research of solutions and alternatives for manure management and odor control. This is a one-time appropriation.

\$50,000 the first year and \$50,000 the second year are for annual cost-share payments to resident farmers for the costs of organic certification. The annual cost-share payments per farmer shall be two-thirds of the cost of the certification or \$200, whichever is less. A certified farmer is eligible to receive annual certification cost-share payments for up to five years. \$15,000 each year is for organic market and program development. This appropriation is available until expended.

\$30,000 the first year is to assess producer production contracts under section 205. This appropriation is available until June 30, 2001.

Sec. 41. Laws 1999, chapter 231, section 14, is amended to read:

Sec. 14. AGRICULTURAL UTILIZATION

RESEARCH INSTITUTE	3,830,000	4,330,000
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Summary by Fund

General	3,630,000	4,130,000	
Special Revenue <u>Agricultural</u>		200,000	200,000

The agricultural utilization research institute must collaborate with the commissioner of agriculture on issues of market development and technology transfer.

\$200,000 the first year and \$200,000 the second year are for hybrid tree management research and development of an implementation plan for establishing hybrid tree plantations in the state. This appropriation is available to the extent matched by \$2 of nonstate contributions, either cash or in kind, for each \$1 of state money.

Sec. 42. [WESTERN LAKE SUPERIOR SANITARY DISTRICT; LANDFILL CLEANUP PROGRAM QUALIFICATION.]

Notwithstanding any provision to the contrary in Minnesota Statutes, sections 115B.39 to 115B.445, the facilities of a sanitary district operating pursuant to Minnesota Statutes, chapter 458D, and adjacent property used for solid waste disposal that did not occur under a permit from the agency, are a qualified facility for purposes of Minnesota Statutes, section 115B.39, subdivision 2, paragraph (1), clause (2), if the following conditions are met:

- (1) the sanitary district's facility is or was permitted by the pollution control agency;
- (2) the sanitary district stopped accepting mixed municipal solid waste by January 1, 2000;
- (3) the sanitary district stops accepting demolition debris and industrial waste at the facility by January 1, 2002; and
- (4) any future disposal of demolition debris and industrial waste on this site beyond January 1, 2002, must be in an area that meets setback requirements approved by the commissioner of the pollution control agency.

Sec. 43. [STORAGE TANK REMOVAL; REIMBURSEMENT.]

Subdivision 1. [DEFINITION.] As used in this section, "agricultural storage tank" means an underground petroleum storage tank with a capacity of more than 1,100 gallons that has been registered with the pollution control agency by January 1, 2000, and is located on a farm where the contents of the tank are used by the tank owner or operator predominantly for farming purposes and are not commercially distributed.

Subd. 2. [REIMBURSEMENT.] Notwithstanding Minnesota Statutes, section 115C.09, subdivision 1, paragraph (b), clause (1), and pursuant to the remaining provisions of Minnesota Statutes, chapter 115C, the petroleum tank release compensation board shall reimburse an owner or operator of an agricultural storage tank for 90 percent of the total reimbursable cost of removal project costs incurred for the tank prior to January 1, 2001, including, but not limited to, tank removal, closure in place, backfill, resurfacing, and utility restoration costs, regardless of whether a release has occurred at the site. Notwithstanding Minnesota Statutes, section 115C.09, subdivision 3, the board may not reimburse an eligible applicant under this section for more than \$7,500 of costs per tank.

Sec. 44. [SMALL GASOLINE STORAGE TANK REMOVAL; REIMBURSEMENT.]

Until June 30, 2001, the petroleum tank release compensation board may reimburse a tank owner from the petroleum tank release cleanup fund for 95 percent of the costs identified in Minnesota Statutes, section 115C.09, subdivision 3f, paragraph (c), if the tank owner:

- (1) owned two locations in the state, and no locations in any other state, where motor fuel was dispensed to the public into motor vehicles, watercraft, or aircraft and dispensed motor fuel at that location;
- (2) operated the tanks simultaneously for six months or less in 1995; and
- (3) dispensed less than 200,000 gallons at both locations.

Sec. 45. [MINNEAPOLIS LEASE.]

A lease to the Minneapolis park and recreation board entered into prior to or after the effective date of this section pursuant to Laws 1999, chapter 231, section 5, subdivision 5, shall be subject to Minnesota Statutes, section 85.34, except as provided in this section. The approval of the executive council shall not be required for the lease or the issuance of a liquor license. Only the operating costs, as defined in the lease, to be paid by the Minneapolis park and recreation board to the state shall be credited to the state parks working capital account. All base rent and percentage of gross sales to be paid by the Minneapolis park and recreation board to the state shall be credited to the general fund. A lease of any portion of officer's row or area J may include a charge to be paid by the tenant for repayment of a portion of the costs incurred by the Minneapolis park and recreation board for the installation of a new water line on the upper bluff. The total amount to be repaid to the Minneapolis park and recreation board by tenants of officer's row and area J shall not exceed \$450,000.

Sec. 46. [LEGISLATIVE AUDITOR REPORT UPDATE.]

The legislative audit commission shall consider updating the February 1997 report on "Ethanol Programs" by January 15, 2001.

Sec. 47. [EXTENSION OF APPROPRIATIONS.]

The availability of the appropriation for the following project is extended to June 30, 2002: Laws 1997, chapter 216, section 15, subdivision 4, paragraph (c), clause (3), the portion of the local initiatives grants program appropriating \$250,000 to provide matching funds for an ISTEBA grant, and for easement acquisition and engineering costs for a proposed trail between the city of Pelican Rapids and Maplewood state park.

The availability of the appropriation for the following project is extended to June 30, 2001: Laws 1997, chapter 216, section 15, subdivision 4, paragraph (b), metropolitan regional park system, for the portion related to Hyland-Bush-Anderson Lake Park Reserve development.

Sec. 48. [EFFECTIVE DATES.]

The resident licenses under section 20 shall be made available by March 1, 2001, and apply to taking game and fish for the 2001 license year. The nonresident licenses under section 21 shall be made available by March 1, 2002, and apply to taking game and fish for the 2002 license year. Section 40 is effective retroactively from July 1, 1999. Section 8 is effective the day following final enactment and applies to claims for corrective action costs incurred after that date.

Sections 1 to 7, 11 to 15, 35, 37, 38, and 45 are effective the day following final enactment.

Sections 23 to 33 are effective March 1, 2001.

ARTICLE 10

SUPPLEMENTAL APPROPRIATIONS AND REDUCTIONS

Section 1. [APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or any other fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "2000" and "2001" mean that the appropriation or appropriations listed under them are available for the fiscal year ending June 30, 2000, or June 30, 2001, respectively, and if an earlier appropriation was made for that purpose for that year, the appropriation in this act is added to it. Where a dollar amount appears in parentheses, it means a reduction of an earlier appropriation for that purpose for that year.

SUMMARY BY FUND

	2000	2001	BIENNIAL TOTAL
General	\$ 3,599,000	\$ 14,481,000	\$ 18,080,000
Special Revenue	-0-	5,449,000	5,449,000
TOTAL	\$ 3,599,000	\$ 19,930,000	\$ 18,329,000

APPROPRIATIONS

Available for the Year
Ending June 30

	2000	2001
	\$	\$
Sec. 2. SECRETARY OF STATE	4,400,000	-0-

To construct and maintain the Uniform Commercial Code central filing system required by S.F. No. 1495, if enacted, to be available until June 30, 2001.

Sec. 3. CAMPAIGN FINANCE AND DISCLOSURE BOARD

	38,000	-0-
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For legal costs for the board's defense of a constitutionality challenge, to be available until June 30, 2001.

