

STATE OF MINNESOTA

EIGHTY-FIRST SESSION — 2000

 ONE HUNDRED SEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 13, 2000

The House of Representatives convened at 9:00 a.m. and was called to order by Steve Sviggum, Speaker of the House.

The National Anthem was sung by Kathy Banta, Vocalist from Apple Valley, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swenson
Abrams	Entenza	Huntley	Mares	Paymar	Sykora
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Tingelstad
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tomassoni
Bakk	Finseth	Juhnke	McCollum	Pugh	Trimble
Biernat	Folliard	Kahn	McElroy	Rest	Tuma
Boudreau	Fuller	Kalis	McGuire	Reuter	Tunheim
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Van Dellen
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Vandever
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Wagenius
Carlson	Gray	Koskinen	Mullery	Rukavina	Wejman
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wenzel
Cassell	Greiling	Kubly	Ness	Seagren	Westerberg
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westfall
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westrom
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Wilkin
Daggett	Harder	Leighton	Orfield	Skoglund	Winter
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Wolf
Dawkins	Hausman	Leppik	Osthoff	Solberg	Workman
Dehler	Hilty	Lieder	Otremba	Stang	Spk. Sviggum
Dempsey	Holberg	Lindner	Ozment	Storm	
Dorman	Holsten	Luther	Paulsen	Swapinski	

A quorum was present.

Haas and Johnson were excused.

Stanek was excused until 9:35 a.m. Bishop was excused until 11:45 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Van Dellen moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Pawlenty from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 22, A house resolution recognizing and honoring the citizens of Southeastern Minnesota for dedicating their time and money to build the Soldiers Field Veterans Memorial in Rochester, Minnesota.

Reported the same back without recommendation.

The report was adopted.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Seifert, M., by request, introduced:

H. F. No. 4150, A bill for an act relating to environment; requiring the pollution control agency to study the feasibility, costs, and benefits of a beverage container deposit program.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Dempsey introduced:

H. F. No. 4151, A bill for an act relating to taxation; utility property; providing a state paid refund to utilities for taxes on utility personal property; exempting certain new utility personal property from property tax; allowing certain counties, cities, and towns to impose an optional fee on certain utilities; requiring the public utilities commission to adjust utility rates for reduced utility property taxes; proposing coding for new law in Minnesota Statutes, chapters 216B; 272; and 273.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson, Kubly, Winter, Juhnke, Pugh, Lieder, Hilty, Skoe, Kalis, Bakk, Otremba, Leighton, Jaros, Entenza, Swapinski, Gleason, Biernat, Koskinen, Trimble, Schumacher, Gray, Dawkins, Hausman, Tunheim, Carlson, Tomassoni, Luther, Greenfield, Orfield, Dorn, Milbert, Solberg, Paymar, Hasskamp and Opatz introduced:

H. F. No. 4152, A bill for an act relating to energy independence for Minnesota; setting goals; creating a task force to identify domestic energy opportunities and priorities; requiring annual summary reports.

The bill was read for the first time and referred to the Committee on Commerce.

Abeler, Harder, Davids, Jennings, Tomassoni, Kalis, Kubly and Tingelstad introduced:

H. F. No. 4153, A bill for an act relating to taxes; sales and use taxes; allowing county agricultural societies to retain the sales tax collected at county fairs; amending Minnesota Statutes 1998, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3901, A bill for an act relating to housing; housing finance agency; authorizing agency to enter into interest rate exchange agreements; authorizing agency to make grants or loans under the community rehabilitation fund account to for-profit organizations; amending Minnesota Statutes 1998, section 462A.206, subdivision 4; Minnesota Statutes 1999 Supplement, section 462A.206, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Storm moved that the House concur in the Senate amendments to H. F. No. 3901 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 3901, A bill for an act relating to housing; housing finance agency; providing financing mechanisms for the agency; authorizing agency to make grants or loans under the community rehabilitation fund account to for-profit organizations; amending Minnesota Statutes 1998, section 462A.206, subdivision 4; Minnesota Statutes 1999 Supplement, section 462A.206, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Greenfield	Kalis	Mahoney	Osskopp
Abrams	Dawkins	Greiling	Kelliher	Mares	Osthoff
Anderson, B.	Dehler	Gunther	Kielkucki	Marko	Otremba
Anderson, I.	Dempsey	Haake	Knoblach	McCollum	Ozment
Biernat	Dorman	Hackbarth	Koskinen	McElroy	Paulsen
Boudreau	Dorn	Harder	Krinkie	McGuire	Pawlenty
Bradley	Entenza	Hasskamp	Kubly	Milbert	Paymar
Broecker	Erhardt	Hausman	Kuisle	Molnau	Pelowski
Buesgens	Erickson	Hilty	Larsen, P.	Mulder	Peterson
Carlson	Finseth	Holberg	Larson, D.	Mullery	Pugh
Carruthers	Folliard	Holsten	Leighton	Murphy	Rest
Cassell	Fuller	Huntley	Lenczewski	Ness	Reuter
Chaudhary	Gerlach	Jaros	Leppik	Nornes	Rhodes
Clark, J.	Gleason	Jennings	Lieder	Olson	Rifenberg
Clark, K.	Goodno	Juhnke	Lindner	Opatz	Rostberg
Daggett	Gray	Kahn	Luther	Orfield	Rukavina

Schumacher	Smith	Sykora	Van Dellen	Westfall	Spk. Sviggum
Seagren	Solberg	Tingelstad	Vandev eer	Westrom	
Seifert, J.	Stang	Tomassoni	Wagenius	Wilkin	
Seifert, M.	Storm	Trimble	Wejcm an	Winter	
Skoe	Swapinski	Tuma	Wenzel	Wolf	
Skoglund	Swenson	Tunheim	Westerberg	Workman	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2484.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON 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; modifying school zone speed limit provisions; amending Minnesota Statutes 1998, sections 169.14, subdivisions 4 and 5a; and 169.18, subdivision 7.

April 11, 2000

The Honorable Allan H. Spear
President of the Senate

The Honorable Steve Sviggum
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2484, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 2484 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 169.18, subdivision 7, is amended to read:

Subd. 7. [LANED HIGHWAY.] When any roadway has been divided into two or more clearly marked lanes for traffic, the following rules, in addition to all others consistent herewith, shall apply:

(a) A vehicle shall be driven as nearly as practicable entirely within a single lane and shall not be moved from such lane until the driver has first ascertained that such movement can be made with safety.

(b) Upon a roadway which is not a one-way roadway and which is divided into three lanes, a vehicle shall not be driven in the center lane except when overtaking and passing another vehicle where the roadway is clearly visible and such center lane is clear of traffic within a safe distance, or in preparation for a left turn or where such center lane is at the time allocated exclusively to traffic moving in the direction the vehicle is proceeding, and is signposted to give notice of such allocation. The left lane of a three-lane roadway which is not a one-way roadway shall not be used for overtaking and passing another vehicle.

(c) Official signs may be erected directing slow-moving traffic to use a designated lane or allocating specified lanes to traffic moving in the same direction, and drivers of vehicles shall obey the directions of every such sign.

(d) Whenever a bicycle lane has been established on a roadway, any person operating a motor vehicle on such roadway shall not drive in the bicycle lane except to park where parking is permitted, to enter or leave the highway, or to prepare for a turn as provided in section 169.19, subdivision 1.

(e) To the extent it is practicable, a vehicle shall be driven in the right-hand lane. At approximately every 50 miles on interstate highways, the commissioner shall erect appropriate signs that must read "MOVE TO THE RIGHT AFTER PASSING."

Delete the title and insert:

"A bill for an act relating to traffic regulations; requiring vehicles to be driven in the right-hand lane to the extent practicable; amending Minnesota Statutes 1998, section 169.18, subdivision 7."

We request adoption of this report and repassage of the bill.

Senate Conferees: DICK DAY, DALLAS C. SAMS AND JANE KRENTZ.

House Conferees: DAVID J. TOMASSONI, TOM WORKMAN AND CAROL L. MOLNAU.

Tomassoni moved that the report of the Conference Committee on S. F. No. 2484 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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; modifying school zone speed limit provisions; amending Minnesota Statutes 1998, sections 169.14, subdivisions 4 and 5a; and 169.18, subdivision 7.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 95 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Abeler	Chaudhary	Goodno	Holsten	Knoblach	McCollum
Abrams	Clark, J.	Greenfield	Howes	Krinkie	McElroy
Anderson, I.	Clark, K.	Gunther	Huntley	Kubly	Milbert
Biernat	Daggett	Haake	Jaros	Larsen, P.	Molnau
Bradley	Entenza	Hackbarth	Jennings	Lenczewski	Mullery
Broecker	Erhardt	Harder	Juhnke	Leppik	Murphy
Carlson	Finseth	Hasskamp	Kahn	Lieder	Opatz
Carruthers	Folliard	Hausman	Kelliher	Mahoney	Orfield
Cassell	Gleason	Hilty	Kielkucki	Mares	Osskopp

Otremba	Reuter	Seifert, M.	Storm	Tunheim	Westrom
Paulsen	Rhodes	Skoe	Swapinski	Van Dellen	Wilkin
Pawlenty	Rostberg	Skoglund	Swenson	Vandev eer	Winter
Paymar	Rukavina	Smith	Sykora	Wagenius	Wolf
Peterson	Schumacher	Solberg	Tomassoni	Wejcman	Workman
Pugh	Seagren	Stanek	Trimble	Wenzel	Spk. Sviggum
Rest	Seifert, J.	Stang	Tuma	Westfall	

Those who voted in the negative were:

Anderson, B.	Dorman	Greiling	Lindner	Ness	Rifenberg
Boudreau	Dorn	Holberg	Luther	Nornes	Tingelstad
Buesgens	Erickson	Koskinen	Mariani	Olson	Westerberg
Davids	Fuller	Kuise	Marko	Osthoff	
Dehler	Gerlach	Larson, D.	McGuire	Ozment	
Dempsey	Gray	Leighton	Mulder	Pelowski	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 3023.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 3023

A bill for an act relating to motor vehicles; modifying vehicle registration and titling provisions; modifying interstate commercial vehicle registration provisions to conform to interstate registration plan; conforming state open bottle law to federal law; allowing exception to requirement of school bus drivers to activate school bus stop signals; adopting federal odometer regulations; modifying provisions to conform to federal standards for emergency vehicle siren; extending allowable length of recreational vehicle combinations; modifying fee provisions; making technical and clarifying changes; amending Minnesota Statutes 1998, sections 168.012, subdivision 7; 168.017, subdivision 3; 168.09, subdivision 6; 168.1235, subdivisions 1 and 4; 168.1291; 168.13; 168.187, subdivision 8; 168.31, subdivision 4; 168.33, subdivision 7; 168.54, subdivisions 5 and 6; 168A.03; 168A.06; 168A.13; 168A.14; 168A.31, subdivision 1; 169.122, subdivisions 1, 2, and 3; 169.443, subdivision 3; 169.68; 169.781, subdivision 3; 169.81, subdivision 3c; 171.20, subdivision 4; and 325E.15; Minnesota Statutes 1999 Supplement, sections 168.15, subdivision 1; 168.16; and 171.29, subdivision 2; Laws 1995, chapter 264, article 2, section 44, as amended; repealing Minnesota Statutes 1998, section 168.1292.

April 7, 2000

The Honorable Allan H. Spear
President of the Senate

The Honorable Steve Sviggum
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 3023, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 3023 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 168.012, subdivision 7, is amended to read:

Subd. 7. [VEHICLE NOT USED; DOMICILED IN ANOTHER STATE.] ~~The owner of a motor vehicles which vehicle that~~ during any calendar year, or in the case of a vehicle registered pursuant to under section 168.017; during the registration period ~~there~~ provided for in that section, ~~are~~ is not operated on a public highway ~~shall be is~~ exempt from the provisions of this chapter requiring registration, payment of tax, and penalties for tax nonpayment ~~thereof~~, ~~provided that but only if~~ the owner of ~~any such the~~ vehicle ~~shall first file files~~ a verified written application with the ~~commissioner of public safety registrar~~, correctly describing the vehicle and certifying that it has not been ~~and will not be~~ operated upon a public highway.

~~Motor vehicles whose domicile is~~ A motor vehicle domiciled in a foreign state ~~and are~~, legally licensed in that state, and owned by a Minnesota resident ~~shall be is~~ exempt from ~~the provisions of~~ this chapter ~~and; except that it is~~ subject to ~~the provisions of~~ section 168.181, subdivision 3, ~~provided, that this exemption does not conflict with any existing reciprocal agreement with the state in which the vehicle is domiciled.~~

Sec. 2. Minnesota Statutes 1998, section 168.017, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] (a) The registrar shall register all vehicles subject to registration under the monthly series system ~~shall be registered by the registrar~~ for a period of 12 consecutive calendar months, ~~except as follows unless:~~

~~(a) if (1)~~ the application is an original rather than renewal application; or

~~(b) if (2)~~ the applicant is a licensed motor vehicle lessor under section 168.27, in which case the applicant may apply for original or renewed registration of a vehicle for a period of four or more months, the month of expiration to be designated by the applicant at the time of registration. However, to qualify for this exemption, the applicant must present the application to the registrar at St. Paul, or at deputy registrar offices as the registrar may designate.

~~(b)~~ In any instance except that of a licensed motor vehicle lessor, the registrar ~~may register shall not approve registering~~ the vehicle ~~which is the subject of to~~ the application for a period of ~~not less than three nor more than 15 calendar months, except~~ when the registrar determines that to do ~~so otherwise~~ will help to equalize the registration and renewal work load of the department.

Sec. 3. Minnesota Statutes 1998, section 168.09, subdivision 6, is amended to read:

Subd. 6. [SEMITRAILER.] ~~On semitrailers~~ For a semitrailer, as defined in section 168.011, subdivision 14, a number plate must be assigned to the registered owner as identification for the vehicle ~~and correlate with the certificate of title documentation on file with the department.~~ This number plate ~~shall must~~ not display a year designator. The registration card must indicate the number plate for the number plate to be valid.

Sec. 4. Minnesota Statutes 1998, section 168.1235, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS; FEES.] (a) On payment of a fee of \$10 for each set of two license plates, ~~or for a single plate in the case of a motorcycle plate~~, payment of the registration tax required by law, and compliance with other laws relating to the registration and licensing of a passenger automobile, pickup truck, van, or self-propelled recreational equipment, or motorcycle vehicle, as applicable, the registrar shall issue a special license plate sticker for each plate to an applicant who is a member of a congressionally chartered veterans service organization and is an owner or joint owner of a passenger automobile, pickup truck, van, or self-propelled recreational equipment, or motorcycle vehicle.

(b) The additional fee of \$10 is payable at the time of initial application for the special license plate stickers and when the license plates must be replaced or renewed. An applicant must not be issued more than two sets of special license plate stickers for vehicles listed in paragraph (a) and owned or jointly owned by the applicant.

(c) The commissioner of veterans affairs shall determine what documentation is required by each applicant to show that the applicant is a member of a congressionally chartered veterans service organization and is entitled to the special license plate stickers.

Sec. 5. Minnesota Statutes 1998, section 168.1235, subdivision 4, is amended to read:

Subd. 4. [PLATES TRANSFER.] Notwithstanding section 168.12 or other law to the contrary, on payment of a fee of \$5, the special plate stickers issued under subdivision 1, may be transferred to other license plates on a passenger automobile, pickup truck, van, ~~motorcycle~~, or self-propelled recreational ~~equipment~~ vehicle owned or jointly owned by the person to whom the stickers were issued.

Sec. 6. Minnesota Statutes 1998, section 168.1291, is amended to read:

168.1291 [SPECIAL LICENSE PLATES; DESIGN.]

Subdivision 1. [DEFINITION.] For purposes of this section "special license plates" means license plates issued under sections 168.12, subdivisions 2b to 2e; 168.123; 168.1235; and 168.129; ~~and 168.1292.~~

Subd. 2. [DESIGN OF SPECIAL LICENSE PLATES.] The commissioner shall design a single special license plate that will contain a unique number and a space for a unique symbol. The commissioner shall design a unique symbol related to the purpose of each special license plate. Any provision of sections 168.12, subdivisions 2b to 2e; 168.123; and 168.129; ~~and 168.1292~~ that requires the placement of a specified letter or letters on a special license plate applies to those license plates only to the extent that the commissioner includes the letter or letters in the design. Where a law authorizing a special license plate contains a specific requirement for graphic design of that license plate, that requirement applies to the appropriate unique symbol the commissioner designs.

Subd. 3. [ISSUANCE OF SPECIAL LICENSE PLATES WITH UNIQUE SYMBOLS.] Notwithstanding section 168.12, subdivisions 2b to 2e; 168.123; or 168.129; ~~or 168.1292~~, beginning with special license plates issued in calendar year 1996 the commissioner shall issue each class of special license plates permanently marked with specific designs under those laws only until the commissioner's supply of those license plates is exhausted. Thereafter the commissioner shall issue under those laws only the license plate authorized under subdivision 2, with the appropriate unique symbol attached.

Subd. 4. [FEES.] Notwithstanding section 168.12, subdivisions 2b to 2e; 168.123; or 168.129; ~~or 168.1292~~, the commissioner shall charge a fee of \$10 for each set of license plates issued under this section.

Subd. 5. [APPLICATION.] This section does not apply to a special motorcycle license plate designed by the registrar under section 168.123, subdivision 1, clause (2).

Sec. 7. Minnesota Statutes 1998, section 168.13, is amended to read:

168.13 [PROOF OF OWNERSHIP.]

(a) The registrar shall not approve ~~no~~ an application and shall not issue ~~no~~ number plates for any motor vehicle, unless and until the title certificate ~~thereof~~ issued under chapter 168A, or registration certificate if not titled, is delivered to the registrar, ~~who shall~~. The registrar must be satisfied from the records that all taxes and fees due ~~hereunder shall~~ have been paid; and that endorsements upon the certificate are in writing and have been signed by the seller and purchaser.

(b) The registrar shall not register and shall not issue number plates for a motor vehicles vehicle brought into Minnesota from other states shall not be registered or have number plates issued therefor another state until such:

(1) a registration certificate or other evidence of title as may reasonably be required from the registrant within that state be is surrendered to the registrar in the same manner as certificates of this state; or in lieu thereof, such view and

(2) the registrar receives evidence of the chain of ownership be had as will assure the payment of the proper tax so long as the motor vehicle shall be is in the state.

Sec. 8. Minnesota Statutes 1999 Supplement, section 168.15, subdivision 1, is amended to read:

Subdivision 1. [TRANSFER OF OWNERSHIP.] (a) Upon the transfer of ownership, destruction, theft, dismantling as such, or the permanent removal by the owner thereof from this state of any motor vehicle registered in accordance with the provisions of this chapter, the right of the owner of such the vehicle to use the registration certificate and number plates assigned such to the vehicle shall expire, and such certificate and any existing plates shall be, by such owner, forthwith returned, with transportation prepaid, to the registrar with a signed notice of the date and manner of termination of ownership, giving the name and post office address, with street and number, if in a city, of the person to whom transferred. No fee may be charged for a return of plates under this section expires.

(b) When the ownership of a motor vehicle shall be is transferred to another who shall forthwith register the same in the other's name, the registrar may permit the manual delivery of such plates to the new owner of such vehicle resident of this state, the transferor shall surrender the registration plates, unless otherwise provided for in this chapter, and assign the registration tax paid to the credit of the transferee.

(c) When seeking to become the owner by gift, trade, or purchase of any vehicle for which a registration certificate has been theretofore issued under the provisions of this chapter, a person shall join with the registered owner in transmitting with the application the registration certificate, with the assignment and notice of sale duly executed upon the reverse side thereof, or, in case of loss of such the certificate, with such proof of loss by sworn statement, in writing, as shall be and satisfactory to the registrar. Upon the transfer of any motor vehicle by a manufacturer or dealer, for use within the state, whether by sale, lease, or otherwise, such the manufacturer or dealer shall, within ten days after such the transfer, file with the registrar a notice or report containing the date of such transfer, a description of such the motor vehicles vehicle, and the transferee's name, street and number of residence, if in a city, and the post office address of the transferee, and shall also transmit therewith with it the transferee's application for registration thereof.

Sec. 9. Minnesota Statutes 1999 Supplement, section 168.16, is amended to read:

168.16 [REFUND; APPROPRIATION.]

After the tax upon any motor vehicle shall have has been paid for any year, refund shall must be made for errors made in computing the tax or fees and for the error on the part of an owner who may in error have registered a motor vehicle that was not before, nor at the time of registration, nor at any time thereafter during the current past year, subject to tax in this state as provided by section 168.012. Unless otherwise provided in this chapter, a claim for a refund of an overpayment of registration tax must be filed within 3-1/2 years from the date of payment. The refundment shall refund must be made from any fund in possession of the registrar and shall be deducted from the registrar's monthly report to the commissioner of finance. A detailed report of the refundment shall refund must accompany the report. The former owner of a transferred vehicle, by an assignment in writing endorsed upon the registration certificate and delivered to the registrar within the time provided herein may sell and in this subdivision, shall assign, except for vehicles registered under section 168.187, to the new owner thereof the right to have the tax paid by the former owner accredited to the owner who duly registers the vehicle. Any owner at the time of such occurrence, whose vehicle shall be is declared by an insurance company to be a total loss due to flood or tornado

damage, permanently destroyed, or sold to the federal government, the state, or a political subdivision thereof of the state, shall upon filing a verified claim be entitled to a refund of the unused portion of the tax paid upon the vehicle, computed as follows:

(1) if the vehicle is registered under the calendar year system of registration, the refund is computed pro rata by the month, 1/12 of the annual tax paid for each month of the year remaining after the month in which the plates and certificate were returned to the registrar;

(2) ~~in the case of a~~ if the vehicle is registered under the monthly series system of registration, the amount of the refund is equal to the sum of the amounts of the license fee attributable to those months remaining in the licensing period after the month in which the plates and certificate were returned to the registrar.

There is hereby appropriated to the persons entitled to a refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 10. Minnesota Statutes 1998, section 168.187, subdivision 8, is amended to read:

Subd. 8. [BASE STATE RECIPROcity.] (1) Any agreement, arrangement, or declaration made under the authority of this section may contain provisions authorizing the registration or licensing in another state of vehicles based in ~~such~~ the other state, which vehicles otherwise would be required to be registered or licensed in this state, except that ~~such~~ those provisions shall not apply to passenger cars.

(2) ~~For the purpose of this section, a vehicle shall be deemed to be based in the state where it is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled.~~

(3) For the purpose of this section, the owner of a vehicle shall declare the state in which it is based, but the commissioner of public safety shall make the final determination of the state in which a the vehicle is based ~~shall be made by the commissioner of public safety of this state~~ for the purpose of determining liability for registration and other fees and penalties due this state. ~~To the extent possible,~~ The commissioner of public safety ~~shall be~~ is governed, to the extent possible, by the criteria specified in this section, and agreement with the administrator of any other interested state.

(4) (3) Any agreement, arrangement, or declaration made under this section may grant exemptions, benefits, and privileges for vehicles in accordance with ~~the its~~ terms thereof.

Sec. 11. Minnesota Statutes 1998, section 168.31, subdivision 4, is amended to read:

Subd. 4. [INSTALLMENTS.] If the tax for a vehicle assessed under section 168.013, subdivision 1c, 1d, 1e, or 1g, amounts to more than \$400, the owner may pay ~~such~~ the tax by installments. The owner shall tender with the application for registration one-third of the annual tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of \$10. Instead of this fee, the applicant may furnish a bond, bank letter of credit, or certificate of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The amount of the bond, letter of credit, or certificate of deposit may include any penalties ~~which are~~ assessed. The bond, letter of credit, or certificate of deposit ~~shall~~ must be for the benefit of the state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees and penalties. The remainder of the tax due ~~shall~~ must be paid in two equal installments; the due date of the first installment ~~shall be~~ is the first day of the fifth month of the registration period for which the tax is assessed and the second installment ~~shall be~~ is due on the first day of the ninth month of the registration period for which the tax is assessed. When the applicant elects to pay the administrative fee, the registrar shall issue to the applicant distinctive validation stickers ~~for the installment paid~~. When the applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue regular validation stickers for the registration year. If an owner of a vehicle fails to pay an installment on or before ~~the its~~ due date thereof, the vehicle ~~shall~~ must not ~~use~~ be used on the public streets or highways in this state until the installment or installments of the tax remaining due on ~~such~~ the vehicle ~~shall~~ have been paid in full for the licensed year together with a penalty at the rate of \$1 per day for the remainder of the month in which the balance of the tax becomes due and \$4 a month

for each succeeding month or fraction thereof of a month during which the balance of the tax remains unpaid. Upon the payment of the balance of the tax and the penalties, the registrar shall issue a registration certificate to the owner of the vehicle in the manner provided by law. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of such the owner who during the current year fails to pay any installment due within one month after the due date.

Sec. 12. Minnesota Statutes 1998, section 168.33, subdivision 7, is amended to read:

Subd. 7. [FILING FEE.] In addition to all other statutory fees and taxes, a filing fee of \$3.50 is imposed on every application; except that a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the department or a deputy registrar. The filing fee shall be shown as a separate item on all registration renewal notices sent out by the department of public safety. No filing fee or other fee may be charged for the permanent surrender of a certificate of title and license plates for a motor vehicle. Filing fees collected under this subdivision by the registrar must be paid into the state treasury and credited to the highway user tax distribution fund, except fees for registrations of new motor vehicles. Filing fees collected for registrations of new motor vehicles in conjunction with a title transfer or first application in this state must be paid into the state treasury with 50 percent of the money credited to the general fund and 50 percent credited to the highway user tax distribution fund.

Sec. 13. Minnesota Statutes 1998, section 168.54, subdivision 5, is amended to read:

Subd. 5. [PROCEEDS TO GENERAL FUND.] The registrar shall collect the proceeds of the fee imposed under the provisions of this section ~~shall be collected by the commissioner of public safety and paid into~~ deposit them in the general fund pursuant to section 168A.31.

Sec. 14. Minnesota Statutes 1998, section 168.54, subdivision 6, is amended to read:

Subd. 6. [BALANCE TO GENERAL FUND.] The unobligated balances in excess of \$4,000 in ~~said the transfer of ownership~~ revolving fund as of June 30 of each fiscal year ~~shall be canceled into~~ cancel to the general fund.

Sec. 15. Minnesota Statutes 1998, section 168A.03, is amended to read:

168A.03 [EXEMPT VEHICLES.]

~~No~~ The registrar shall not issue a certificate of title need be obtained for:

- (1) a vehicle owned by the United States; ~~unless it is registered in this state;~~
- (2) a vehicle owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used pursuant to section 168.27 or 168.28, or a vehicle used by a manufacturer solely for testing;
- (3) a vehicle owned by a nonresident and not required by law to be registered in this state;
- (4) a vehicle owned by a nonresident and regularly engaged in the interstate transportation of persons or property for which a currently effective certificate of title has been issued in another state;
- (5) a vehicle moved solely by animal power;
- (6) an implement of husbandry;
- (7) special mobile equipment;
- (8) a self-propelled wheelchair or invalid tricycle;

(9) a trailer (i) having a gross weight of 4,000 pounds or less unless a secured party holds an interest in the trailer or a certificate of title was previously issued by this state or any other state or a trailer (ii) designed primarily for agricultural purposes except recreational equipment or a manufactured home, both as defined in section 168.011, subdivisions 8 and 25;

(10) a snowmobile.

Sec. 16. Minnesota Statutes 1998, section 168A.04, subdivision 5, is amended to read:

Subd. 5. [SPECIALLY CONSTRUCTED OR RECONSTRUCTED VEHICLE.] Except as provided in subdivision 6, if the application refers to a specially constructed vehicle or a reconstructed vehicle, the application shall so state and shall contain or be accompanied by:

(1) Any information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of security interests in it;

(2) The certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires.

Sec. 17. Minnesota Statutes 1998, section 168A.04, is amended by adding a subdivision to read:

Subd. 6. [ASSEMBLED MOTORCYCLES.] (a) If the application refers to an assembled motorcycle, the application must so state and be accompanied by:

(1) a manufacturer's statement or certificate of origin from a recognized motorcycle manufacturer for the frame, complete engine or engine cases, provided that if a statement or certificate of origin is submitted for engine cases it must also be accompanied by copies of original documentation for cylinder heads, cylinders, flywheels, and piston and rod assemblies; and

(2) vendor receipts or copies of the receipts from suppliers on the transmission assembly, engine assembly, fork assembly, and front and rear wheel assemblies. If the applicant is a motorcycle assembler, the applicant must also provide copies of original vendor receipts for the assemblies listed in this clause.

(b) An assembled motorcycle for which the documentation required under paragraph (a), clauses (1) and (2), has been submitted is not subject to the filing requirement of section 168A.07, subdivision 1, clause (2).

Sec. 18. Minnesota Statutes 1998, section 168A.06, is amended to read:

168A.06 [DELIVERY OF CERTIFICATE.]

The certificate of title ~~shall~~ must be ~~mailed~~ delivered to the owner named in it. Secured parties, if any, ~~shall~~ must be mailed notification of their security interest filed.

Sec. 19. Minnesota Statutes 1998, section 168A.13, is amended to read:

168A.13 [FEE ACCOMPANIES APPLICATION; DELIVERY OF REGISTRATION CARD AND PLATES.]

Subdivision 1. [FEE ACCOMPANIES APPLICATION FOR CERTIFICATE.] An application for a certificate of title ~~shall~~ must be accompanied by the required ~~fee~~ fees when mailed or delivered to the department.

Subd. 2. [FEE ACCOMPANIES APPLICATION FOR NAMING SECURED PARTY.] An application for the naming of a secured party or the party's assignee on a certificate of title ~~shall~~ must be accompanied by the required ~~fee~~ fees when mailed or delivered to the department.

Subd. 3. [DELIVERY OF REGISTRATION CARD AND PLATES.] A transferor of a vehicle, other than a dealer transferring a new vehicle, shall deliver to the transferee at the time of the delivery of possession of the vehicle the registration card and license plates for the vehicle.