Sec. 4. OFFICE OF STRATEGIC AND
LONG-RANGE PLANNING

450,000

-0-

For grants of \$50,000 each to regional development commissions or, in regions not served by regional development commissions, to regional organizations selected by the director, to support planning work on behalf of local units of government. This appropriation is available until June 30, 2001. The planning work must include, but need not be limited to:

- (1) development of local zoning ordinances;
- (2) land use plans;
- (3) community or economic development plans;
- (4) transportation and transit plans;
- (5) solid waste management plans;
- (6) wastewater management plans;
- (7) workforce development plans;
- (8) housing development plans or market analysis;
- (9) rural health service and senior nutrition plans;
or
- (10) natural resources management plans.

Sec. 5. ADMINISTRATION

Subdivision 1. Office of
Technology Long-Range Plan

Notwithstanding Laws 1999, chapter 250, article 1, section 12, subdivision 3, the appropriation for the second year is available for expenditure.

Subd. 2. Metropolitan
Radio Board

-0-

249,000

This appropriation is from the special revenue fund.

Subd. 3. Data Practices Study

-0-

60,000

The commissioner of administration shall compile information on current practices of state agencies and political subdivisions subject to Minnesota Statutes, chapter 13, with respect to the release of lists of public data containing personal information, such as individual names, addresses, and telephone numbers. The compilation must include the following information for each state agency and type of political subdivision: types of data released;

number of lists generated per year; and costs of preparing the lists and revenues received.

The commissioner shall submit the compilation to the senate judiciary committee and the house civil law committee and the budget divisions of the senate and house by January 15, 2001.

Subd. 4. Facilities Management	-0-	1,268,000
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To be added to the appropriation for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space, in Laws 1999, chapter 250, article 1, section 12, subdivision 5.

Sec. 6. GAMBLING CONTROL BOARD	45,000	45,000
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For workers' compensation claims. Money not expended in the first year is available for expenditure in the second year.

Sec. 7. MINNEAPOLIS EMPLOYEES RETIREMENT FUND	(1,334,000)	(1,892,000)
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This is a reduction in payments made to the Minneapolis employees retirement fund under Minnesota Statutes, section 422A.101, subdivision 3. The reduction for fiscal year 2002 is estimated to be \$1,892,000 and the reduction for fiscal year 2003 is estimated to be \$1,892,000.

Sec. 8. Minnesota Statutes 1999 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. [PUBLIC OFFICIAL.] "Public official" means any:

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules, or the power to adjudicate contested cases or appeals, other than an elected tribal chair or elected Indian member serving as a member of the Indian affairs council;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules or adjudicate contested cases;
- (8) executive director of the state board of investment;

- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the workers' compensation court of appeals;
- (11) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of economic security;
- (12) member, regional administrator, division director, general counsel, or operations manager of the metropolitan council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the division of alcohol and gambling enforcement in the department of public safety;
- (15) member or executive director of the higher education facilities authority;
- (16) member of the board of directors or president of the Minnesota world trade center corporation or Minnesota Technology, Inc.; or
- (17) member of the board of directors or executive director of the Minnesota state high school league.

Sec. 9. Minnesota Statutes 1998, section 16A.11, subdivision 3, is amended to read:

Subd. 3. [PART TWO: DETAILED BUDGET.] (a) Part two of the budget, the detailed budget estimates both of expenditures and revenues, must contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. The detailed estimates shall include the governor's budget arranged in tabular form.

(b) The detailed estimates must include a separate line listing the total number of professional or technical service contracts and the total cost of those contracts for the prior biennium and the projected number of professional or technical service contracts and the projected costs of those contracts for the current and upcoming biennium. They must also include a summary of the personnel employed by the agency, reflected as full-time equivalent positions, and the number of professional or technical service consultants for the current biennium.

(c) The detailed estimates for internal service funds must include the number of full-time equivalents by program; detail on any loans from the general fund, including dollar amounts by program; proposed investments in technology or equipment of \$100,000 or more; an explanation of any operating losses or increases in retained earnings; and a history of the rates that have been charged, with an explanation of any rate changes and the impact of the rate changes on affected agencies.

Sec. 10. Minnesota Statutes 1998, section 16A.126, subdivision 2, is amended to read:

Subd. 2. [IMMEDIATE NEEDS.] To reduce reserves for unforeseen needs, and so reduce these rates, the commissioner may transfer money from the general fund to a revolving fund. Before doing so, the commissioner must decide there is not enough money in the revolving fund for an immediate, necessary expenditure. The amount necessary to make the transfer is appropriated from the general fund to the commissioner of finance. The commissioner shall report the amount and purpose of the transfer to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the department of finance.

Sec. 11. Minnesota Statutes 1999 Supplement, section 16A.129, subdivision 3, is amended to read:

Subd. 3. [CASH ADVANCES.] When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may use general fund cash reserves to meet cash demands. If funds are transferred from the general fund to meet cash flow needs, the cash

flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. ~~The fund to which general fund cash was advanced must pay interest on the cash advance at a rate comparable to the rate earned by the state on invested treasurer's cash, as determined monthly by the commissioner. An amount necessary to pay the interest is appropriated from the nongeneral fund to which the cash advance was made.~~ Any interest earned on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made. The commissioner may advance general fund cash reserves to nongeneral fund accounts where the receipts from other governmental units cannot be collected within the budget period.

Sec. 12. Minnesota Statutes 1998, section 16A.642, subdivision 1, is amended to read:

Subdivision 1. [REPORTS.] (a) The commissioner of finance shall report to the chairs of the senate committee on finance and the house of representatives committees on ways and means and on capital investment by February 1 of each odd-numbered year on the following:

(1) all laws authorizing the issuance of state bonds for state or local government building projects enacted more than five years before February 1 of that odd-numbered year; the projects authorized to be acquired and constructed with the bond proceeds for which less than 100 percent of the authorized total cost has been expended, encumbered, or otherwise obligated; the cost of contracts to be let in accordance with existing plans and specifications shall be considered expended for this report; and the amount of bonds not issued and bond proceeds held but not previously expended, encumbered, or otherwise obligated for these projects; and

(2) all laws authorizing the issuance of state bonds for state or local government programs or projects other than those described in clause (1), enacted more than five years before February 1 of that odd-numbered year; and the amount of bonds not issued and bond proceeds held but not previously expended, encumbered, or otherwise obligated for these programs and projects.

(b) The commissioner shall also report on bond authorizations or bond proceed balances that may be canceled because projects have been canceled, completed, or otherwise concluded, or because the purposes for which the bonds were authorized or issued have been canceled, completed, or otherwise concluded. ~~The bond authorizations or bond proceed balances that are unencumbered or otherwise not obligated that are reported by the commissioner under this subdivision are canceled, effective July 1 of the year of the report, unless specifically reauthorized by act of the legislature.~~

Sec. 13. Minnesota Statutes 1998, section 16A.67, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] ~~The commissioner of finance, upon request of the governor,~~ is authorized to sell and issue state bonds to fund the judgment rendered against the state by the Minnesota supreme court in Cambridge State Bank et al. v. James, 514 N.W. 2d 565, on April 1, 1994, and related claims, and interest accrued on the judgment and related claims, to fund any bond reserve determined to be necessary, and to pay costs of issuance of the bonds. The proceeds of the bonds are appropriated for these purposes. The principal amount of the bonds shall not exceed \$400,000,000. The bonds shall be sold and issued upon such terms and in such manner as the commissioner shall determine to be in the best interests of the state. The final maturity of the bonds shall be not later than June 30, 2005.

Sec. 14. Minnesota Statutes 1998, section 16A.671, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; ADVISORY RECOMMENDATION.] To ensure that cash is available when needed to pay warrants drawn on the general fund under appropriations and allotments, ~~the governor may authorize the commissioner may~~ (1) to issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund for expenditure during each biennium; and (2) to issue additional certificates to refund outstanding certificates and interest on them, under the constitution, article XI, section 6.

Sec. 15. Minnesota Statutes 1998, section 16A.671, subdivision 2, is amended to read:

Subd. 2. [ADVISORY RECOMMENDATION.] Before certificates are initially sold by any of

the methods authorized in subdivision 6, the ~~governor~~ commissioner shall seek the advisory recommendation of the legislative advisory commission, or if there is no commission, the executive council, on (1) the necessity of issuing them, (2) the terms and conditions of the sale, and (3) the maximum amount to be issued and outstanding under the authorization. If the commission or council does not make a recommendation promptly, the recommendation is negative. An additional recommendation is not required for refunding outstanding certificates or for each issuance of certificates in accordance with an approved line of credit, underwriting, or placement agreement.

Sec. 16. Minnesota Statutes 1998, section 16B.052, is amended to read:

16B.052 [AUTHORITY TO TRANSFER FUNDS.]

The commissioner may, with the approval of the commissioner of finance, transfer from an internal service or enterprise fund account to another internal service or enterprise fund account, any contributed capital appropriated by the legislature. The transfer may be made only to provide working capital or positive cash flow in the account to which the money is transferred. The commissioner shall report the amount and purpose of the transfer to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the department of administration. The transfer must be repaid within 18 months.

Sec. 17. Minnesota Statutes 1998, section 16B.121, is amended to read:

16B.121 [PURCHASE OF RECYCLED, REPAIRABLE, AND DURABLE MATERIALS.]

The commissioner shall take the recycled content and recyclability of commodities to be purchased into consideration in bid specifications. When feasible and when the price of recycled materials does not exceed the price of nonrecycled materials by more than ten percent, the commissioner, and state agencies when purchasing under delegated authority, shall purchase recycled materials. In order to maximize the quantity and quality of recycled materials purchased, the commissioner, and state agencies when purchasing under delegated authority, may also use other appropriate procedures to acquire recycled materials at the most economical cost to the state.

The commissioner shall regularly consult with the office of environmental assistance, state agencies, and other interested parties to update the department's specifications for recycled content and other environmentally preferable products, consistent with other state procurement requirements. In updating its specifications, the department shall take into account the United States Environmental Protection Agency's Comprehensive Procurement Guidelines.

Each year the department shall issue a public report listing environmentally preferable products and the products' key environmental attributes, reporting benchmarks for recycled content or other environmentally preferable products, and discussing progress by state agencies in achieving the benchmarks.

When purchasing commodities and services, the commissioner, and state agencies when purchasing under delegated authority, shall apply and promote the preferred waste management practices listed in section 115A.02, with special emphasis on reduction of the quantity and toxicity of materials in waste. The commissioner, and state agencies when purchasing under delegated authority, in developing bid specifications, shall consider the extent to which a commodity or product is durable, reusable, or recyclable and marketable through the state resource recovery program and the extent to which the commodity or product contains postconsumer material.

Sec. 18. Minnesota Statutes 1998, section 16B.48, subdivision 4, is amended to read:

Subd. 4. [REIMBURSEMENTS.] Except as specifically provided otherwise by law, each agency shall reimburse intertechnologies and general services revolving funds for the cost of all services, supplies, materials, labor, and depreciation of equipment, including reasonable overhead costs, which the commissioner is authorized and directed to furnish an agency. The cost of all publications or other materials produced by the commissioner and financed from the general services revolving fund must include reasonable overhead costs. The commissioner of administration shall report the rates to be charged for each revolving fund no later than July 1 each

year to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the department of administration. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the commissioner of finance, may require an agency to make advance payments to the revolving funds in this section sufficient to cover the agency's estimated obligation for a period of at least 60 days. All reimbursements and other money received by the commissioner of administration under this section must be deposited in the appropriate revolving fund. Any earnings remaining in the fund established to account for the documents service prescribed by section 16B.51 at the end of each fiscal year not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, must be transferred to the general fund.

Sec. 19. Minnesota Statutes 1998, section 16B.485, is amended to read:

16B.485 [INTERFUND LOANS.]

The commissioner may, with the approval of the commissioner of finance, make loans from an internal service or enterprise fund to another internal service or enterprise fund, and the amount necessary is appropriated from the fund that makes the loan. The commissioner shall report the amount and purpose of the loan to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the department of administration. The term of a loan made under this section must be not more than 24 months.

Sec. 20. Minnesota Statutes 1998, section 16E.01, as amended by Laws 1999, chapter 250, article 1, section 68, is amended to read:

16E.01 [~~OFFICE OF~~ TECHNOLOGY POLICY BUREAU.]

Subdivision 1. [PURPOSE.] ~~The office of technology policy bureau,~~ referred to in this chapter as the "~~office,~~" "bureau," is under the supervision of the commissioner of administration. ~~The office bureau shall provide leadership and direction for information and communications technology policy in Minnesota. The office bureau shall coordinate strategic investments in information and communications technology to encourage the development of a technically literate society and to ensure sufficient access to and efficient delivery of government services.~~

Subd. 2. [DISCRETIONARY POWERS.] ~~The office~~ bureau may:

(1) enter into contracts for goods or services with public or private organizations and charge fees for services it provides;

(2) apply for, receive, and expend money from public agencies;

(3) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;

(4) enter into contracts with agencies of the federal government, local governmental units, the University of Minnesota and other educational institutions, and private persons and other nongovernmental organizations as necessary to perform its statutory duties;

(5) appoint committees and task forces of not more than two years' duration to assist the office bureau in carrying out its duties;

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to information and communications technology issues;

(7) participate in the activities of standards bodies and other appropriate conferences related to information and communications technology issues;

(8) review the technology infrastructure of regions of the state and cooperate with and make recommendations to the governor, legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of information and communications technology infrastructure development potential;

(9) sponsor, support, and facilitate innovative and collaborative economic and community development and government services projects, including technology initiatives related to culture and the arts, with public and private organizations; and

(10) review and recommend alternative sourcing strategies for state information and communications systems.

Subd. 3. [DUTIES.] The office bureau shall:

(1) coordinate the efficient and effective use of available federal, state, local, and private resources to develop statewide information and communications technology and its infrastructure;

(2) review state agency and intergovernmental information and communications systems development efforts involving state or intergovernmental funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;

(3) encourage cooperation and collaboration among state and local governments in developing intergovernmental communication and information systems, and define the structure and responsibilities of the information policy council;

(4) cooperate and collaborate with the legislative and judicial branches in the development of information and communications systems in those branches;

(5) continue the development of North Star, the state's official comprehensive online service and information initiative;

(6) promote and collaborate with the state's agencies in the state's transition to an effectively competitive telecommunications market;

(7) collaborate with entities carrying out education and lifelong learning initiatives to assist Minnesotans in developing technical literacy and obtaining access to ongoing learning resources;

(8) promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;

(9) promote and coordinate electronic commerce initiatives to ensure that Minnesota businesses and citizens can successfully compete in the global economy;

(10) promote and coordinate the regular and periodic reinvestment in the core information and communications technology infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

(11) facilitate the cooperative development of standards for information systems, electronic data practices and privacy, and electronic commerce among international, national, state, and local public and private organizations; and

(12) work with others to avoid unnecessary duplication of existing services provided by other public and private organizations while building on the existing governmental, educational, business, health care, and economic development infrastructures.

Sec. 21. Minnesota Statutes 1999 Supplement, section 16E.02, subdivision 1, is amended to read:

Subdivision 1. [~~OFFICE BUREAU~~ MANAGEMENT AND STRUCTURE.] The commissioner of administration is the state's chief information officer and technology advisor to

the governor. The staff of the ~~office~~ bureau must include individuals knowledgeable in information and communications technology.

Sec. 22. Minnesota Statutes 1998, section 16E.04, as amended by Laws 1999, chapter 250, article 1, section 114, is amended to read:

16E.04 [INFORMATION AND COMMUNICATIONS TECHNOLOGY POLICY.]

Subdivision 1. [DEVELOPMENT.] The ~~office~~ bureau shall coordinate with state agencies in developing and establishing policies and standards for state agencies to follow in developing and purchasing information and communications systems and training appropriate persons in their use. The ~~office~~ bureau shall develop, promote, and coordinate state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.