Sec. 20. Minnesota Statutes 1998, section 168A.14, is amended to read:

168A.14 [NEW CERTIFICATES ISSUED, OLD CERTIFICATES SURRENDERED.]

Subdivision 1. [NEW CERTIFICATE AFTER ASSIGNMENT.] The department, upon receipt of a properly assigned certificate of title, with an application for a new certificate of title, the required fees and taxes, and any other documents required by law, shall issue a new certificate of title in the name of the transferee as owner and list any secured party named on it and ~~must~~ deliver it to the owner. The secured party or parties ~~shall~~ must be issued a notification that the security interest has been filed.

Subd. 1a. [NEW CERTIFICATE AFTER SECURITY INTEREST FILED.] The department, upon receipt of an affidavit as provided in section 524.3-1201(a), an application for a new certificate of title, and any required fee, shall issue a new certificate of title in the name of the successor as owner, listing any secured party on it. The department shall ~~must~~ deliver the certificate to the successor and shall issue any secured party a notification that the security interest has been filed.

Subd. 2. [NEW CERTIFICATE AFTER NONVOLUNTARY TRANSFER.] The department, upon receipt of an application for a new certificate of title by a transferee other than by voluntary transfer, with proof of the transfer, the required fees and taxes, and any other documents required by law, shall issue a new certificate of title in the name of the transferee as owner. ~~If the outstanding certificate of title is not delivered to it, the department shall make demand therefor from the holder thereof.~~

Subd. 3. [SURRENDERED CERTIFICATE.] The department shall file and retain for seven years every surrendered certificate of title, the file to be maintained so as to permit the tracing of title of the vehicle ~~designated therein.~~

Sec. 21. Minnesota Statutes 1998, section 168A.31, subdivision 1, is amended to read:

Subdivision 1. [PAID TO GENERAL FUND.] All fees prescribed by sections 168A.01 to 168A.31 and 168.54 collected by the department ~~shall~~ must be paid into the general fund.

Sec. 22. Minnesota Statutes 1998, section 169.122, subdivision 1, is amended to read:

Subdivision 1. [ACT PROHIBITED.] No person shall drink or consume ~~intoxicating liquors~~ an alcoholic beverage, distilled spirit, or 3.2 percent malt ~~liquors~~ liquor in any motor vehicle when ~~such the~~ the vehicle is upon a public highway.

Sec. 23. Minnesota Statutes 1998, section 169.122, subdivision 2, is amended to read:

Subd. 2. [POSSESSION PROHIBITED.] (a) No person shall have in possession while in a private motor vehicle upon a public highway, any bottle or receptacle containing ~~intoxicating liquor~~ an alcoholic beverage, distilled spirit, or 3.2 percent malt liquor ~~which that~~ that has been opened, or the seal broken, or the contents of which have been partially removed.

(b) For purposes of this section, "possession" means either that the person had actual possession of the bottle or receptacle or that the person consciously exercised dominion and control over the bottle or receptacle. This subdivision does not apply to a bottle or receptacle that is in the trunk of the vehicle if it is equipped with a trunk, or that is in another area of the vehicle not normally occupied by the driver and passengers if the vehicle is not equipped with a trunk.

Sec. 24. Minnesota Statutes 1998, section 169.122, subdivision 3, is amended to read:

Subd. 3. [LIABILITY OF NONPRESENT OWNER.] (a) It ~~shall be~~ is unlawful for the owner of any private motor vehicle or the driver, if the owner ~~be~~ is not then present in the motor vehicle, to keep or allow to be kept in a motor vehicle when ~~such the~~ vehicle is upon the public highway any bottle or receptacle containing ~~intoxicating liquors~~ an alcoholic beverage, distilled spirit, or 3.2 percent malt liquors which liquor that has been opened, or the seal broken, or the contents of which have been partially removed ~~except when such.~~

(b) This subdivision does not apply to a bottle or receptacle ~~shall be kept that is~~ in the trunk of the motor vehicle when ~~such the~~ vehicle is equipped with a trunk, or ~~kept that is~~ in some other area of the vehicle not normally occupied by the driver or passengers; if the motor vehicle is not equipped with a trunk.

(c) A utility compartment or glove compartment ~~shall be~~ is deemed to be within the area occupied by the driver and passengers.

Sec. 25. Minnesota Statutes 1998, section 169.443, subdivision 3, is amended to read:

Subd. 3. [WHEN SIGNALS NOT USED.] School bus drivers shall not activate the prewarning flashing amber signals or flashing red signals and shall not use the stop arm signal:

(1) in special school bus loading areas where the bus is entirely off the traveled portion of the roadway and where no other motor vehicle traffic is moving or is likely to be moving within 20 feet of the bus;

(2) when directed not to do so, in writing, by the local school board;

(3) when a school bus is being used on a street or highway for purposes other than the actual transportation of school children to or from school or a school-approved activity, except as provided in subdivision 8;

(4) at railroad grade crossings; and

(5) when loading and unloading people at designated school bus stops where people are not required to cross the street or highway, while the bus is completely off the traveled portion of a ~~separated, one-way~~ roadway that has adequate shoulders. The driver shall drive the bus completely off the traveled portion of this roadway before loading or unloading people. A school bus stop is designated under this clause if the transportation director of the school district in which the bus stop is located, in consultation with the road authority, certifies the integrity of the shoulder and the safety of the location for loading and unloading people. Each designated school bus stop must be documented and approved by the school board.

Sec. 26. Minnesota Statutes 1998, section 169.68, is amended to read:

169.68 [HORN, SIREN.]

(a) Every motor vehicle when operated upon a highway ~~shall~~ must be equipped with a horn in good working order and capable of emitting sound audible under normal conditions from a distance of not less than 200 feet, ~~but no.~~ However, the horn or other warning device shall not emit an unreasonably loud or harsh sound or a whistle. The driver of a motor vehicle shall, when reasonably necessary to insure safe operation, give audible warning with the horn, but shall not otherwise use ~~such the~~ horn when upon a highway.

~~No~~ (b) A vehicle ~~shall~~ must not be equipped with, ~~nor shall any~~ and a person ~~shall~~ not use upon a vehicle, any siren, whistle, or bell, except as otherwise permitted in this section.

(c) It is permissible, but not required, ~~that~~ for any commercial vehicle to be equipped with a theft alarm signal device ~~which is,~~ so arranged that it cannot be used by the driver as an ordinary warning signal.

(d) All authorized emergency vehicles ~~shall~~ must be equipped with a siren capable of emitting sound audible under normal conditions from a distance of not less than 500 feet and of a type ~~approved by the department of public safety; but such conforming to the federal certification standards for sirens, as determined by the General Services Administration.~~ However, the siren shall must not be used except when ~~such the~~ vehicle is operated in response to an emergency call or in the immediate pursuit of an actual or suspected violator of the law, in which latter events the driver of ~~such the~~ vehicle shall sound the siren when necessary to warn pedestrians and other drivers of the vehicle's approach thereof.

Sec. 27. Minnesota Statutes 1998, section 169.781, subdivision 3, is amended to read:

Subd. 3. [INSPECTOR CERTIFICATION; SUSPENSION AND REVOCATION; HEARING.] (a) An inspection required by this section may be performed only by:

(1) an employee of the department of public safety or transportation who has been certified by the commissioner after having received training provided by the state patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the state patrol or other training approved by the commissioner.

(b) A person who is not an employee of the department of public safety or transportation may be certified by the commissioner if the person is: (1) an owner, or employee of the owner, of one or more commercial motor vehicles that are power units; (2) a dealer licensed under section 168.27 and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer; or (3) engaged in the business of repairing and servicing commercial motor vehicles. Certification of persons described in clauses (1) to (3) is effective for two years from the date of certification. The commissioner may require biennial retraining of persons holding a certificate under this paragraph as a condition of renewal of the certificate. The commissioner may charge a fee of not more than \$10 for each certificate issued and renewed. A certified person described in clauses (1) to (3) may charge a reasonable fee ~~of not more than \$50~~ for each inspection of a vehicle not owned by the person or the person's employer.

(c) Except as otherwise provided in subdivision 5, the standards adopted by the commissioner for commercial motor vehicle inspections under sections 169.781 to 169.783 shall be the standards prescribed in Code of Federal Regulations, title 49, section 396.17, and in chapter III, subchapter B, appendix G. The commissioner may classify types of vehicles for inspection purposes and may issue separate classes of inspector certificates for each class.

The commissioner shall issue separate categories of inspector certificates based on the following classifications:

(1) a class of certificate that authorizes the certificate holder to inspect commercial motor vehicles without regard to ownership or lease; and

(2) a class of certificate that authorizes the certificate holder to inspect only commercial motor vehicles the certificate holder owns or leases.

The commissioner shall issue a certificate described in clause (1) only to a person described in paragraph (b), clause (2) or (3).

(d) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the state patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the state patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69.

Sec. 28. Minnesota Statutes 1998, section 171.20, subdivision 4, is amended to read:

Subd. 4. [REINSTATEMENT FEE.] Before the license is reinstated, a person whose driver's license has been suspended under section 171.16, subdivision 2; 171.18, except subdivision 1, clause (10); or 171.182, or who has been disqualified from holding a commercial driver's license under section 171.165, must pay a fee of \$25 until June 30, 1999, and \$20 thereafter. When fees are collected by a county-operated office of deputy registrar licensing agent appointed under section 171.061, a handling charge is imposed in the amount specified under section ~~168.33~~ 171.061, subdivision 7 4. The ~~handling charge must be deposited in the treasury of the place for which the deputy registrar was appointed and~~ the reinstatement fee and surcharge must be deposited in an approved state depository as directed under section ~~168.33~~ 171.061, subdivision 2 4. A suspension may be rescinded without fee for good cause.

Sec. 29. Minnesota Statutes 1999 Supplement, section 171.29, subdivision 2, is amended to read:

Subd. 2. [FEES, ALLOCATION.] (a) A person whose driver's license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before the driver's license is reinstated.

(b) A person whose driver's license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a \$250 fee plus a \$40 surcharge before the driver's license is reinstated. The \$250 fee is to be credited as follows:

(1) Twenty percent ~~shall~~ must be credited to the trunk highway fund.

(2) Fifty-five percent ~~shall~~ must be credited to the general fund.

(3) Eight percent ~~shall~~ must be credited to a separate account to be known as the bureau of criminal apprehension account. Money in this account may be appropriated to the commissioner of public safety and the appropriated amount ~~shall~~ must be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

(4) Twelve percent ~~shall~~ must be credited to a separate account to be known as the alcohol-impaired driver education account. Money in the account is appropriated as follows:

(i) the first \$200,000 in a fiscal year ~~is~~ to the commissioner of children, families, and learning for programs for elementary and secondary school students; and

(ii) the remainder credited in a fiscal year ~~is appropriated~~ to the commissioner of transportation to be spent as grants to the Minnesota highway safety center at St. Cloud State University for programs relating to alcohol and highway safety education in elementary and secondary schools.

(5) Five percent ~~shall~~ must be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The money in the account is annually appropriated to the commissioner of health to be used as follows: 35 percent for a contract with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 65 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this clause, a "qualified community-based organization" is a private, not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under ~~the provisions of~~ section 501(c)(3) as a tax-exempt organization and must have as its purposes:

(i) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;

(ii) the provision of a network of support for persons with traumatic brain injury, their families, and friends;

- (iii) the development and support of programs and services to prevent traumatic brain injury;
- (iv) the establishment of education programs for persons with traumatic brain injury; and
- (v) the empowerment of persons with traumatic brain injury through participation in its governance.

No patient's name, identifying information or identifiable medical data will be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian, or if the patient is a minor, of the parent or guardian of the patient.

(c) The \$40 surcharge ~~shall~~ must be credited to a separate account to be known as the remote electronic alcohol monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of finance on a monthly basis for deposit in the general fund.

(d) When these fees are collected by a ~~county-operated office of deputy registrar~~ licensing agent, appointed under section 171.061, a handling charge is imposed in the amount specified under section ~~168.33 171.061~~, subdivision ~~7 4~~. ~~The handling charge must be deposited in the treasury of the place for which the deputy registrar was appointed and the reinstatement fees and surcharge must be deposited in an approved state depository as directed under section 168.33 171.061, subdivision 2 4.~~

Sec. 30. Minnesota Statutes 1998, section 325E.15, is amended to read:

325E.15 [TRANSFER OF MOTOR VEHICLE; MILEAGE DISCLOSURE.]

No person shall transfer a motor vehicle without disclosing in writing to the transferee the true mileage registered on the odometer reading or that the actual mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. ~~The registrar of motor vehicles shall adopt, pursuant to the Administrative Procedure Act, rules not inconsistent with sections 325E.13 to 325E.16 or regulations contained in Code of Federal Regulations, title 49, sections 580.1 to 580.17, as amended through October 1, 1998, implementing Title IV of the Federal Motor Vehicle Information and Cost Savings Act or any rules promulgated thereunder prescribing~~ prescribe the manner in which ~~such~~ written disclosure ~~shall~~ must be made in this state and are adopted by reference. No transferor shall violate any ~~rules~~ regulations adopted under this section or knowingly give a false statement to a transferee in making any disclosure required by ~~such rules~~ the regulations.

Sec. 31. Laws 1995, chapter 264, article 2, section 44, as amended by Laws 1996, chapter 471, article 2, section 27, and Laws 1998, chapter 389, article 8, section 33, is amended to read:

Sec. 44. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

Sections 3 and 4 are effective June 1, 1995. ~~Section 4 is repealed June 1, 2000.~~

Sections 5 to 21 and 43, paragraph (a), are effective July 1, 1995.

Sections 23, 28, 33, 40, 42, and the part of section 22 amending language in paragraph (i), clause (vii), are effective the day following final enactment.

Sections 24 and 34 are effective for sales made after December 31, 1996.

Section 25 is effective beginning with leases or rentals made after June 30, 1995.

Section 26 is effective retroactively for sales after May 31, 1992.

Section 27 is effective for sales made after June 30, 1995.

Section 29 and the part of section 22 striking the language after paragraph (h) are effective for sales after June 30, 1995.

Section 32 is effective for sales made after June 30, 1995, and before July 1, 1999.

Sections 35 and 36 are effective for sales or transfers made after June 30, 1995.

Section 38 is effective the day after the governing body of the city of Winona complies with Minnesota Statutes, section 645.021, subdivision 3.

Section 39 is effective upon compliance by the Minneapolis city council with Minnesota Statutes, section 645.021, subdivision 3.

Section 43, paragraph (b), is effective for sales of 900 information services made after June 30, 1995.

Sec. 32. [REPEALER.]

Minnesota Statutes 1998, section 168.1292, is repealed.

Sec. 33. [EFFECTIVE DATE.]

Sections 22 to 24 are effective the day following final enactment, for offenses committed after final enactment. Sections 16, 17, 27, and 31 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to motor vehicles; modifying vehicle registration and titling provisions; modifying interstate commercial vehicle registration provisions to conform to interstate registration plan; conforming state open bottle law to federal law; allowing exception to requirement of school bus drivers to activate school bus stop signals; adopting federal odometer regulations; modifying provisions to conform to federal standards for emergency vehicle siren; modifying fee provisions; making technical and clarifying changes; amending Minnesota Statutes 1998, sections 168.012, subdivision 7; 168.017, subdivision 3; 168.09, subdivision 6; 168.1235, subdivisions 1 and 4; 168.1291; 168.13; 168.187, subdivision 8; 168.31, subdivision 4; 168.33, subdivision 7; 168.54, subdivisions 5 and 6; 168A.03; 168A.04, subdivision 5, and by adding a subdivision; 168A.06; 168A.13; 168A.14; 168A.31, subdivision 1; 169.122, subdivisions 1, 2, and 3; 169.443, subdivision 3; 169.68; 169.781, subdivision 3; 171.20, subdivision 4; and 325E.15; Minnesota Statutes 1999 Supplement, sections 168.15, subdivision 1; 168.16; and 171.29, subdivision 2; Laws 1995, chapter 264, article 2, section 44, as amended; repealing Minnesota Statutes 1998, section 168.1292."

We request adoption of this report and repassage of the bill.

Senate Conferees: DAVE KLEIS, RANDY C. KELLY AND MARK OURADA.

House Conferees: TOM WORKMAN, MARK WILLIAM HOLSTEN AND HENRY J. KALIS.

Workman moved that the report of the Conference Committee on S. F. No. 3023 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 3023, A bill for an act relating to motor vehicles; modifying vehicle registration and titling provisions; modifying interstate commercial vehicle registration provisions to conform to interstate registration plan; conforming state open bottle law to federal law; allowing exception to requirement of school bus drivers to activate school bus

stop signals; adopting federal odometer regulations; modifying provisions to conform to federal standards for emergency vehicle siren; extending allowable length of recreational vehicle combinations; modifying fee provisions; making technical and clarifying changes; amending Minnesota Statutes 1998, sections 168.012, subdivision 7; 168.017, subdivision 3; 168.09, subdivision 6; 168.1235, subdivisions 1 and 4; 168.1291; 168.13; 168.187, subdivision 8; 168.31, subdivision 4; 168.33, subdivision 7; 168.54, subdivisions 5 and 6; 168A.03; 168A.06; 168A.13; 168A.14; 168A.31, subdivision 1; 169.122, subdivisions 1, 2, and 3; 169.443, subdivision 3; 169.68; 169.781, subdivision 3; 169.81, subdivision 3c; 171.20, subdivision 4; and 325E.15; Minnesota Statutes 1999 Supplement, sections 168.15, subdivision 1; 168.16; and 171.29, subdivision 2; Laws 1995, chapter 264, article 2, section 44, as amended; repealing Minnesota Statutes 1998, section 168.1292.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mares	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tingelstad
Bakk	Finseth	Juhnke	McCollum	Pugh	Tomassoni
Biernat	Folliard	Kahn	McElroy	Rest	Trimble
Boudreau	Fuller	Kalis	McGuire	Reuter	Tuma
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Tunheim
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Van Dellen
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Vandever
Carlson	Gray	Koskinen	Mullery	Rukavina	Wagenius
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wejeman
Cassell	Greiling	Kubly	Ness	Seagren	Wenzel
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westerberg
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westfall
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Westrom
Daggett	Harder	Leighton	Orfield	Skoglund	Wilkin
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Winter
Dawkins	Hausman	Leppik	Osthoff	Solberg	Wolf
Dehler	Hilty	Lieder	Otremba	Stanek	Workman
Dempsey	Holberg	Lindner	Ozment	Stang	Spk. Sviggum
Dorman	Holsten	Luther	Paulsen	Storm	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2870.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2870

A bill for an act relating to financial institutions; regulating certain loan charges and payments; making various technical changes; amending Minnesota Statutes 1998, sections 47.59, subdivisions 7, 10, and by adding a subdivision; 47.60, subdivision 2; 48.56; 52.04, subdivision 1; 56.131, subdivision 4; 58.02, subdivision 10; 58.04, subdivisions 2 and 3; 58.05, by adding a subdivision; 58.08, as amended; 58.10, subdivision 1; and 168.72, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 47.52; and 58.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2; Minnesota Rules, part 2675.4180.

April 11, 2000

The Honorable Allan H. Spear
President of the Senate

The Honorable Steve Sviggum
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2870, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2870 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1999 Supplement, section 47.52, is amended to read:

47.52 [AUTHORIZATION.]

(a) With the prior approval of the commissioner, any bank doing business in this state may establish and maintain detached facilities provided the facilities are located within: (1) the municipality in which the principal office of the applicant bank is located; or (2) 5,000 feet of its principal office measured in a straight line from the closest points of the closest structures involved; or (3) a municipality in which no bank is located at the time of application; or (4) a municipality having a population of more than 10,000; or (5) a municipality having a population of 10,000 or less, as determined by the commissioner from the latest available data from the state demographer, or for municipalities located in the seven-county metropolitan area from the metropolitan council, and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility.

(b) A detached facility shall not be closer than 50 feet to a detached facility operated by any other bank and shall not be closer than 100 feet to the principal office of any other bank, the measurement to be made in the same manner as provided above. This paragraph shall not be applicable if the proximity to the facility or the bank is waived in writing by the other bank and filed with the application to establish a detached facility.

(c) A bank is allowed, in addition to other facilities, part-time deposit-taking locations at elementary and secondary schools located within the municipality in which the main banking house or a detached facility is located if they are established in connection with student education programs approved by the school administration and consistent with safe, sound banking practices.

(d) In addition to other facilities, a bank may operate part-time locations at nursing homes and senior citizen housing facilities located within the municipality in which the main banking house or a detached facility is located, or within the seven-county metropolitan area if the bank's main banking facility or a detached facility is located within the seven-county metropolitan area, if they are operated in a manner consistent with safe, sound banking practices.

Sec. 2. Minnesota Statutes 1998, section 47.59, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following definitions shall apply.

(a) "Actuarial method" has the meaning given the term in the Code of Federal Regulations, title 12, part 226, and appendix J thereto.

(b) "Annual percentage rate" has the meaning given the term in the Code of Federal Regulations, title 12, part 226, but using the definition of "finance charge" used in this section.

(c) "Borrower" means a debtor under a loan or a purchaser or debtor under a credit sale contract.

(d) "Business purpose" means a purpose other than a personal, family, household, or agricultural purpose.

(e) "Cardholder" means a person to whom a credit card is issued or who has agreed with the financial institution to pay obligations arising from the issuance to or use of the card by another person.

(f) "Consumer loan" means a loan made by a financial institution in which:

- (1) the debtor is a person other than an organization;
- (2) the debt is incurred primarily for a personal, family, or household purpose; and
- (3) the debt is payable in installments or a finance charge is made.

(g) "Credit" means the right granted by a financial institution to a borrower to defer payment of a debt, to incur debt and defer its payment, or to purchase property or services and defer payment.

(h) "Credit card" means a card or device issued under an arrangement pursuant to which a financial institution gives to a cardholder the privilege of obtaining credit from the financial institution or other person in purchasing or leasing property or services, obtaining loans, or otherwise. A transaction is "pursuant to a credit card" only if credit is obtained according to the terms of the arrangement by transmitting information contained on the card or device orally, in writing, by mechanical or electronic methods, or in any other manner. A transaction is not "pursuant to a credit card" if the card or device is used solely in that transaction to:

- (1) identify the cardholder or evidence the cardholder's creditworthiness and credit is not obtained according to the terms of the arrangement;
- (2) obtain a guarantee of payment from the cardholder's deposit account, whether or not the payment results in a credit extension to the cardholder by the financial institution; or
- (3) effect an immediate transfer of funds from the cardholder's deposit account by electronic or other means, whether or not the transfer results in a credit extension to the cardholder by the financial institution.

(i) "Credit sale contract" means a contract evidencing a credit sale. "Credit sale" means a sale of goods or services, or an interest in land, in which:

- (1) credit is granted by a seller who regularly engages as a seller in credit transactions of the same kind; and
- (2) the debt is payable in installments or a finance charge is made.

(j) "Finance charge" has the meaning given in the Code of Federal Regulations, title 12, part 226, except that the following will not in any event be considered a finance charge:

(1) a charge as a result of default or delinquency under subdivision 6 if made for actual unanticipated late payment, delinquency, default, or other similar occurrence, and a charge made for an extension or deferment under subdivision 5, unless the parties agree that these charges are finance charges;

(2) an additional charge under subdivision 6;

(3) a discount, if a financial institution purchases a loan at less than the face amount of the obligation or purchases or satisfies obligations of a cardholder pursuant to a credit card and the purchase or satisfaction is made at less than the face amount of the obligation;

(4) fees paid by a borrower to a broker, provided the financial institution or a person described in subdivision 4 does not require use of the broker to obtain credit; or

(5) a commission, expense reimbursement, or other sum received by a financial institution or a person described in subdivision 4 in connection with insurance described in subdivision 6.

(k) "Financial institution" means a state or federally chartered bank, a state or federally chartered bank and trust, a trust company with banking powers, a state or federally chartered saving bank, a state or federally chartered savings association, an industrial loan and thrift company, ~~or~~ a regulated lender, or an operating subsidiary of any such institution.

(l) "Loan" means:

(1) the creation of debt by the financial institution's payment of money to the borrower or a third person for the account of the borrower;

(2) the creation of debt pursuant to a credit card in any manner, including a cash advance or the financial institution's honoring a draft or similar order for the payment of money drawn or accepted by the borrower, paying or agreeing to pay the borrower's obligation, or purchasing or otherwise acquiring the borrower's obligation from the obligee or the borrower's assignee;

(3) the creation of debt by a cash advance to a borrower pursuant to an overdraft line of credit arrangement;

(4) the creation of debt by a credit to an account with the financial institution upon which the borrower is entitled to draw immediately;

(5) the forbearance of debt arising from a loan; and

(6) the creation of debt pursuant to open-end credit.

"Loan" does not include the forbearance of debt arising from a sale or lease, a credit sale contract, or an overdraft from a person's deposit account with a financial institution which is not pursuant to a written agreement to pay overdrafts with the right to defer repayment thereof.

(m) "Official fees" means:

(1) fees and charges which actually are or will be paid to public officials for determining the existence of or for perfecting, releasing, terminating, or satisfying a security interest or mortgage relating to a loan or credit sale, and any separate fees or charges which actually are or will be paid to public officials for recording a notice described in section 580.032, subdivision 1; and

(2) premiums payable for insurance in lieu of perfecting a security interest or mortgage otherwise required by a financial institution in connection with a loan or credit sale, if the premium does not exceed the fees and charges described in clause (1), which would otherwise be payable.

(n) "Organization" means a corporation, government, government subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, limited liability partnership, or association.

(o) "Person" means a natural person or an organization.

(p) "Principal" means the total of:

(1) the amount paid to, received by, or paid or repayable for the account of, the borrower; and

(2) to the extent that payment is deferred:

(i) the amount actually paid or to be paid by the financial institution for additional charges permitted under this section; and

(ii) prepaid finance charges.

Sec. 3. Minnesota Statutes 1998, section 47.59, subdivision 7, is amended to read:

Subd. 7. [ADVANCES TO PERFORM COVENANTS OF BORROWER OR PURCHASER.] (a) If the agreement with respect to a loan or credit sale contract contains covenants by the borrower or purchaser to perform certain duties pertaining to insuring or preserving collateral and the financial institution according to the agreement pays for performance of the duties on behalf of the borrower or purchaser, the financial institution may add to the debt or contract balance the amounts so advanced. Before or within a reasonable time not less more than 30 days after advancing any sums, the financial institution shall state to the borrower or purchaser in writing the amount of sums advanced or to be advanced, any charges with respect to this amount, and any revised payment schedule and, if the duties of the borrower or purchaser performed by the financial institution pertain to insurance, a brief description of the insurance paid for or to be paid for by the financial institution including the type and amount of coverages. Additional information need not be given. The actions of the financial institution pursuant to this subdivision shall not be deemed to cure the borrower's failure to perform covenants in the loan or credit sale contract, unless the loan or credit sale contract expressly provides otherwise.

(b) A finance charge equal to that specified in the loan agreement or credit sale contract may be made for sums advanced under paragraph (a).

Sec. 4. Minnesota Statutes 1998, section 47.59, is amended by adding a subdivision to read:

Subd. 9a. [PROMPT CREDITING OF PAYMENTS.] (a) A financial institution shall credit a payment to the consumer's account as of the date of receipt except when a delay in crediting does not result in a finance or other charge or except as provided in paragraph (b).

(b) If a financial institution, in the loan agreement or, in the case of open-end credit, on or with a periodic statement or similar document, specifies requirements for the consumer to follow in making payments, but accepts a payment that does not conform to the requirements, the creditor shall credit the payment within five days of receipt.

(c) If a financial institution fails to credit a payment, as required by paragraph (a) or (b) in time to avoid the imposition of finance or other charges, the financial institution shall adjust the consumer's account so that the charges imposed are credited to the consumer's account promptly or, in the case of open-end credit, no later than during the next billing cycle.

Sec. 5. Minnesota Statutes 1998, section 47.59, subdivision 10, is amended to read:

Subd. 10. [CREDIT INSURANCE.] (a) The sale of credit insurance or mortgage insurance is subject to chapters 61A, 62A, and 62B, as applicable, and the rules adopted under those chapters, if any. In case there are multiple consumers obligated under a transaction subject to this chapter, no policy or certificate of insurance providing credit life insurance may be procured by or through a financial institution or person described in subdivision 2 upon more than two of the consumers, in which case they may be insured jointly.

(b) A financial institution that provides credit insurance in relation to open-end credit may calculate the charge to the borrower in each billing cycle by applying the current premium rate to the balance in the manner permitted with respect to finance charges by the provisions on finance charge in this section.

(c) Upon prepayment in full of a consumer loan or credit sale contract by the proceeds of credit insurance or mortgage insurance, the consumer or the consumer's estate is entitled to a refund of any portion of a separate charge for insurance that by reason of prepayment is retained by the financial institution or returned to it by the insurer, unless the charge was computed from time to time on the basis of the balances of the consumer's loan or credit sale contract.

(d) This section does not require a financial institution to grant a refund to the consumer if all refunds due to the consumer under paragraph (c) amount to less than \$5 and, except as provided in paragraph (c), does not require the financial institution to account to the consumer for any portion of a separate charge for insurance because:

- (1) the insurance is terminated by performance of the insurer's obligation;
- (2) the financial institution pays or accounts for premiums to the insurer in amounts and at times determined by the agreement between them; or
- (3) the financial institution receives directly or indirectly under a policy of insurance a gain or advantage not prohibited by law.

(e) Except as provided in paragraph (d), the financial institution shall promptly make or cause to be made an appropriate refund to the consumer with respect to a separate charge made to the consumer for insurance if:

- (1) the insurance is not provided or is provided for a shorter term than for which the charge to the borrower for insurance was computed; or
- (2) the insurance terminates before the end of the term for which it was written because of prepayment in full or otherwise.

(f) If a financial institution requires insurance, upon notice to the borrower, the borrower has the option of providing the required insurance through an existing policy of insurance owned or controlled by the borrower, or through a policy to be obtained and paid for by the borrower, but the financial institution for reasonable cause may decline the insurance provided by the borrower.