Subd. 2. [RESPONSIBILITIES.] (a) In addition to other activities prescribed by law, the ~~office~~ bureau shall carry out the duties set out in this subdivision.

(b) The ~~office~~ bureau shall develop and establish a state information architecture to ensure that further state agency development and purchase of information and communications systems, equipment, and services is designed to ensure that individual agency information systems complement and do not needlessly duplicate or conflict with the systems of other agencies. When state agencies have need for the same or similar public data, the commissioner, in coordination with the affected agencies, shall promote the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies.

(c) The ~~office~~ bureau shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's mission and the state's requirements and functions.

(d) The ~~office~~ bureau shall review agency requests for legislative appropriations for the development or purchase of information systems equipment or software.

(e) The ~~office~~ bureau shall review major purchases of information systems equipment to:

(1) ensure that the equipment follows the standards and guidelines of the state information architecture;

(2) ensure that the equipment is consistent with the information management principles adopted by the information policy council;

(3) evaluate whether the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and

(4) ensure that the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the ~~office~~ bureau determines that the agency purchasing the equipment has special needs justifying the inconsistency.

(f) The ~~office~~ bureau shall review the operation of information systems by state agencies and provide advice and assistance to ensure that these systems are operated efficiently and continually meet the standards and guidelines established by the ~~office~~ bureau. The standards and guidelines must emphasize uniformity that encourages information interchange, open systems environments, and portability of information whenever practicable and consistent with an agency's authority and chapter 13. The ~~office~~ bureau, in consultation with the ~~intergovernmental information systems advisory council and the~~ legislative reference library, shall recommend specific standards and guidelines for each state agency within a time period fixed by the ~~office~~ bureau in regard to the following:

(1) establishing methods and systems directed at reducing and ultimately eliminating redundant storage of data; and

(2) establishing information sales systems that utilize licensing and royalty agreements to the greatest extent possible, together with procedures for agency denial of requests for licenses or royalty agreements by commercial users or resellers of the information. Section 3.751 does not apply to those licensing and royalty agreements, and the agreements must include provisions that section 3.751 does not apply and that the state is immune from liability under the agreement.

(g) The office bureau shall conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost-beneficial manner by an outside source. The office bureau must report the results of its review to the legislature and the governor.

(h) The office bureau shall report to the legislature by January 15 of each year on progress in implementing paragraph (f), clauses (1) and (2).

Sec. 23. Minnesota Statutes 1998, section 16E.05, is amended to read:

16E.05 [GOVERNMENT INFORMATION ACCESS.]

Subdivision 1. [DUTIES.] The office bureau, in consultation with interested persons, shall:

(1) coordinate statewide efforts by units of state and local government to plan for and develop a system for providing access to government services;

(2) make recommendations to facilitate coordination and assistance of demonstration projects; and

(3) explore ways and means to improve citizen and business access to public services, including implementation of technological improvements.

Subd. 2. [APPROVAL OF STATE AGENCY INITIATIVES.] A state agency shall coordinate with the office bureau when implementing a new initiative for providing electronic access to state government information.

Subd. 3. [CAPITAL INVESTMENT.] No state agency may propose or implement a capital investment plan for a state office building unless:

(1) the agency has developed a plan for increasing telecommuting by employees who would normally work in the building, or the agency has prepared a statement describing why such a plan is not practicable; and

(2) the plan or statement has been reviewed by the office bureau.

Sec. 24. Minnesota Statutes 1998, section 16E.06, is amended to read:

16E.06 [DATA PRIVACY.]

The following data submitted to the office bureau by businesses are private data on individuals or nonpublic data: financial statements, business plans, income and expense projections, customer lists, and market and feasibility studies not paid for with public funds.

Sec. 25. Minnesota Statutes 1998, section 16E.07, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHED.] The office bureau shall establish "North Star" as the state's comprehensive government online information service. North Star is the state's governmental framework for coordinating and collaborating in providing online government information and services. Government agencies that provide electronic access to government information are requested to make available to North Star their most frequently requested public data.

Sec. 26. Minnesota Statutes 1998, section 16E.07, subdivision 5, is amended to read:

Subd. 5. [PARTICIPATION; CONSULTATION; GUIDELINES.] The North Star staff shall

consult with governmental and nongovernmental organizations to establish rules for participation in the North Star service. Government units planning, developing, or providing publicly accessible online services shall provide access through and collaborate with North Star and formally register with the office bureau. The University of Minnesota is requested to establish online connections and collaborate with North Star. Units of the legislature shall make their services available through North Star. Government units may be required to submit standardized directory and general content for core services but are not required to purchase core services from North Star. North Star shall promote broad public access to the sources of online information or services through multiple technologies.

Sec. 27. Minnesota Statutes 1998, section 16E.07, subdivision 6, is amended to read:

Subd. 6. [FEES.] The office bureau shall establish fees for technical and transaction services for government units through North Star. Fees must be credited to the North Star account. The office bureau may not charge a fee for viewing or inspecting data made available through North Star or linked facilities, unless specifically authorized by law.

Sec. 28. Minnesota Statutes 1998, section 16E.07, subdivision 7, is amended to read:

Subd. 7. [NORTH STAR ACCOUNT.] The North Star account is created in the special revenue fund. The account consists of:

- (1) grants received from nonstate entities;
- (2) fees and charges collected by the office bureau;
- (3) gifts, donations, and bequests made to the office bureau; and
- (4) other money credited to the account by law.

Money in the account is appropriated to the office bureau to be used to continue the development of the North Star project.

Sec. 29. Minnesota Statutes 1998, section 16E.07, subdivision 8, is amended to read:

Subd. 8. [SECURE TRANSACTION SYSTEM.] The office bureau shall plan and develop a secure transaction system to support delivery of government services electronically.

Sec. 30. Minnesota Statutes 1998, section 16E.07, subdivision 9, is amended to read:

Subd. 9. [AGGREGATION OF SERVICE DEMAND.] The office bureau shall identify opportunities to aggregate demand for technical services required by government units for online activities and may contract with governmental or nongovernmental entities to provide services. These contracts are not subject to the requirements of chapters 16B and 16C, except sections 16C.04, 16C.07, 16C.08, and 16C.09.

Sec. 31. Minnesota Statutes 1998, section 16E.07, subdivision 10, is amended to read:

Subd. 10. [OUTREACH.] The office bureau may promote the availability of government online information and services through public outreach and education. Public network expansion in communities through libraries, schools, colleges, local government, and other community access points must include access to North Star. North Star may make materials available to those public sites to promote awareness of the service.

Sec. 32. Minnesota Statutes 1998, section 16E.07, subdivision 11, is amended to read:

Subd. 11. [ADVANCED DEVELOPMENT COLLABORATION.] The office bureau shall identify information technology services with broad public impact and advanced development requirements. Those services shall assist in the development of and utilization of core services to the greatest extent possible where appropriate, cost-effective, and technically feasible. This includes, but is not limited to, higher education, statewide online library, economic and community development, and K-12 educational technology services. North Star shall participate in

electronic commerce research and development initiatives with the University of Minnesota and other partners. The statewide online library service shall consult, collaborate, and work with North Star to ensure development of proposals for advanced government information locator and electronic depository and archive systems.

Sec. 33. Minnesota Statutes 1999 Supplement, section 16E.08, is amended to read:

16E.08 [BUSINESS LICENSE INFORMATION.]

The office technology policy bureau shall coordinate the design, establishment, implementation, and maintenance of an electronic system to allow the public to retrieve by computer information prepared by the department of trade and economic development bureau of business licenses on licenses and their requirements. The office technology policy bureau shall establish the format and standards for retrieval consistent with state information and data interchange policies. The electronic system must also be designed to allow the public to apply for and obtain business licenses and permits on line. The office technology policy bureau shall integrate the system with the North Star online information system. The office technology policy bureau shall work in collaboration with the department of trade and economic development bureau of business licenses. The bureau of business licenses is responsible for creating and maintaining the information on licenses and their requirements. The technology policy bureau is responsible for operating the business license and permit online system.