Sec. 6. Minnesota Statutes 1998, section 47.60, subdivision 2, is amended to read:

Subd. 2. [AUTHORIZATION, TERMS, CONDITIONS, AND PROHIBITIONS.] (a) In lieu of the interest, finance charges, or fees in any other law, a consumer small loan lender may charge the following:

- (1) on any amount up to and including \$50, a charge of \$5.50 may be added;
- (2) on amounts in excess of \$50, but not more than \$100, a charge may be added equal to ten percent of the loan proceeds plus a \$5 administrative fee;

(3) on amounts in excess of \$100, but not more than \$250, a charge may be added equal to seven percent of the loan proceeds with a minimum of \$10 plus a \$5 administrative fee;

(4) for amounts in excess of \$250 and not greater than the maximum in subdivision 1, paragraph (a), a charge may be added equal to six percent of the loan proceeds with a minimum of \$17.50 plus a \$5 administrative fee.

(b) The term of a loan made under this section shall be for no more than 30 calendar days.

(c) After maturity, the contract rate must not exceed 2.75 percent per month of the remaining loan proceeds after the maturity date calculated at a rate of 1/30 of the monthly rate in the contract for each calendar day the balance is outstanding.

(d) No insurance charges or other charges must be permitted to be charged, collected, or imposed on a consumer small loan except as authorized in this section.

(e) On a loan transaction in which cash is advanced in exchange for a personal check, a return check charge may be charged as authorized by section 332.50, subdivision 2, paragraph ~~(d)~~ (a).

(f) A loan made under this section must not be repaid by the proceeds of another loan made under this section by the same lender or related interest. The proceeds from a loan made under this section must not be applied to another loan from the same lender or related interest. No loan to a single borrower made pursuant to this section shall be split or divided and no single borrower shall have outstanding more than one loan with the result of collecting a higher charge than permitted by this section or in an aggregate amount of principal exceed at any one time the maximum of \$350.

Sec. 7. Minnesota Statutes 1998, section 48.56, is amended to read:

48.56 [BANKING INSTITUTIONS MAY USE FEDERAL BANKING ~~ACT~~ LAWS.]

~~Any banking institution now or hereafter organized under the laws of this state is hereby empowered, on the authority of its board of directors, or a majority thereof, to enter into such contracts, incur such obligations and generally to do and perform any and all such acts and things as may be necessary or appropriate in order to take advantage of any and all memberships, loans, subscriptions, contracts, grants, rights, or privileges which may at any time be available or enure to banking institutions or to their depositors, creditors, stockholders, receivers, or liquidators, by virtue of those provisions of Section 8 of the federal "Banking Acts of 1933" (Section 12B of the Federal Reserve Act, as amended (Mason's United States Code Annotated, title 12, s 264)), which establish the Federal Deposit Insurance Corporation and provide for the insurance of deposits, or of any other provisions of that or of any other act or resolution of Congress to aid, regulate, or safeguard banking institutions and their depositors, including any amendments of the same or any substitutions therefor, and to subscribe for and acquire any stock, debentures, bonds, or other types of securities of the Federal Deposit Insurance Corporation, and to comply with the lawful regulations and requirements from time to time issued or made by such corporation. Subdivision 1. [GENERAL POWERS.] The board of directors of a banking institution may enter into a contract, incur an obligation, or generally do what is necessary or appropriate to make use of United States Code, title 12, section 1811, or any act or resolution of Congress enacted or resolved to aid, regulate, or safeguard banking institutions and their depositors.~~

Subd. 2. [GENERAL RIGHTS AND PRIVILEGES.] Memberships, loans, subscriptions, contracts, grants, rights, or privileges that, under the act or resolution, are available to or enure to banking institutions, or their depositors, creditors, stockholders, receivers, or liquidators may be taken advantage of under this section.

Subd. 3. [PURCHASE OF FDIC SECURITIES.] The board may subscribe for and acquire securities of the Federal Deposit Insurance Corporation.

Subd. 4. [COMPLYING WITH FDIC REQUIREMENTS.] The board may comply with the corporation's requirements.

Sec. 8. Minnesota Statutes 1998, section 52.04, subdivision 1, is amended to read:

Subdivision 1. A credit union has the following powers:

(1) to offer its members and other credit unions various classes of shares, share certificates, deposits, or deposit certificates;

(2) to receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other thrift organizations within its membership. Trust funds received by a real estate broker or the broker's salespersons in trust may be deposited in a credit union;

(3) to make loans to members for provident or productive purposes as provided in section 52.16;

(4) to make loans to a cooperative society or other organization having membership in the credit union;

(5) to deposit in state and national banks and trust companies authorized to receive deposits;

(6) to invest in any investment legal for savings banks or for trust funds in the state and, notwithstanding clause (3), to invest in and make loans of unsecured days funds (federal funds or similar unsecured loans) to financial institutions insured by an agency of the federal government and a member of the Federal Reserve System or required to maintain reserves at the Federal Reserve;

(7) to borrow money as hereinafter indicated;

(8) to adopt and use a common seal and alter the same at pleasure;

(9) to make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the Federal Credit Union Act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets. However, payments on shares of and deposit with credit unions chartered by other states are restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause do not apply to share accounts and deposit accounts of the Minnesota corporate credit union in United States central credit union or to share accounts and deposit accounts of credit unions in the Minnesota corporate credit union;

(10) to contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(11) to indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred in connection with or arising out of any action, suit, or proceeding to which that person is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which that person is finally adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of duties. The indemnification is not exclusive of any other rights to which that person may be entitled under any bylaw, agreement, vote of members, or otherwise;

(12) upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make those payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts, but a credit union proposing to permit draft withdrawals shall notify the commissioner of commerce, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals. The board of directors of a credit union may restrict one class of shares to the extent that it may not be redeemed, withdrawn, or transferred except upon termination of membership in the credit union;

(13) to inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;

(14) to facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a subgroup under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, if the credit union obtains written authorization from the member for remittance by share or deposit withdrawals or through proceeds of loans made by the members, or by permitting the credit union to make the payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for expenses incurred or in the case of credit life, accident and health, and involuntary unemployment insurance within the meaning of chapter 62B commissions for the handling of the insurance. The amount reimbursed or the commissions received may constitute the general income of the credit union. The directors, officers, committee members and employees of a credit union shall not profit on any insurance sale facilitated through the credit unions;

(15) to contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of commerce like other services;

(16) in furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union;

(17) to rent safe deposit boxes to its members if the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes;

(18) notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118 or section 9.031 or other applicable law and to receive deposits of trust funds provided that either the provider or the beneficial owner of the funds is a member of the credit union accepting the deposit;

(19) to accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States;

(20) to accept deposits pursuant to section 149A.97, subdivision 5, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members;

(21) to sell, in whole or in part, real estate secured loans provided that:

(a) the loan is secured by a first lien;

(b) the board of directors approves the sale;

(c) if the sale is partial, the agreement to sell a partial interest shall, at a minimum:

(i) identify the loan or loans covered by the agreement;

(ii) provide for the collection, processing, remittance of payments of principal and interest, taxes and insurance premiums and other charges or escrows, if any;

(iii) define the responsibilities of each party in the event the loan becomes subject to collection, loss or foreclosure;

(iv) provide that in the event of loss, each owner shall share in the loss in proportion to its interest in the loan or loans;

(v) provide for the distribution of payments of principal to each owner proportionate to its interest in the loan or loans;

(vi) provide for loan status reports;

(vii) state the terms and conditions under which the agreement may be terminated or modified; and

(d) the sale is without recourse or repurchase unless the agreement:

(i) requires repurchase of a loan because of any breach of warranty or misrepresentation;

(ii) allows the seller to repurchase at its discretion; or

(iii) allows substitution of one loan for another;

(22) in addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner;

(23) to designate the par value of the shares of the credit union by board resolution;

(24) to exercise by resolution the powers set forth in United States Code, title 12, section 1757, ~~as amended through December 31, 1992~~. Before exercising each power, the board must submit a plan to the commissioner of commerce detailing implementation of the power to be used;

(25) to offer self-directed individual retirement accounts and Keogh accounts and act as custodian and trustee of these accounts if:

(1) all contributions of funds are initially made to a deposit, share or share certificate account in the credit union;

(2) any subsequent transfer of funds to other assets is solely at the direction of the member and the credit union exercises no investment discretion and provides no investment advice with respect to plan assets; and

(3) the member is clearly notified of the fact that National Credit Union Share Insurance Fund coverage is limited to funds held in deposit, share or share certificate accounts of National Credit Union Share Insurance Fund-insured credit unions.

Sec. 9. Minnesota Statutes 1998, section 56.131, subdivision 4, is amended to read:

Subd. 4. [ADJUSTMENT OF DOLLAR AMOUNTS.] The dollar amounts in subdivisions 2 and 6, sections ~~53.04, subdivision 3a, paragraph (c), 56.01, 56.12, and 56.125~~ shall change periodically, as provided in section 47.59, subdivision 3.

Sec. 10. Minnesota Statutes 1998, section 58.02, subdivision 10, is amended to read:

Subd. 10. [FINANCIAL INSTITUTION.] "Financial institution" means a bank, bank and trust, trust company with banking powers, savings bank, savings association, or credit union, organized under the laws of this state, any other state, or the United States; ~~a Minnesota host state branch of an out-of-state state-chartered bank as provided for in section 49.411;~~ an industrial loan and thrift under chapter 53; or a regulated lender under chapter 56. The term "financial institution" also includes a subsidiary or operating subsidiary of a financial institution or of a bank holding company as defined in the federal Bank Holding Company Act, United States Code, title 12, section 1841 et seq., if the subsidiary or operating subsidiary can demonstrate to the satisfaction of the commissioner that it is regulated and subject to active and ongoing oversight and supervision by a federal banking agency, as defined in the Federal Deposit Insurance Act, United States Code, title 12, section 1811 et seq., or the commissioner.

Sec. 11. Minnesota Statutes 1999 Supplement, section 58.04, subdivision 1, is amended to read:

Subdivision 1. [RESIDENTIAL MORTGAGE ORIGINATOR LICENSING REQUIREMENTS.] (a) Beginning August 1, 1999, no person shall act as a residential mortgage originator, or make residential mortgage loans without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) The following persons are exempt from the residential mortgage originator licensing requirements:

(1) an employee of one mortgage originator licensee or one person holding a certificate of exemption;

(2) ~~a person engaged solely in commercial mortgage activities;~~

~~(3) a person licensed as a real estate broker under chapter 82, and who is not licensed to another real estate broker;~~

(3) an individual real estate licensee who is licensed to ~~the~~ a real estate broker as described in clause (2) if:

(i) the individual licensee acts only under the name, authority, and supervision of the broker to whom the licensee is licensed;

(ii) the broker to whom the licensee is licensed obtains a certificate of exemption according to section 58.05, subdivision 2;

(iii) the broker does not collect an advance fee for its residential mortgage-related activities; and

(iv) the residential mortgage origination activities are incidental to the real estate licensee's primary activities as a real estate broker or salesperson;

(4) an individual licensed as a property/casualty or life/health insurance agent under chapter 60K if:

(i) the insurance agent acts on behalf of only one residential mortgage originator, which is in compliance with chapter 58;

(ii) the insurance agent has entered into a written contract with the mortgage originator under the terms of which the mortgage originator agrees to accept responsibility for the insurance agent's residential mortgage-related activities;

(iii) the insurance agent obtains a certificate of exemption under section 58.05, subdivision 2; and

(iv) the insurance agent does not collect an advance fee for the insurance agent's residential mortgage-related activities;

(5) a person ~~making who is not in the business of making residential mortgage loans and who makes~~ no more than ~~five residential mortgage~~ three such loans, with its own funds, during any 12-month period;

(6) a financial institution as defined in section 58.02, subdivision 10;

(7) an agency of the federal government, or of a state or municipal government;

(8) an employee or employer pension plan making loans only to its participants;

(9) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; or

(10) a person exempted by order of the commissioner.

Sec. 12. Minnesota Statutes 1998, section 58.04, subdivision 2, is amended to read:

Subd. 2. [RESIDENTIAL MORTGAGE SERVICER LICENSING REQUIREMENTS.] (a) Beginning August 1, 1999, no person shall engage in activities or practices that fall within the definition of "servicing a residential mortgage loan" under section 58.02, subdivision 22, without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) The following persons are exempt from the residential mortgage servicer licensing requirements:

(1) a person licensed as a residential mortgage originator;

(2) an employee of one licensee or one person holding a certificate of exemption based on an exemption under this subdivision;

~~(3) a person engaged solely in commercial mortgage activities;~~

~~(4)~~ a person servicing loans made with its own funds, if no more than ~~five~~ three such loans are made in any 12-month period;

~~(5)~~ (4) a financial institution as defined in section 58.02, subdivision 10;

~~(6)~~ (5) an agency of the federal government, or of a state or municipal government;

~~(7)~~ (6) an employee or employer pension plan making loans only to its participants;

~~(8)~~ (7) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; or

~~(9)~~ (8) a person exempted by order of the commissioner.

Sec. 13. Minnesota Statutes 1998, section 58.04, subdivision 3, is amended to read:

Subd. 3. [CONDUCTING BUSINESS UNDER LICENSE.] No person required to be licensed under this chapter may, without a license, do business under a name or title or circulate or use advertising or make representations or give information to a person, that indicates or reasonably implies activity within the scope of this chapter.

No person licensed under this chapter may do business under more than one name or title.

Sec. 14. Minnesota Statutes 1998, section 58.05, is amended by adding a subdivision to read:

Subd. 3. [CERTIFICATE OF EXEMPTION.] A person must obtain a certificate of exemption from the commissioner to qualify as an exempt person under section 58.04, subdivision 1, paragraph (b), as a real estate broker under clause (2), an insurance agent under clause (4), a financial institution under clause (6), or by order of the commissioner under clause (10); or under section 58.04, subdivision 2, paragraph (b), as a financial institution under clause (4), or by order of the commissioner under clause (8).

Sec. 15. Minnesota Statutes 1998, section 58.08, as amended by Laws 1999, chapter 151, section 36, is amended to read:

58.08 [BONDS; LETTERS OF CREDIT.]

Subdivision 1. [REQUIREMENT OF RESIDENTIAL MORTGAGE ORIGINATORS.] A residential mortgage originator licensee engaging in servicing a residential mortgage loan shall continuously maintain a surety bond or irrevocable letter of credit in an amount not less than \$50,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter relating to servicing, and for losses or damages incurred by borrowers as the result of a licensee's servicing-related noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract.

The bond or irrevocable letter of credit must be submitted with the originator's license application, and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner, within ten days of its execution.

Subd. 2. [REQUIREMENT OF RESIDENTIAL MORTGAGE SERVICERS.] A residential mortgage servicer licensee shall continuously maintain a surety bond or irrevocable letter of credit in an amount not less than \$100,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter, and for losses or damages incurred by borrowers or other aggrieved parties as the result of a licensee's noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract relating to activities regulated by this chapter.

The bond or irrevocable letter of credit must be submitted with the servicer's license application and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner, within ten days of its execution.