Sec. 34. Minnesota Statutes 1998, section 422A.101, subdivision 3, is amended to read:

Subd. 3. [STATE CONTRIBUTIONS.] (a) Subject to the limitation set forth in paragraph (c), the state shall pay to the Minneapolis employees retirement fund annually an amount equal to the amount calculated under paragraph (b).

(b) The payment amount is an amount equal to the financial requirements of the Minneapolis employees retirement fund reported in the actuarial valuation of the fund prepared by the commission-retained actuary pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded actuarial accrued liabilities by June 30, 2020, less the amount of employee contributions required pursuant to section 422A.10, and the amount of employer contributions required pursuant to subdivisions 1a, 2, and 2a. ~~Payments shall be made in four equal installments, occurring on March 15, July 15, September 15, and November 15 annually.~~

(c) ~~The annual state contribution under this subdivision may not exceed \$10,455,000 through fiscal year 1998 and \$9,000,000 beginning in fiscal year 1999, plus the cost of the annual supplemental benefit determined under section 356.865.~~

(d) If the amount determined under paragraph (b) exceeds \$11,910,000, the excess must be allocated to and paid to the fund by the employers identified in subdivisions 1a and 2, other than units of metropolitan government. Each employer's share of the excess is proportionate to the employer's share of the fund's unfunded actuarial accrued liability as disclosed in the annual actuarial valuation prepared by the actuary retained by the legislative commission on pensions and retirement compared to the total unfunded actuarial accrued liability attributed to all employers identified in subdivisions 1a and 2, other than units of metropolitan government. Payments must be made in equal installments as set forth in paragraph (b).

Sec. 35. Laws 1984, chapter 597, section 22, is amended to read:

Sec. 22. [TRANSPORTATION BONDS.]

To provide the money appropriated in this act from the state transportation fund the commissioner of finance ~~upon request of the governor~~ shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 174.50, 174.51, and by the Constitution, article XI, sections 4 to 7.

Sec. 36. Laws 1987, chapter 400, section 25, subdivision 1, is amended to read:

Subdivision 1. [BUILDING FUND.] To provide the money appropriated in this act from the state building fund the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$370,972,200 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 37. Laws 1987, chapter 400, section 25, subdivision 5, is amended to read:

Subd. 5. [WATER POLLUTION CONTROL FUND.] To provide the money appropriated in this act from the water pollution control fund the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$66,747,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the water pollution control fund.

Sec. 38. Laws 1989, chapter 300, article 1, section 23, subdivision 1, is amended to read:

Subdivision 1. [BUILDING FUND.] To provide the money appropriated in this act from the state building fund the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$142,585,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 39. Laws 1990, chapter 610, article 1, section 30, is amended to read:

Sec. 30. [BOND SALE.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the state bond proceeds fund the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$109,525,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [INFRASTRUCTURE DEVELOPMENT FUND.] To provide the money appropriated in this act from the infrastructure development fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$243,665,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 3. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$11,200,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 40. Laws 1991, chapter 354, article 11, section 2, subdivision 1, is amended to read:

Subdivision 1. (a) To provide the money appropriated from the bond proceeds fund in 1991 S.F. No. 1533, the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI.

(b) To provide the money appropriated from the bond proceeds fund in this act, the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$12,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI.

Sec. 41. Laws 1992, chapter 558, section 28, is amended to read:

Sec. 28. [BOND SALE.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund the commissioner of finance, ~~on request of the governor~~, shall sell and issue bonds of the state in an amount up to \$231,695,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [MAXIMUM EFFORT SCHOOL LOAN FUND.] To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor~~, shall sell and issue bonds of the state in an amount up to \$12,130,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Subd. 3. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, ~~on request of the governor~~, shall sell and issue bonds of the state in an amount up to \$17,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 42. Laws 1994, chapter 639, article 3, section 5, is amended to read:

Sec. 5. [BOND SALE.]

(a) To provide the money appropriated in this act from the state bond proceeds fund, the commissioner of finance, ~~on request of the governor~~, shall sell and issue bonds of the state in an amount up to \$90,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, the Minnesota Constitution, article XI, sections 4 to 7, and paragraph (b).

(b) Bonds may not be issued under this section in total amounts exceeding the following:

- (1) by June 30, 1996, \$10,000,000;
- (2) by June 30, 1998, \$35,000,000;
- (3) by June 30, 2000, \$55,000,000; and
- (4) by June 30, 2002, \$75,000,000.

Sec. 43. Laws 1994, chapter 643, section 31, is amended to read:

Sec. 31. [BOND SALE AUTHORIZATION.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund the commissioner of finance, ~~on request of the governor~~, shall sell and issue bonds of the state in an amount up to \$573,385,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, ~~on request of the governor~~, shall sell and issue general obligation bonds of the state in an amount up to \$45,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Subd. 3. [MAXIMUM EFFORT SCHOOL LOAN FUND.] To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$2,970,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Sec. 44. Laws 1995, First Special Session chapter 2, article 1, section 14, is amended to read:

Sec. 14. [BOND SALE AUTHORIZATION.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this article from the bond proceeds fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$5,630,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this article from the state transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue general obligation bonds of the state in an amount up to \$4,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Subd. 3. [MAXIMUM EFFORT SCHOOL LOAN FUND.] To provide the money appropriated by this article from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$23,670,000 in the manner, on the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Sec. 45. Laws 1996, chapter 463, section 27, is amended to read:

Sec. 27. [BOND SALE AUTHORIZATIONS.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$597,110,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue general obligation bonds of the state in an amount up to \$10,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 46. Laws 1997, chapter 246, section 10, is amended to read:

Sec. 10. [BOND SALE AUTHORIZATIONS.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$86,625,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue general obligation bonds of the state in an amount up to \$3,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 47. Laws 1998, chapter 404, section 27, is amended to read:

Sec. 27. [BOND SALE AUTHORIZATIONS.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$463,795,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$34,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 48. Laws 1999, chapter 240, article 1, section 13, is amended to read:

Sec. 13. [BOND SALE AUTHORIZATIONS.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this article from the bond proceeds fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$139,510,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this article from the transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$10,440,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 49. Laws 1999, chapter 240, article 2, section 16, is amended to read:

Sec. 16. [BOND SALE AUTHORIZATIONS.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this article from the bond proceeds fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$372,400,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND.] To provide the money appropriated in this article from the transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$28,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 50. Laws 1999, chapter 250, article 1, section 11, is amended to read:

Sec. 11. OFFICE OF STRATEGIC
AND LONG-RANGE PLANNING

6,891,000

4,417,000

\$100,000 the first year is to integrate the office's information technology and is available until June 30, 2003. The director shall report on the progress of the unit to the chairs of the legislative committees responsible for this budget item by January 15, 2000, 2001, and 2002.

\$1,600,000 the first year is for a generic environmental impact statement on animal agriculture.

\$200,000 the first year is to perform program evaluations of agencies in the executive branch.

The program evaluation division will report to the legislature by December 1, 2000, ways to reduce state government expenditures by five to ten percent.

\$100,000 the first year is to provide administrative support to community-based planning efforts.

\$150,000 the first year is for a grant of \$50,000 to the southwest regional development commission for the continuation of the pilot program and two additional grants of \$50,000 each to regional development commissions or, in regions not served by regional development commissions, to regional organizations selected by the director of strategic and long-range planning, to support planning work on behalf of local units of government. The planning work shall include, but need not be limited to:

- (1) development of local zoning ordinances;
- (2) land use plans;
- (3) community or economic development plans;
- (4) transportation and transit plans;
- (5) solid waste management plans;
- (6) wastewater management plans;
- (7) workforce development plans;
- (8) housing development plans and/or market analysis;
- (9) rural health service plans;
- (10) natural resources management plans; or
- (11) development of geographical information systems database to serve a region's needs, including hardware and software purchases and related labor costs.