Subd. 3. [EXEMPTION.] Subdivisions 1 and 2 do not apply to mortgage originators or mortgage servicers who are approved as seller/servicers by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

Subd. 4. [IRREVOCABLE LETTER OF CREDIT.] As used in this chapter, an irrevocable letter of credit must be accepted only if it is clean, irrevocable, and contains an evergreen clause.

(a) "Clean" means a letter of credit that is not conditioned on the delivery of any other documents or materials.

(b) "Irrevocable" means a letter of credit that cannot be modified or revoked without the consent of the beneficiary once the beneficiary is established.

(c) "Evergreen clause" means one that specifically states the expiration of a letter of credit will not take place without a 60-day notice by the issuer and one that allows the issuer to conduct an annual review of the account party's financial condition. If prior notice of expiration is not given by the issuer, the letter of credit is automatically extended for one year.

A clean irrevocable letter of credit must be accepted only if it is issued by a financial institution that is authorized to engage in banking in any of the 50 states or under the laws of the United States, and whose business is substantially confined to banking and supervised by the state commissioner of commerce or similar official, and that has a long-term debt rating by a recognized national rating agency of investment grade or better. If no long-term debt rating is available, the financial institution must have the equivalent investment grade financial characteristics.

Sec. 16. Minnesota Statutes 1998, section 58.10, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees must be paid to the commissioner:

- (1) for an initial residential mortgage originator license, \$800;
- (2) for a renewal license, \$400;
- (3) for an initial residential mortgage servicer's license, \$1,000;
- (4) for a renewal license, \$500; and
- ~~(5) license service fees as set forth in chapter 45; and~~
- ~~(6) for a certificate of exemption, \$100.~~

Sec. 17. [58.135] [RATES AND CHARGES.]

Subdivision 1. [FIRST LIEN MORTGAGES.] A residential mortgage originator making first lien residential mortgage loans must comply with the applicable limits on residential mortgage loan rates, fees, and charges as found in sections 47.20 and 47.204.

Nothing in this subdivision prevents a financial institution under section 47.59, subdivision 1, paragraph (k), from making first lien residential mortgage loans under section 47.59 or other provisions of law available to financial institutions under that section.

Subd. 2. [JUNIOR LIEN MORTGAGES.] (a) A residential mortgage originator that is a bank, bank and trust, trust company with banking powers, savings bank, savings association, or credit union organized under the laws of this or any other state or the United States, or an industrial loan and thrift company under chapter 53 or a regulated lender under chapter 56 or an entity in another state subject to regulation substantially similar to chapter 53 or 56, making junior lien residential loans, must comply with the limits on residential mortgage loan rates, fees, and charges as found in section 47.59.

Nothing in this subdivision authorizes a mortgage originator to make loans on terms and conditions that would not be available to it in the absence of this section.

(b) A residential mortgage originator other than an entity designated in paragraph (a) making junior lien residential loans, must comply with the limits on residential mortgage loan rates, fees, and charges as found in section 47.20.

Sec. 18. Minnesota Statutes 1998, section 168.72, is amended by adding a subdivision to read:

Subd. 1a. [PROMPT CREDITING OF PAYMENTS.] (a) A contract holder shall credit a payment to the customer's account as of the date of receipt except when a delay in crediting does not result in a finance or other charge or except as provided in paragraph (b).

(b) If a retail installment contract or other instructions specify requirements for the consumer to follow in making payments, but the contract holder accepts a payment that does not conform to the requirements, the contract holder shall credit the payment within five days of receipt.

(c) If a contract holder fails to credit a payment, as required by paragraphs (a) and (b), in time to avoid the imposition of finance or other charges, the contract holder shall adjust the consumer's account so that the charges imposed are credited to the consumer's account promptly.

Sec. 19. [COMMERCE DEPARTMENT EXAMINATION; FOUNDATION LOAN PORTFOLIO PILOT PROJECT.]

(a) Any nonprofit charitable organization recognized as exempt from federal income taxation under section 501(c) (3) of the federal Internal Revenue Code of 1986, as amended, participating as a regional organization under the challenge grant program established under Minnesota Statutes, section 116J.415, and serving the counties of Aitkin, Cook, Lake, St. Louis, Carlton, Itasca, and Koochiching as of the effective date of this section, may enter into an agreement with the commissioner of commerce to facilitate the charitable organization's participation in the United States Small Business Administration guaranteed lender program.

(b) The agreement referred to in paragraph (a) shall provide for a level of examination and supervision by the department of commerce necessary for the charitable organization to meet United States Small Business Administration requirements for guaranteed lender status, including an annual examination of the books, accounts, records, and files related to the charitable organization's portfolio of guaranteed loans. Reports of the commissioner's annual examination shall be made available to the United States Small Business Administration upon request.

(c) The charitable organization shall pay the department's cost, as determined by the commissioner of commerce, of the supervision and examination required under an agreement entered into pursuant to this section. The charitable organization shall also pay the department's cost, as determined by the commissioner, of negotiating the agreement. Money received by the department under this subdivision must be deposited in the state treasury and credited to an account in the special revenue fund. Money in this account is annually appropriated to the commissioner for purposes of administering this section.

(d) This section expires December 31, 2003.

Sec. 20. [VASA TOWNSHIP; DETACHED BANKING FACILITY.]

With the prior approval of the commissioner of commerce, a bank operating its principal office in Cannon Falls may establish and maintain not more than one detached facility in Vasa township. A bank desiring to establish such a detached facility must follow the approval procedure prescribed in Minnesota Statutes, section 47.54. The establishment of a detached facility under this section is subject to Minnesota Statutes, sections 47.51 to 47.57, except to the extent those sections are inconsistent with this section.

Sec. 21. [REPEALER.]

(a) Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2, are repealed.

(b) Minnesota Rules, part 2675.4180, is repealed.

(c) Minnesota Rules, part 2675.6141, subpart 1, is repealed effective the day following final enactment.

Sec. 22. [EFFECTIVE DATES.]

Sections 1 to 3, 5 to 16, 19, and 21 are effective the day after final enactment. Sections 4, 17, and 18 are effective July 1, 2000. Section 20 is effective the day after compliance by the governing body of Vasa township with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating certain loan charges and payments; establishing a foundation loan portfolio pilot project; regulating detached banking facilities; making various technical changes; appropriating money; amending Minnesota Statutes 1998, sections 47.59, subdivisions 1, 7, 10, and by adding a

subdivision; 47.60, subdivision 2; 48.56; 52.04, subdivision 1; 56.131, subdivision 4; 58.02, subdivision 10; 58.04, subdivisions 2 and 3; 58.05, by adding a subdivision; 58.08, as amended; 58.10, subdivision 1; and 168.72, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 47.52; and 58.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2; Minnesota Rules, parts 2675.4180; and 2675.6141, subpart 1."

We request adoption of this report and repassage of the bill.

Senate Conferees: JAMES P. METZEN, SAM G. SOLON AND DICK DAY.

House Conferees: GREGORY M. DAVIDS, MICHELLE RIFENBERG AND MATT ENTENZA.

Dauids moved that the report of the Conference Committee on S. F. No. 2870 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2870, A bill for an act relating to financial institutions; regulating certain loan charges and payments; making various technical changes; amending Minnesota Statutes 1998, sections 47.59, subdivisions 7, 10, and by adding a subdivision; 47.60, subdivision 2; 48.56; 52.04, subdivision 1; 56.131, subdivision 4; 58.02, subdivision 10; 58.04, subdivisions 2 and 3; 58.05, by adding a subdivision; 58.08, as amended; 58.10, subdivision 1; and 168.72, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 47.52; and 58.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2; Minnesota Rules, part 2675.4180.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mares	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tingelstad
Bakk	Finseth	Juhnke	McCollum	Pugh	Tomassoni
Biernat	Folliard	Kahn	McElroy	Rest	Trimble
Boudreau	Fuller	Kalis	McGuire	Reuter	Tuma
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Tunheim
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Van Dellen
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Vandever
Carlson	Gray	Koskinen	Mullery	Rukavina	Wagenius
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wejzman
Cassell	Greiling	Kubly	Ness	Seagren	Wenzel
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westerberg
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westfall
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Westrom
Daggett	Harder	Leighton	Orfield	Skoglund	Wilkin
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Winter
Dawkins	Hausman	Leppik	Osthoff	Solberg	Wolf
Dehler	Hilty	Lieder	Otremba	Stanek	Workman
Dempsey	Holberg	Lindner	Ozment	Stang	Spk. Sviggum
Dorman	Holsten	Luther	Paulsen	Storm	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2683.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2683

A bill for an act relating to game and fish; exempting archery bows used for bow fishing from casing requirement; authorizing disability permits for taking rough fish and hunting small game with a crossbow; amending Minnesota Statutes 1998, sections 97B.051; 97B.055, subdivision 2; and 97B.106.

April 5, 2000

The Honorable Allan H. Spear
President of the Senate

The Honorable Steve Sviggum
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2683, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment.

We request adoption of this report and repassage of the bill.

Senate Conferees: DON SAMUELSON, BOB LESSARD AND PAT PARISEAU.

House Conferees: TOM HACKBARTH, JIM ABELER AND THOMAS BAKK.

Hackbarth moved that the report of the Conference Committee on S. F. No. 2683 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2683, A bill for an act relating to game and fish; exempting archery bows used for bow fishing from casing requirement; authorizing disability permits for taking rough fish and hunting small game with a crossbow; amending Minnesota Statutes 1998, sections 97B.051; 97B.055, subdivision 2; and 97B.106.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, I.	Boudreau	Buesgens	Cassell	Daggett
Abrams	Bakk	Bradley	Carlson	Chaudhary	Dauids
Anderson, B.	Biernat	Broecker	Carruthers	Clark, J.	Dawkins

Dehler	Hackbarth	Kubly	Mullery	Reuter	Sykora
Dempsey	Harder	Kuisle	Murphy	Rhodes	Tingelstad
Dorman	Hasskamp	Larsen, P.	Ness	Rifenberg	Tomassoni
Dorn	Hilty	Larson, D.	Nornes	Rostberg	Trimble
Entenza	Holberg	Leighton	Olson	Rukavina	Tuma
Erhardt	Holsten	Lenczewski	Opatz	Schumacher	Tunheim
Erickson	Howes	Leppik	Orfield	Seagren	Van Dellen
Finseth	Huntley	Lieder	Osskopp	Seifert, J.	Vandever
Folliard	Jaros	Lindner	Osthoff	Seifert, M.	Wejcman
Fuller	Jennings	Luther	Otremba	Skoe	Wenzel
Gerlach	Juhnke	Mahoney	Ozment	Skoglund	Westerberg
Gleason	Kahn	Mares	Paulsen	Smith	Westfall
Goodno	Kalis	Marko	Pawlenty	Solberg	Westrom
Gray	Kelliher	McCollum	Paymar	Stanek	Wilkin
Greenfield	Kielkucki	McElroy	Pelowski	Stang	Winter
Greiling	Knoblach	Milbert	Peterson	Storm	Wolf
Gunther	Koskinen	Molnau	Pugh	Swapinski	Workman
Haake	Krinkie	Mulder	Rest	Swenson	Spk. Sviggum

Those who voted in the negative were:

Hausman	Mariani	McGuire	Wagenius
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The bill was repassed, as amended by Conference, and its title agreed to.

The following Conference Committee Reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2563

A bill for an act relating to liens; modifying mechanics' lien penalties; creating a civil cause of action; authorizing attorney fees; providing that proceeds are exempt from execution; imposing criminal penalties; amending Minnesota Statutes 1998, sections 514.02, subdivision 1, and by adding a subdivision; and 550.37, by adding a subdivision.

April 10, 2000

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable Allan H. Spear
President of the Senate

We, the undersigned conferees for H. F. No. 2563, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and H. F. No. 2563 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 514.02, subdivision 1, is amended to read:

Subdivision 1. [PROCEEDS OF PAYMENTS; ACTS CONSTITUTING THEFT.] (a) Proceeds of payments received by a person contributing to an improvement to real estate within the meaning of section 514.01 shall be held in trust by that person for the benefit of those persons who furnished the labor, skill, material, or machinery contributing to the improvement. Proceeds of the payment are not subject to garnishment, execution, levy, or attachment. Nothing contained in this subdivision shall require money to be placed in a separate account and not commingled with other money of the person receiving payment or create a fiduciary liability or tort liability on the part of any person receiving payment or entitle any person to an award of punitive damages among persons contributing to an improvement to real estate under section 514.01 for a violation of this subdivision.

(b) ~~If a person, on any improvement to real estate within the meaning of section 514.01, fails to use the proceeds of any a payment made to that person on account of such for the improvement by the owner of such real estate or person having any improvement made, for the payment for labor, skill, material, and machinery contributed to such the improvement, knowing that the cost of any such the labor performed, or skill, material, or machinery furnished for such improvement remains unpaid, and who has not furnished to the person making such payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for such improvement under section 514.07, or a payment bond in the basic amount of the contract price for such the improvement, conditioned for the prompt payment to any person or persons entitled thereto for the performance of labor or the furnishing of skill, material, or machinery for the improvement, shall be guilty of theft of the proceeds of such the payment and upon conviction shall be fined not more than \$3,000 or imprisoned not more than one year, or both. is punishable under section 609.52. For an improvement to residential real estate made by a person licensed, or who should be licensed, under section 326.84, a shareholder, officer, director, or agent of a corporation who is responsible for the theft shall be guilty of theft of the proceeds.~~

(c) The penalties and remedies provided in this section do not apply to a third party who receives a payment in the ordinary course of business.

(d) For purposes of this section, "residential real estate" has the meaning given in section 326.83.

Sec. 2. Minnesota Statutes 1998, section 514.02, is amended by adding a subdivision to read:

Subd. 1a. [CIVIL ACTION.] A person injured by a violation of subdivision 1 may bring a civil action and recover damages, together with costs and disbursements, including costs of investigation and reasonable attorney fees, and receive other relief as determined by the court, including, without limitation, equitable tracing. A civil action under this subdivision may be brought:

(1) against the person who committed the theft under subdivision 1; and

(2) for an improvement to residential real estate made by a person licensed, or who should be licensed, under section 326.84, against a shareholder, officer, director, or agent of a corporation who is not responsible for the theft but who knowingly receives proceeds of the payment as salary, dividend, loan repayment, capital distribution, or otherwise.

Sec. 3. Minnesota Statutes 1998, section 550.37, is amended by adding a subdivision to read:

Subd. 25. [PROCEEDS FOR IMPROVEMENTS TO PROPERTY.] Proceeds of payments received by a person for labor, skill, material, or machinery contributing to an improvement to real estate within the meaning of section 514.01.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 2000, and apply to crimes committed on or after that date and civil claims for causes of action arising on or after that date."

We request adoption of this report and repassage of the bill.

House Conferees: JULIE STORM, ELAINE HARDER AND TIM MAHONEY.

Senate Conferees: JOHN C. HOTTINGER, DENNIS R. FREDERICKSON AND TWYLA RING.

Storm moved that the report of the Conference Committee on H. F. No. 2563 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2563, A bill for an act relating to liens; modifying mechanics' lien penalties; creating a civil cause of action; authorizing attorney fees; providing that proceeds are exempt from execution; imposing criminal penalties; amending Minnesota Statutes 1998, sections 514.02, subdivision 1, and by adding a subdivision; and 550.37, by adding a subdivision.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mares	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tingelstad
Bakk	Finseth	Juhnke	McCollum	Pugh	Tomassoni
Biernat	Folliard	Kahn	McElroy	Rest	Trimble
Boudreau	Fuller	Kalis	McGuire	Reuter	Tuma
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Tunheim
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Van Dellen
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Vandever
Carlson	Gray	Koskinen	Mullery	Rukavina	Wagenius
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wejzman
Cassell	Greiling	Kubly	Ness	Seagren	Wenzel
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westerberg
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westfall
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Westrom
Daggett	Harder	Leighton	Orfield	Skoglund	Wilkin
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Winter
Dawkins	Hausman	Leppik	Osthoff	Solberg	Wolf
Dehler	Hilty	Lieder	Otremba	Stanek	Workman
Dempsey	Holberg	Lindner	Ozment	Stang	Spk. Sviggum
Dorman	Holsten	Luther	Paulsen	Storm	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2671

A bill for an act relating to human services; mental retardation protection; requiring legislative recommendations.

April 11, 2000

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable Allan H. Spear
President of the Senate

We, the undersigned conferees for H. F. No. 2671, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2671 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [INCOME EXCLUSION OR DISREGARD.]

(a) The earned income that a temporary census employee for the 2000 census receives from the United States Census Bureau is excluded from income under Minnesota Statutes, sections 256B.056, subdivision 4; 256D.03, subdivision 3; 256J.21, subdivision 2; and 256L.01, subdivision 5, and disregarded as income under Minnesota Statutes, sections 256D.06, subdivision 1; and 256D.435, subdivision 5.

(b) An income exclusion or disregard under paragraph (a) applies to a person receiving benefits on or before March 1, 2000, under Minnesota Statutes, chapter 256B, 256J, or 256L, or sections 256D.03, subdivision 3, 256D.06, or 256D.33 to 256D.54.

Sec. 2. [RECOMMENDATIONS ON TRANSFERRING PUBLIC GUARDIANSHIP RESPONSIBILITIES.]

The commissioner of human services, in consultation with representatives of interested groups, including family members, advocacy organizations, counties, service providers, the office of the ombudsman for mental health and mental retardation, and others, must develop specific legislative recommendations on transferring public guardianship responsibilities and related duties and authority under Minnesota Statutes, chapter 252A, from the commissioner of human services and counties to another entity that can independently and responsibly fulfill the guardianship and related obligations. To be eligible to perform these transferred duties, an entity must either be a multi-purpose agency that provides a broad range of social services or a new or existing office within state government that does not currently have operational or financial duties under Minnesota Statutes, chapter 252A, and it must provide assurances that it will act in the best interests of each ward or conservatee, per Minnesota Statutes, section 525.539, subdivision 7. The legislative recommendations, including cost estimates, shall be provided to the chairs of the house of representatives health and human services policy committee and the senate health and family security policy committee by December 15, 2000.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to human services; excluding certain earned income from income for the purposes of assistance; mental retardation protection; requiring legislative recommendations."

We request adoption of this report and repassage of the bill.

House Conferees: FRAN BRADLEY, TIM WILKIN AND DARLENE LUTHER.

Senate Conferees: JOHN C. HOTTINGER, LINDA BERGLIN AND MARTHA R. ROBERTSON.

Bradley moved that the report of the Conference Committee on H. F. No. 2671 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2671, A bill for an act relating to human services; mental retardation protection; requiring legislative recommendations.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mares	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tingelstad
Bakk	Finseth	Juhnke	McCollum	Pugh	Tomassoni
Biernat	Folliard	Kahn	McElroy	Rest	Trimble
Boudreau	Fuller	Kalis	McGuire	Reuter	Tuma
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Tunheim
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Van Dellen
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Vandever
Carlson	Gray	Koskinen	Mullery	Rukavina	Wagenius
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wejcman
Cassell	Greiling	Kubly	Ness	Seagren	Wenzel
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westerberg
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westfall
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Westrom
Daggett	Harder	Leighton	Orfield	Skoglund	Wilkin
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Winter
Dawkins	Hausman	Leppik	Osthoff	Solberg	Wolf
Dehler	Hilty	Lieder	Otremba	Stanek	Workman
Dempsey	Holberg	Lindner	Ozment	Stang	Spk. Sviggum
Dorman	Holsten	Luther	Paulsen	Storm	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 3692

A bill for an act relating to agriculture; amending feedlot permit provisions; providing specific requirements for feedlot permit rules; adding requirements for administrative penalty orders; requiring a report; amending Minnesota Statutes 1998, sections 116.06, by adding a subdivision; 116.07, subdivision 7c; and 116.0713; Minnesota Statutes 1999 Supplement, sections 116.07, subdivision 7; and 116.072, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 18B.

April 11, 2000

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable Allan H. Spear
President of the Senate

We, the undersigned conferees for H. F. No. 3692, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3692 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [18C.432] [MANURE APPLICATOR EDUCATION AND TRAINING.]

Subdivision 1. [EDUCATION AND TRAINING.] (a) The commissioner shall develop, in conjunction with the University of Minnesota extension service, innovative educational and training programs addressing manure applicator concerns, including water quality protection and the development of manure management plans.

(b) The commissioner shall appoint educational planning committees which must include representatives of industry.

(c) Specific current regulatory concerns must be discussed and, if appropriate, incorporated into each training session.

(d) The commissioner may approve programs from private industry and nonprofit organizations that meet minimum requirements for education, training, and certification.

(e) The commissioner shall report to the house and senate agriculture policy and funding committees by January 30, 2001, with recommendations for training, examination, certification, and costs of a private applicator manure certification program.

Subd. 2. [TRAINING MANUAL AND EXAMINATION DEVELOPMENT.] The commissioner, in conjunction with the University of Minnesota extension service, shall continually revise and update manure applicator training manuals and examinations. Questions in the examinations must be determined by the commissioner. Manuals and examinations must include manure management practices that discuss prevention of manure occurrence in waters of the state.

Sec. 2. [18C.433] [PRIVATE MANURE APPLICATOR CERTIFICATION.]

Subdivision 1. [REQUIREMENT.] Beginning January 1, 2005, except for a commercial animal waste technician, only a certified private manure applicator may apply animal waste from a feedlot that:

(1) has a capacity of 300 animal units or more; and

(2) does not have an updated manure management plan that meets the requirements of pollution control agency rules.

Subd. 2. [CERTIFICATION.] (a) The commissioner shall prescribe certification requirements and provide training. The training may be done in cooperation with other government agencies and must be at least three hours in duration.

(b) A person must apply to the commissioner for certification as a private manure applicator. The certification expires March 1 of the third calendar year after the initial year of certification.

(c) The commissioner shall issue a private manure applicator card to a certified private manure applicator.

Subd. 3. [FEES.] (a) A person applying to be certified as a private manure applicator must pay a nonrefundable \$10 application fee.

(b) A \$5 fee must be paid for the issuance of a duplicate private manure applicator card.

Sec. 3. Minnesota Statutes 1998, section 116.06, is amended by adding a subdivision to read:

Subd. 4a. [ANIMAL UNIT.] "Animal unit" means a unit of measure used to compare differences in the production of animal manure that employs as a standard the amount of manure produced on a regular basis by a slaughter steer or heifer for an animal feedlot or manure storage area calculated by multiplying the number of animals of each type in clauses (1) to (9) by the respective multiplication factor and summing the resulting values for the total number of animal units. For purposes of this chapter, the following multiplication factors apply:

(1) one mature dairy cow, whether milked or dry:

(i) over 1,000 pounds, 1.4 animal units; or

(ii) under 1,000 pounds, 1.0 animal unit;

(2) one cow and calf pair, 1.2 units;

(3) one calf, 0.2 unit;

(4) one slaughter steer, 1.0 animal unit;

(5) head of feeder cattle or heifer, 0.7 unit;

(6) one head of swine:

(i) over 300 pounds, 0.4 animal unit;

(ii) between 55 pounds and 300 pounds, 0.3 animal unit; and

(iii) under 55 pounds, 0.05 animal unit;

(7) one horse, 1.0 animal unit;

(8) one sheep or lamb, 0.1 animal unit;

(9) one chicken:

(i) one laying hen or broiler, if the facility has a liquid manure system, 0.033 animal unit; or

(ii) one chicken if the facility has a dry manure system:

(A) over five pounds, 0.005 animal unit; or

(B) under five pounds, 0.003 animal unit;

(10) one turkey:

(i) over five pounds, 0.018 animal unit; or

(ii) under five pounds, 0.005 animal unit;

(11) one duck, 0.01 animal unit; and

(12) for animals not listed in clauses (1) to (8), the number of animal units is the average weight of the animal in pounds divided by 1,000 pounds.

Sec. 4. Minnesota Statutes 1999 Supplement, section 116.07, subdivision 7, is amended to read:

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

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

(1) the distribution to applicants of forms provided by the pollution control agency;

(2) the receipt and examination of completed application forms, and the certification, in writing, to the pollution control agency either that the animal lot facility for which a permit is sought by an applicant will comply with applicable rules and standards, or, if the facility will not comply, the respects in which a variance would be required for the issuance of a permit; and

(3) rendering to applicants, upon request, assistance necessary for the proper completion of an application.

(b) For the purposes of this subdivision, the term "processing" may include, at the option of the county board, issuing, denying, modifying, imposing conditions upon, or revoking permits pursuant to the provisions of this section or rules promulgated pursuant to it, subject to review, suspension, and reversal by the pollution control agency. The pollution control agency shall, after written notification, have 15 days to review, suspend, modify, or reverse the issuance of the permit. After this period, the action of the county board is final, subject to appeal as provided in chapter 14. For permit applications filed after October 1, 2001, section 15.99 applies to feedlot permits issued by the agency or a county pursuant to this subdivision.

(c) For the purpose of administration of rules adopted under this subdivision, the commissioner and the agency may provide exceptions for cases where the owner of a feedlot has specific written plans to close the feedlot within five years. These exceptions include waiving requirements for major capital improvements.

(d) For purposes of this subdivision, a discharge caused by an extraordinary natural event such as a precipitation event of greater magnitude than the 25-year, 24-hour event, tornado, or flood in excess of the 100-year flood is not a "direct discharge of pollutants."

(e) In adopting and enforcing rules under this subdivision, the commissioner shall cooperate closely with other governmental agencies.

(f) The pollution control agency shall work with the Minnesota extension service, the department of agriculture, the board of water and soil resources, producer groups, local units of government, as well as with appropriate federal agencies such as the Natural Resources Conservation Service and the Farm Service Agency, to notify and educate producers of rules under this subdivision at the time the rules are being developed and adopted and at least every two years thereafter.

(g) The pollution control agency shall adopt rules governing the issuance and denial of permits for livestock feedlots, poultry lots or other animal lots pursuant to this section. A feedlot permit is not required for livestock feedlots with more than ten but less than 50 animal units; provided they are not in shoreland areas. A livestock feedlot permit does not become required solely because of a change in the ownership of the buildings, grounds, or feedlot. These rules apply both to permits issued by counties and to permits issued by the pollution control agency directly.

(h) The pollution control agency shall exercise supervising authority with respect to the processing of animal lot permit applications by a county.

(i) Any new rules or amendments to existing rules proposed under the authority granted in this subdivision, or to implement new fees on animal feedlots, must be submitted to the members of legislative policy and finance committees with jurisdiction over agriculture and the environment prior to final adoption. The rules must not become effective until 90 days after the proposed rules are submitted to the members.

(j) Until new rules are adopted that provide for plans for manure storage structures, any plans for a liquid manure storage structure must be prepared or approved by a registered professional engineer or a United States Department of Agriculture, Natural Resources Conservation Service employee.

(k) A county may adopt by ordinance standards for animal feedlots that are more stringent than standards in pollution control agency rules.

(l) After January 1, 2001, a county that has not accepted delegation of the feedlot permit program must hold a public meeting prior to the agency issuing a feedlot permit for a feedlot facility with 300 or more animal units, unless another public meeting has been held with regard to the feedlot facility to be permitted.

(m) After the proposed rules published in the State Register, volume 24, number 25, are finally adopted, the agency may not impose additional conditions as a part of a feedlot permit, unless specifically required by law or agreed to by the feedlot operator.

(n) For the purposes of feedlot permitting, a discharge from land-applied manure or a manure stockpile that is managed according to agency rule must not be subject to a fine for a discharge violation.

(o) For the purposes of feedlot permitting, manure that is land applied, or a manure stockpile that is managed according to agency rule, must not be considered a discharge into waters of the state, unless the discharge is to waters of the state, as defined by section 103G.005, subdivision 17, except type 1 or type 2 wetlands, as defined in section 103G.005, subdivision 17b, and does not meet discharge standards established for feedlots under agency rule.

(p) Unless the upgrade is needed to correct an immediate public health threat under section 145A.04, subdivision 8, the agency may not require a feedlot operator:

(1) to spend more than \$3,000 to upgrade an existing feedlot with less than 300 animal units unless cost-share money is available to the feedlot operator for 75 percent of the cost of the upgrade; or

(2) to spend more than \$10,000 to upgrade an existing feedlot with between 300 and 500 animal units, unless cost-share money is available to the feedlot operator for 75 percent of the cost of the upgrade or \$50,000, whichever is less.

Sec. 5. Minnesota Statutes 1998, section 116.07, subdivision 7c, is amended to read:

Subd. 7c. [NPDES PERMITTING REQUIREMENTS.] (a) The agency must issue National Pollutant Discharge Elimination System permits for feedlots with 1,000 animal units or more and that meet the definition of a "concentrated animal feeding operation" in Code of Federal Regulations, title 40, section 122.23, based on the following schedule:

(1) for applications received after April 22, 1998, a permit for a newly constructed or expanded animal feedlot with 2,000 or more animal units must be issued as an individual permit;

(2) for applications received after January 1, 1999, a permit for a newly constructed or expanded animal feedlot with between 1,000 and 2,000 animal units that is identified as a priority by the commissioner, using criteria established under paragraph (e) (d), must be issued as an individual permit; and

(3) (2) after January 1, 2001, all an existing feedlots with 1,000 or more animal units feedlot that is identified as a priority by the commissioner, using criteria established under paragraph (e) must be issued as an individual or general National Pollutant Discharge Elimination System permit; and

(b) By October 1, 1999, (3) the agency must issue a general National Pollutant Discharge Elimination System permit for animal feedlots with between 1,000 and 2,000 animal units that are not identified under paragraph (a); clause (1) or (2).

(b) Prior to the issuance of a general National Pollutant Discharge Elimination System permit for a category of animal feedlot facility permittees, the agency must hold at least one public hearing on the permit issuance.

(c) To the extent practicable, the agency must include a public notice and comment period for an individual National Pollutant Discharge Elimination System permit concurrent with any public notice and comment for:

(1) the purpose of environmental review of the same facility under chapter 116D; or

(2) the purpose of obtaining a conditional use permit from a local unit of government where the local government unit is the responsible governmental unit for purposes of environmental review under chapter 116D.