\$200,000 the first year is to prepare the generic environmental impact statement on urban development required by section 108. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$24,000 the first year is for the southwest Minnesota wind monitoring project.

\$100,000 the first year is for a grant to the city of Mankato to complete the Mankato area growth management and planning study, phase 2. The appropriation is available until June 30, 2002. The appropriation must be matched by an in-kind donation of \$100,000 in administrative, technical, and higher educational internship support and supervision. The value of the in-kind donations must be determined by the commissioner of finance.

The city shall serve as fiscal agent to complete the study under the 1997 regional planning joint powers agreement among the cities of Mankato, North Mankato, and Eagle Lake; the counties of Nicollet and Blue Earth; and the towns of Mankato, South Bend, Lime, Decoria, and Belgrade, without limitation on the rights of the parties to that agreement to add or remove members. The study is intended as an alternative to community-based planning. The study is intended to develop information and analysis to provide guidance on such issues as:

(1) the development of joint planning agreements to implement a unified growth management strategy;

(2) joint service ventures, such as planning or zoning administration in urban fringe areas;

(3) orderly growth and annexation agreements between cities and townships;

(4) feedlot regulations in urban fringe areas and future growth corridors;

(5) service strategies for unsewered subdivisions;

(6) other joint ventures for city, county, and township service delivery in fringe areas;

(7) feasibility of a rural township taxing district; and

(8) alternatives to the current community-based planning legislation that would add flexibility and improve the planning process.

The city of Mankato shall report the results of the study to the legislature by January 15, 2002.

Sec. 51. Laws 1999, chapter 250, article 1, section 12, subdivision 8, is amended to read:
Subd. 8. Public Broadcasting

3,443,000 3,330,000

\$1,450,000 the first year and \$1,450,000 the second year are for matching grants for public television.

\$600,000 the first year and \$600,000 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota public television association.

\$441,000 the first year and \$441,000 the second year are for grants and for contracts with the senate and house of representatives for public information television, Internet, intranet, and other transmission of legislative activities. At least one-half must go for programming to be broadcast in transmitted to rural Minnesota.

\$25,000 the first year and \$25,000 the second year are for grants to the Twin Cities regional cable channel.

\$320,000 the first year and \$320,000 the second year are for community service grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 129D.14. Of this appropriation, \$30,000 the first year and \$30,000 the second year are for station WTIP-FM in Grand Marais, which need not meet the requirements of Minnesota Statutes, section 129D.14, until July 1, 2002.

\$494,000 the first year and \$494,000 the second year are for equipment grants to public radio stations. These grants must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

If an appropriation for either year for grants to public television or radio stations is not sufficient, the appropriation for the other year is available for it.

Sec. 52. Laws 1999, chapter 250, article 1, section 14, subdivision 3, is amended to read:
Subd. 3. Information and Management Services

16,643,000 9,932,000

\$100,000 the first year is for a grant to the city of

~~Mankato to complete the Mankato area growth management and planning study, phase 2. The appropriation is available until June 30, 2002. The appropriation must be matched by an in-kind donation of \$100,000 in administrative, technical, and higher educational internship support and supervision. The value of the in-kind donations must be determined by the commissioner of finance.~~

~~The city shall serve as fiscal agent to complete the study under the 1997 regional planning joint powers agreement among the cities of Mankato, North Mankato, and Eagle Lake; the counties of Nicollet and Blue Earth; and the towns of Mankato, South Bend, Lime, Decoria, and Belgrade, without limitation on the rights of the parties to that agreement to add or remove members. The study is intended as an alternative to community-based planning. The study is intended to develop information and analysis to provide guidance on such issues as:~~

- ~~(1) the development of joint planning agreements to implement a unified growth management strategy;~~
- ~~(2) joint service ventures, such as planning or zoning administration in urban fringe areas;~~
- ~~(3) orderly growth and annexation agreements between cities and townships;~~
- ~~(4) feedlot regulations in urban fringe areas and future growth corridors;~~
- ~~(5) service strategies for unsewered subdivisions;~~
- ~~(6) other joint ventures for city, county, and township service delivery in fringe areas;~~
- ~~(7) feasibility of a rural township taxing district; and~~
- ~~(8) alternatives to the current community-based planning legislation that would add flexibility and improve the planning process.~~

~~The city of Mankato shall report the results of the study to the legislature by January 15, 2002.~~

~~\$6,839,000 the first year is a one-time appropriation to upgrade the human resources and payroll system and is available until June 30, 2003. The commissioner shall report on the progress of this project to the chairs of the legislative committees responsible for this budget item by January 15, 2000, 2001, and 2002.~~

~~The commissioner of finance shall work with the~~

commissioners of employee relations and administration and shall develop as part of the human resource and payroll systems upgrade, and submit to the chairs of the senate governmental operations budget division and the house state government finance committee by January 15, 2000, a long-range plan for the statewide business systems: human resources, payroll, accounting, and procurement. The plan must detail each system's original development costs, its expected life cycle, the estimated cost of upgrading software to newer versions during its life cycle, its operating costs to date, and the factors that are expected to drive future operating costs within the departments of finance, administration, and employee relations. The plan must also include an evaluation of and recommendations on whether, for the statewide business systems, the state should use software that is developed and maintained in house; proprietary software, either modified or unmodified; a private vendor; or a particular combination of these options.

The commissioner of finance, in consultation with senate and house fiscal staff and the commissioner of administration, shall develop recommendations for inclusion in the governor's fiscal year 2002-2003 budget document on the presentation of internal service funds. The commissioner of finance shall submit the recommendations to the chairs of the senate governmental operations budget division and the house state government finance committee by January 15, 2000.

The department shall prepare a separate budget book for the biennium beginning July 1, 2001, containing all of the administration's technology initiatives. The book must also include a complete inventory of state-owned and leased technology, along with a projected replacement schedule. The inventory must include information on how the technology fits into the state's master plan.

Sec. 53. Laws 1999, chapter 250, article 1, section 18, is amended to read:

Sec. 18. VETERANS AFFAIRS	5,885,000	4,369,000
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\$1,544,000 the first year and \$1,544,000 the second year are for emergency financial and medical needs of veterans. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$12,000 the first year and \$13,000 the second

year are one-time funding to provide grants to local veterans' organizations that provide transportation services for veterans to veterans administration medical facilities.

The commissioner of veterans affairs, in cooperation with the board of directors of the Minnesota veterans homes and the United States Veterans Administration, shall study the feasibility and desirability of supplementing the missions of the veterans homes and the Veterans Administration hospitals in Minnesota by entering into agreements with health care providers throughout the state to provide free or reduced-cost comprehensive health care to veterans close to their places of residence as a supplement to private health insurance. The commissioner shall report the results of the study and any recommendations to the legislature by January 15, 2000.

With the approval of the commissioner of finance, the commissioner of veterans affairs may transfer the unencumbered balance from the veterans relief program to other department programs during the fiscal year. Before the transfer, the commissioner of veterans affairs shall explain why the unencumbered balance exists. The amounts transferred must be identified to the chairs of the senate governmental operations budget committee and the house state government finance committee.

\$275,000 the first year and \$275,000 the second year are for a grant to the Vinland National Center.

\$1,485,000 the first year is to make bonus payments authorized under Minnesota Statutes, section 197.79. The appropriation may not be used for administrative purposes. The appropriation does not expire until the commissioner acts on all applications submitted under Minnesota Statutes, section 197.79.

\$105,000 the first year is to administer the bonus program established under Minnesota Statutes, section 197.79. The appropriation does not expire until the commissioner acts on all the applications submitted under Minnesota Statutes, section 197.79.

\$233,000 the first year and \$235,000 the second year are for grants to county veterans offices for training of county veterans service officers to enhance their effectiveness.

Sec. 54. [CLARIFICATION; EFFECT ON REPEAL.]

Laws 1999, chapter 250, article 3, does not repeal rules or fees in effect on the day before the effective date of Laws 1999, chapter 250, article 3.

Sec. 55. [MINNESOTA WORKERS' COMPENSATION ASSIGNED RISK PLAN SURPLUS UTILIZATION.]

Subdivision 1. [EXCESS SURPLUS.] (a) For purposes of this section, "excess surplus" means the amount of the assigned risk plan surplus fund that exceeds the amount necessary to pay all current and future liabilities of the assigned risk plan, including, but not limited to:

- (1) administrative expenses;
- (2) benefit claims; and

(3) in the event the assigned risk plan is dissolved under Minnesota Statutes, section 79.251, subdivision 8, the amounts that would be due insurers who have paid assessments to the assigned risk plan.

(b) On July 1, 2000, and July 1, 2001, the commissioner of commerce shall certify to the commissioner of finance the amount of the assigned risk plan excess surplus and shall direct the transfer of the excess surplus funds as provided in subdivision 2. The transfers are not subject to review under Minnesota Statutes, chapter 14.

Subd. 2. [TRANSFER OF EXCESS SURPLUS FUNDS FOR THE BENEFIT OF THE MINNESOTA COMPREHENSIVE HEALTH ASSOCIATION.] (a) The commissioner of commerce shall direct the transfer of excess surplus funds for the benefit of the Minnesota comprehensive health association according to paragraphs (b) to (d).

(b) On July 1, 2000, \$65,000,000 must be paid into the state treasury and credited to a separate account within the special revenue fund called the Minnesota comprehensive health association endowment account. Interest attributable to money in the account must be credited to the Minnesota comprehensive health association endowment account of the special revenue fund. Money, including interest earned, in the Minnesota comprehensive health association endowment account must be used to fund current and future deficits of the Minnesota comprehensive health association. Except as otherwise provided in subdivision 3, \$5,200,000 is appropriated from the endowment account to the commissioner of commerce on January 15, 2001, and on January 15 annually thereafter, and disbursed to the association for the purpose of reducing its operating deficit. The payments made under this paragraph must be made first from the interest earned by the endowment, and if the interest is not sufficient, then from the endowment principal, until the endowment is exhausted.

(c) On January 15, 2001, \$15,000,000 must be paid to the state treasury and credited to the general fund and \$15,000,000 is appropriated from the general fund to the commissioner of commerce for disbursement to the association for the exclusive purpose of reducing its operating deficit assessment for calendar year 2001.

(d) On January 15, 2002:

- (1) \$15,000,000 must be paid to the state treasury and credited to the general fund; and
- (2) \$15,000,000 is appropriated from the general fund to the commissioner of commerce for disbursement to the association for the exclusive purpose of reducing its operating deficit assessment for calendar year 2002.

Subd. 3. [RESTRICTIONS ON TRANSFER OF MINNESOTA WORKERS' COMPENSATION PLAN ASSIGNED RISK PROGRAM EXCESS SURPLUS.] Thirty days before each annual scheduled appropriation of \$5,200,000 from the Minnesota comprehensive health association endowment account to the association as set forth in subdivision 2, paragraph (b), the commissioner of commerce, in consultation with the commissioner of health, must determine whether the association has made satisfactory progress in attaining and maintaining the cost containment goals of the association. If the commissioner of commerce determines that

satisfactory progress has not been achieved, the scheduled appropriation for the Minnesota comprehensive health association endowment account to the association must not be made. The determination of the commissioner of commerce is not subject to review under Minnesota Statutes, chapter 14.

Sec. 56. [STUDY OF LEGISLATIVE PROCEDURES.]

The legislative coordinating commission shall study and report to the legislature by December 15, 2000, its recommendations on how to streamline the bill introduction process. The study must consider the possibility of limiting the number of bills a member may introduce, removing limits on the number of authors of a bill, reducing the number of identical or similar bills introduced, and merging bills on similar topics early in the legislative process.

Sec. 57. [BASE ADJUSTMENTS PROHIBITED.]

If a capital project authorized by the 2000 legislature causes a change in operating costs for a state agency, the commissioner of finance shall not treat that change as a base adjustment in the agency's budget for fiscal years 2002 and 2003.

Sec. 58. [ALLOCATION OF COSTS OF CERTAIN BOUNDARY ADJUSTMENT MATTERS.]

Except as otherwise provided in an agreement among the parties to a boundary dispute, up to \$35,000 of the costs of any boundary adjustment matter commenced involving a city, town, and independent school district before June 1, 1999, that is concluded after that date under an alternative dispute resolution process as directed by the director of the office of strategic and long-range planning, must be allocated as provided in law and rule before the abolition of the Minnesota municipal board. The maximum total amount the parties may be charged by the office of strategic and long-range planning, the office of administrative hearings, or as part of an arbitration is no more than the Minnesota municipal board could have charged if the matter had been heard and decided by the board. Costs that exceed what the municipal board could have charged must be paid by the office of strategic and long-range planning.

Sec. 59. [REVISOR'S INSTRUCTION.]

The revisor shall substitute "technology policy bureau" for "office of technology" in Minnesota Statutes, sections 16B.335, 16B.42, 125B.21, 136F.59, 138.17, and 221.173.

Sec. 60. [REPEALER.]

Laws 1999, chapter 250, article 1, section 15, subdivision 4, is repealed.

Sec. 61. [EFFECTIVE DATE.]

Except as otherwise provided in this act, this act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; making supplemental appropriations and reductions; amending Minnesota Statutes 1998, sections 16A.11, subdivision 3; 16A.126, subdivision 2; 16A.642, subdivision 1; 16A.67, subdivision 1; 16A.671, subdivisions 1 and 2; 16B.052; 16B.121; 16B.48, subdivision 4; 16B.485; 16C.05, subdivision 3; 16E.01, as amended; 16E.04, as amended; 16E.05; 16E.06; 16E.07, subdivisions 2, 5, 6, 7, 8, 9, 10, and 11; 18E.04, subdivision 4; 80A.122, by adding a subdivision; 80A.28, subdivision 1; 85.34, subdivision 1, and by adding subdivisions; 97A.055, subdivisions 1 and 2; 97A.071, subdivision 2; 97A.411, subdivision 1; 97A.421; 97A.475, subdivisions 2, 3, 4, 6, 7, 8, 11, 12, 13, and 20; 97A.485, subdivision 12; 115B.17, subdivision 19; 116L.04, subdivision 1; 125A.74, subdivisions 1 and 2; 144A.071, subdivision 4a, and by adding a subdivision; 148B.32, subdivision 1; 169.21, subdivisions 2 and 3; 181A.12, subdivision 1; 216C.051, subdivision 9; 216C.41, subdivision 3; 242.41; 242.43; 242.44; 256.741, by adding a subdivision; 256.955, subdivision 2, and by adding a subdivision; 256.9751; 256B.0625, by adding a subdivision;

256B.431, by adding subdivisions; 256B.434, by adding a subdivision; 256B.501, by adding a subdivision; 256B.69, subdivision 5d; 256J.47, subdivision 1; 256J.50, subdivision 7; 256J.52, subdivision 2; 256J.53, subdivision 3; 256J.62, by adding a subdivision; 256L.01, subdivision 4; 256L.04, subdivision 7; 297A.44, subdivision 1; 383B.235, by adding a subdivision; 422A.101, subdivision 3; 477A.0121, subdivision 4; 609.322, subdivision 1; 611.21; 611.27, subdivision 5, and by adding a subdivision; and 611A.32, subdivision 5; Minnesota Statutes 1999 Supplement, sections 10A.01, subdivision 35; 16A.129, subdivision 3; 16E.02, subdivision 1; 16E.08; 62J.535, subdivision 2; 97A.075, subdivision 1; 97B.020; 116L.04, subdivision 1a; 119B.011, subdivision 15; 144.395, by adding a subdivision; 144.396, subdivisions 11 and 12; 241.272, subdivision 6; 242.192; 256.019; 256B.056, subdivision 4; 256B.0625, subdivision 13; 256B.0916, subdivision 1; 256B.431, subdivisions 17 and 28; 256B.69, subdivisions 5b and 5c; 256D.03, subdivision 4; 256D.053, subdivision 1; 256J.02, subdivision 2; 256J.08, subdivision 86; 256J.11, subdivision 2; 256J.21, subdivision 2; 256J.33, subdivision 4; 256J.34, subdivisions 1 and 4; 256J.37, subdivision 9; 256J.46, subdivision 1; 256J.52, subdivisions 3, 4, and 5; 256J.56; 256L.07, subdivision 3; 268.085, subdivision 4; 268.98, subdivision 3; 326.105; and 626.84, subdivision 1; Laws 1984, chapter 597, section 22; Laws 1987, chapter 400, section 25, subdivisions 1 and 5; Laws 1989, chapter 300, article 1, section 23, subdivision 1; Laws 1990, chapter 610, article 1, section 30; Laws 1991, chapter 354, article 11, section 2, subdivision 1; Laws 1992, chapter 558, section 28; Laws 1994, chapter 639, article 3, section 5; Laws 1994, chapter 643, section 31; Laws 1995, First Special Session chapter 2, article 1, section 14; Laws 1996, chapter 463, section 27; Laws 1997, chapter 246, section 10; Laws 1998, chapter 404, sections 7, subdivision 23, as amended; and 27; Laws 1999, chapters 216, article 1, sections 7, subdivision 6; and 18; 231, sections 6, as amended; 11, subdivision 3; and 14; 240, articles 1, section 13; and 2, section 16; 245, articles 1, sections 2, subdivisions 5 and 8; and 4, section 121; 250, article 1, sections 11; 12, subdivision 8; 14, subdivision 3; and 18; proposing coding for new law in Minnesota Statutes, chapters 97A; 116L; 119B; 136F; 169; 241; 242; 256J; 260B; 268; 299A; 326; 462A; and 611; proposing coding for new law as Minnesota Statutes, chapter 299N; repealing Minnesota Statutes 1998, sections 168A.40, subdivisions 1, 3, and 4; 299E.01; 299E.02; 626.88, subdivision 3; Minnesota Statutes 1999 Supplement, sections 144.396, subdivision 13; 168A.40, subdivision 2; Laws 1997, chapter 203, articles 7, section 27; and 9, section 21; Laws 1998, chapter 407, article 6, section 111; and Laws 1999, chapter 250, article 1, section 15; Minnesota Rules, part 3800.3810."

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

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

H.F. No. 2809 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.
2809	2631				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2809 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2809 and insert the language after the enacting clause of S.F. No. 2631, the first engrossment; further, delete the title of H.F. No. 2809 and insert the title of S.F. No. 2631, the first engrossment.

And when so amended H.F. No. 2809 will be identical to S.F. No. 2631, and further recommends that H.F. No. 2809 be given its second reading and substituted for S.F. No. 2631, 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. 3533, 2974, 3410, 3793, 3346 and 3798 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2809 was read the second time.

MOTIONS AND RESOLUTIONS**Senator Ring introduced--**

Senate Resolution No. 136: A Senate resolution congratulating Harold Kick for being named the Firearm Safety Instructor of the Year by the Minnesota Department of Natural Resources.

Referred to the Committee on Rules and Administration.

Senator Ziegler introduced--

Senate Resolution No. 137: A Senate resolution congratulating Jeff Pfaffinger on receiving postseason wrestling honors.

Referred to the Committee on Rules and Administration.

Senator Ziegler introduced--

Senate Resolution No. 138: A Senate resolution congratulating Ty Eustice on receiving postseason honors.

Referred to the Committee on Rules and Administration.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Senator Stumpf introduced--

S.F. No. 3802: A bill for an act relating to natural resources; providing a grant to the Red lake watershed district for flood analysis; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Senator Piper introduced--

S.F. No. 3803: A bill for an act relating to game and fish; imposing restrictions for conibear-type traps; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Senator Lessard introduced--

S.F. No. 3804: A bill for an act relating to municipalities; allowing donations to all school programs and all facilities; amending Minnesota Statutes 1998, section 471.15.

Referred to the Committee on Local and Metropolitan Government.

Senators Johnson, D.H. and Belanger introduced--

S.F. No. 3805: A bill for an act relating to health; providing an exception to the moratorium on nursing facility beds; amending Minnesota Statutes 1998, section 144A.071, subdivision 4a.

Referred to the Committee on Health and Family Security.

Senators Pappas; Johnson, D.J.; Pariseau; Scheevel and Pogemiller introduced--

S.F. No. 3806: A bill for an act relating to the financing of government in this state; providing for property tax homestead treatment; providing for certain property tax exemptions, credits, assessments, appeals, notices, and refunds; reducing certain property tax class rates; changing and providing for certain payments in lieu of taxes; changing provisions relating to tax increment financing, housing improvement areas, and county housing authorities; authorizing election by local governments to provide truth in taxation information on the Internet; extending senior citizen property tax deferral to certain taxes, special assessments, penalties, and interest; providing for certain special assessments by counties; modifying or increasing certain aids to local governments; providing special authority to certain political subdivisions; changing certain forfeiture provision relating to plats; authorizing issuance of certain obligations; providing for a study; appropriating money; amending Minnesota Statutes 1998, sections 97A.061, by adding a subdivision; 273.124, by adding a subdivision; 273.37, subdivision 3; 275.065, subdivision 3, and by adding subdivisions; 275.066; 276.19, subdivision 1; 290B.04, by adding a subdivision; 290B.05, subdivision 3; 290B.07; 290B.08, subdivisions 1 and 2; 290B.09, subdivision 2; 428A.11, by adding subdivisions; 428A.13, subdivisions 1 and 3; 428A.14, subdivision 1; 428A.15; 428A.16; 428A.17; 428A.19; 428A.21; 429.011, subdivisions 2a and 5; 429.021, subdivision 1; 429.031, subdivision 1; 469.003, subdivision 5; 469.006, subdivisions 1 and 2; 469.011, subdivision 4; 469.040, by adding a subdivision; 469.174, subdivision 10; 469.175, subdivisions 5 and 6; 469.176, subdivision 1b; 469.1763, by adding a subdivision; 473.39, by adding a subdivision; 477A.011, by adding a subdivision; 477A.0121, subdivision 4; 477A.03, by adding a subdivision; 477A.06, subdivision 2; 477A.11, subdivision 1; 477A.12; 477A.13; and 477A.14; Minnesota Statutes 1999 Supplement, sections 123B.54; 272.02, subdivision 39, and by adding a subdivision; 273.124, subdivisions 1 and 14; 273.13, subdivisions 24 and 25; 273.1382, subdivision 1b; 273.1398, subdivisions 1a and 4a; 275.065, subdivision 5a; 275.71, subdivision 4; 290B.03, subdivision 1; 290B.05, subdivision 1; 473.39, subdivision 1g; 477A.03, subdivision 2; 477A.06, subdivision 1; and 505.08, subdivision 3; Laws 1995 First Special Session chapter 3, article 15, section 25; proposing coding for new law in Minnesota Statutes, chapters 273; 278; and 477A; repealing Minnesota Statutes 1998, section 469.175, subdivision 6a.

Referred to the Committee on Taxes.

MEMBERS EXCUSED

Senators Anderson and Runbeck were excused from the Session of today from 9:00 to 9:30 a.m. Senators Hottinger and Larson were excused from the Session of today from 9:00 to 9:35 a.m. Senator Pogemiller was excused from the Session of today from 9:00 to 9:45 a.m. Senator Kelly, R.C. was excused from the Session of today from 10:30 a.m. to 12:30 p.m. Senators Berg and Junge were excused from the Session of today at 11:10 a.m.

ADJOURNMENT

Senator Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Monday, March 20, 2000. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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