(d) By January 1, 1999, (d) The commissioner, in consultation with the feedlot and manure management advisory committee, created under section 17.136, and other interested parties must develop criteria for determining whether an individual National Pollutant Discharge Elimination System permit is required under paragraph (a), clause (2); for an animal feedlot with between 1,000 and 2,000 animal units (1). The criteria must be based on proximity to waters of the state, facility design, and other site-specific environmental factors.

(e) By January 1, 2000, (e) The commissioner, in consultation with the feedlot and manure management advisory committee, created under section 17.136, and other interested parties must develop criteria for determining whether an individual National Pollutant Discharge Elimination System permit is required for an existing animal feedlot, under paragraph (a), clause (3) (2). The criteria must be based on violations and other compliance problems at the facility.

(f) The commissioner, in consultation with the feedlot and manure management advisory committee, created under section 17.136, and other interested parties must develop criteria for determining when an individual National Pollutant Discharge Elimination System permit is transferred from individual to general permit status.

(g) Notwithstanding the provisions in paragraph (a), until January 1, 2001, the commissioner may issue an individual National Pollutant Discharge Elimination System permit for an animal feedlot. After the general permit is issued and the criteria under paragraphs (d) and (e) are developed, individual permits issued pursuant to this paragraph that do not fit the criteria for an individual permit under the applicable provisions of paragraph (d) or (e) must be transferred to general permit status.

(h) The commissioner, in consultation with the feedlot and manure management advisory committee, created under section 17.136, and other interested parties must develop criteria for determining which feedlots are required to apply for and obtain a National Pollutant Discharge Elimination System permit and which feedlots are required to apply for and obtain a state disposal system permit based upon the actual or potential to discharge.

Sec. 6. Minnesota Statutes 1998, section 116.0713, is amended to read:

116.0713 [LIVESTOCK ODOR.]

(a) The pollution control agency must:

(1) monitor and identify potential livestock facility violations of the state ambient air quality standards for hydrogen sulfide, using a protocol for responding to citizen complaints regarding feedlot odor and its hydrogen sulfide component, including the appropriate use of portable monitoring equipment that enables monitoring staff to follow plumes;

(2) when livestock production facilities are found to be in violation of ambient hydrogen sulfide standards, take appropriate actions necessary to ensure compliance, utilizing appropriate technical assistance and enforcement and penalty authorities provided to the agency by statute and rule.

(b) Livestock production facilities are exempt from state ambient air quality standards while manure is being removed and for seven days after manure is removed from barns or manure storage facilities.

(c) For a livestock production facility having greater than 300 animal units, the maximum cumulative exemption in a calendar year under paragraph (b) is 21 days for the removal process.

(d) The operator of a livestock production facility that claims exemption from state ambient air quality standards under paragraph (b) must provide notice of that claim to either the pollution control agency or the county feedlot officer delegated under section 116.07.

(e) State ambient air quality standards are applicable at the property boundary of a farm or a parcel of agricultural land on which a livestock production facility is located, except that if the owner or operator of the farm or parcel obtains an air quality easement from the owner of land adjoining the farm or parcel, the air quality standards must be applicable at the property boundary of the adjoining land to which the easement pertains. The air quality easement must be for no more than five years, must be in writing, and must be available upon request by the agency or the county feedlot officer. Notwithstanding the provisions of this paragraph, state ambient air quality standards are applicable at locations to which the general public has access. The "general public" does not include employees or other categories of people who have been directly authorized by the property owner to enter or remain on the property for a limited period of time and for a specific purpose, or trespassers.

(f) The agency may not require air emission modeling for a type of livestock system that has not had a hydrogen sulfide emission violation.

Sec. 7. Minnesota Statutes 1999 Supplement, section 116.072, subdivision 13, is amended to read:

Subd. 13. [FEEDLOT ADMINISTRATIVE PENALTY ORDERS.] (a) Prior to the commissioner proposing an administrative penalty order to a feedlot operator for a violation of feedlot laws or rules, the agency staff who will determine if a penalty is appropriate and who will determine the size of the penalty shall offer to meet with the feedlot operator to discuss the violation, and to allow the feedlot operator to present any information that may affect any agency decisions on the administrative penalty order.

(b) Notwithstanding subdivision 5, for serious feedlot law or rule violations for which an administrative penalty order is issued under this section, not less than 75 percent of the penalty may must be forgiven if:

(1) the abated penalty is used for approved measures to mitigate the violation for which the administrative penalty order was issued or for environmental improvements to the farm; and

(2) the commissioner determines that the violation has been corrected or that appropriate steps are being taken to correct the action.

Sec. 8. Laws 1998, chapter 401, section 52, is amended to read:

Sec. 52. [PERMIT REQUIREMENTS.]

Until ~~June 30, 2000~~ six months after preparation and final approval by the environmental quality board of the generic environmental impact statement required under Laws 1998, chapter 366, section 86, subdivision 2, or June 1 following approval of the statement, whichever date is later, neither the pollution control agency nor a county board may issue a permit for the construction of an open-air clay, earthen, or flexible membrane lined swine waste lagoon. This section does not apply to repair or modification related to an environmental improvement of an existing lagoon.

Sec. 9. [TIMELY RESPONSE TO PERMIT APPLICATIONS; REPORT ON NEEDS.]

If the agency determines that it is unable to accomplish timely response to animal feedlot permit applications under Minnesota Statutes, section 15.99, using existing resources, the commissioner shall, not later than October 15, 2000, report to the commissioner of finance and the environment and agriculture policy and finance committees of the senate and house of representatives on the additional resources needed to accomplish timely response.

Sec. 10. [RULES FOR ANIMAL FEEDLOTS AND STORAGE, TRANSPORTATION, AND UTILIZATION OF MANURE.]

(a) The pollution control agency shall amend the proposed permanent rules relating to animal feedlots and storage, transportation, and utilization of manure, published in the State Register, volume 24, number 25, pages 848 to 884, December 20, 1999, according to this section and pursuant to Minnesota Statutes, section 14.388.

(b) The agency shall remove the following provisions of the proposed rules:

(1) restrictions on the pasturing of animals, including winter feeding areas that comply with Minnesota Statutes, section 116.07, subdivision 7, paragraph (o);

(2) the requirement for a manure management plan, except in the case of a feedlot requiring a feedlot permit;

(3) the inclusion in the animal unit definition of manure that is produced by animals that are not owned or managed by the person who accepts manure from another party; and

(4) the requirement that a feedlot must include a pollution prevention plan as part of their feedlot permit application.

(c) In the rules, the agency shall not require:

(1) a feedlot operator to remove manure packs and mounding, except as necessary to prevent pollution;

(2) information on the permit application that is not specifically required in the rules, unless the feedlot operator will be using a new technology;

(3) more than the following information on the newspaper notification of proposed construction or expansion:

(i) name of the owner or owners;

(ii) name of the facility;

(iii) location of the facility by county, township, section, or quarter-section;

(iv) species of livestock and total animal units; and

- (v) type of building and manure storage system;
- (4) the regulation of process-generated wastewater, unless it contains manure;
- (5) that a feedlot must be issued an individual state disposal system permit, unless the feedlot meets the criteria established for individual permits under Minnesota Statutes, section 116.07, subdivision 7c; and
- (6) registration or a permit for a livestock facility located on county fairgrounds.
- (d) In the rules, the agency shall:
 - (1) include a registration notice provision requiring the permitting authority to notify feedlot operators at least 90 days prior to the reregistration deadline;
 - (2) include a provision requiring that a receipt of registration be sent back to the feedlot operator within 30 days of receipt of the registration by the agency or the delegated county;
 - (3) provide that feedlot permits remain in effect until a new permit is issued by the agency or a county;
 - (4) provide that location restrictions for schools and child care centers apply only to licensed child care centers, the public schools defined in Minnesota Statutes, section 120A.05, and private schools, excluding home school sites;
 - (5) allow for compliance with interim corrective measures for eligible open lots by October 1, 2005, and final compliance by October 1, 2010;
 - (6) allow direct notification of a feedlot permit application in lieu of the newspaper notification as provided in Minnesota Statutes, section 116.07, subdivision 7a;
 - (7) allow a short-term stockpile site for 365 days;
 - (8) include only a general reference that the rules do not preempt the adoption or enforcement of zoning ordinances or plans by counties, townships, or cities;
 - (9) allow manure storage facility specifications that are proposed by a registered professional engineer or a United States Department of Agriculture, Natural Resources Conservation Service employee and that meet federal and state discharge and water quality restrictions;
 - (10) include an exemption from the prohibition on reuse of a short-term stockpiling site in the preceding or following calendar years for a site where manure is stockpiled for less than ten days and the site is not used as a stockpile site for more than six times in a calendar year; and
 - (11) provide that the management of nutrients from manure can be consistent with guidelines, definitions, or recommendations published by the University of Minnesota or another land grant college in a contiguous state.

Sec. 11. [FEEDLOT UPGRADES; REPORT, FINANCIAL ASSISTANCE.]

- (a) The commissioner of agriculture, in close collaboration with the commissioner of the pollution control agency and in consultation with the commissioner of finance and a representative of the board of water and soil resources, shall study the need for state financial assistance by operators of feedlots with a capacity of less than 1,000 animal units required to upgrade facilities under proposed livestock feedlot rules published in the State Register, volume 24, number 25.

(b) The study must identify the specific financial needs of operators of feedlots with capacities:

(1) less than 100 animal units;

(2) more than 100 but less than 300 animal units; and

(3) more than 300 but less than 500 animal units.

(c) Not later than February 1, 2001, the commissioner of agriculture shall report the findings of the study to the standing committees of the senate and house of representatives with jurisdiction over agriculture and environment policy issues and budgeting. The report must include recommendations to the legislature on anticipated state costs to provide matching funds for feedlot upgrades under Minnesota Statutes, section 116.07, subdivision 7, paragraph (p).

Sec. 12. [MORATORIUM ON UPGRADE REQUIREMENTS FOR SMALL FEEDLOTS.]

Until the funding proposal for feedlots with a capacity less than 100 animal units required by section 11 has been enacted and funding under the proposal has been made available, the pollution control agency may not require the operator of an existing feedlot with less than 100 animal units to upgrade the feedlot, unless cost-share money is available to the feedlot operator for 75 percent of the cost of the upgrade or the upgrade is needed to correct an immediate public health threat under Minnesota Statutes, section 145A.04, subdivision 8.

Sec. 13. [WORKGROUP; REPORT.]

The commissioner of the pollution control agency shall convene a workgroup consisting of representatives from Natural Resources Conservation Services and private sector licensed professional engineers, including individuals with expertise in hydraulics, structural systems, and geology, to review and propose design standards for liquid manure storage facilities in areas susceptible to soil collapse and sinkhole formation. This review shall include an evaluation of whether such standards should be volume based or animal unit based. The commissioner shall submit the findings and recommendations of the workgroup to the senate and house agriculture and rural development committees by October 31, 2000.

Sec. 14. [PRIVATE MANURE APPLICATOR EDUCATION AND TRAINING PLAN.]

(a) The commissioner of agriculture shall study and develop a plan, in conjunction with the University of Minnesota extension service, for innovative educational and training programs addressing manure applicator concerns, including water quality protection and the development of manure management plans.

(b) The commissioner shall appoint educational planning committees, which must include representatives of industry.

(c) Specific current regulatory concerns must be discussed and, if appropriate, incorporated into the plan.

(d) The commissioner may consider programs from private industry and nonprofit organizations that meet minimum requirements for education, training, and certification.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for training and certification; defining terms; providing a moratorium;"

Page 1, line 5, after "report" insert ", a study, and a plan"

Page 1, line 9, after the second semicolon, insert "Laws 1998, chapter 40, section 52;"

Page 1, line 11, delete "18B" and insert "18C"

We request adoption of this report and repassage of the bill.

House Conferees: WILLIAM KUISLE, DAN DORMAN AND ROD SKOE.

Senate Conferees: DALLAS C. SAMS, BECKY LOUREY AND STEVE DILLE.

Kuisle moved that the report of the Conference Committee on H. F. No. 3692 be adopted and that the bill be repassed as amended by the Conference Committee.

Peterson moved that the House refuse to adopt the Conference Committee report on H. F. No. 3692 and that the bill be returned to the Conference Committee.

A roll call was requested on the Peterson motion and properly seconded.

Tunheim was excused for the remainder of today's session.

The Speaker called Boudreau to the Chair.

CALL OF THE HOUSE

On the motion of Winter and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Dorn	Howes	Mahoney	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mares	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mariani	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Marko	Peterson	Tingelstad
Bakk	Finseth	Juhnke	McCollum	Pugh	Tomassoni
Biernat	Folliard	Kahn	McElroy	Rest	Trimble
Boudreau	Fuller	Kalis	McGuire	Reuter	Tuma
Bradley	Gerlach	Kelliher	Milbert	Rhodes	Van Dellen
Broecker	Gleason	Kielkucki	Molnau	Rifenberg	Vandever
Buesgens	Goodno	Knoblach	Mulder	Rostberg	Wagenius
Carlson	Gray	Koskinen	Mullery	Rukavina	Wejzman
Carruthers	Greenfield	Krinkie	Murphy	Schumacher	Wenzel
Cassell	Greiling	Kubly	Ness	Seagren	Westerberg
Chaudhary	Gunther	Kuisle	Nornes	Seifert, J.	Westfall
Clark, J.	Haake	Larsen, P.	Olson	Seifert, M.	Westrom
Clark, K.	Hackbarth	Larson, D.	Opatz	Skoe	Wilkin
Daggett	Harder	Leighton	Orfield	Skoglund	Winter
Davids	Hasskamp	Lenczewski	Osskopp	Smith	Wolf
Dawkins	Hausman	Leppik	Osthoff	Solberg	Workman
Dehler	Hilty	Lieder	Otremba	Stanek	Spk. Sviggum
Dempsey	Holberg	Lindner	Ozment	Stang	
Dorman	Holsten	Luther	Paulsen	Storm	

Seifert, M., moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Peterson motion and the roll was called. There were 60 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Folliard	Jennings	Leppik	Opatz	Schumacher
Bakk	Gleason	Juhnke	Luther	Orfield	Skoglund
Biernat	Gray	Kahn	Mahoney	Osthoff	Solberg
Carlson	Greenfield	Kalis	Mariani	Otremba	Swapinski
Carruthers	Greiling	Kelliher	Marko	Paymar	Tomassoni
Chaudhary	Hasskamp	Koskinen	McCollum	Pelowski	Trimble
Clark, K.	Hausman	Kubly	McGuire	Peterson	Tuma
Dawkins	Hilty	Larson, D.	Milbert	Pugh	Wagenius
Dorn	Huntley	Leighton	Mullery	Rest	Wejcmán
Entenza	Jaros	Lenczewski	Murphy	Rukavina	Winter

Those who voted in the negative were:

Abeler	Dempsey	Holberg	Molnau	Rostberg	Van Dellen
Abrams	Dorman	Holsten	Mulder	Seagren	Vandever
Anderson, B.	Erhardt	Howes	Ness	Seifert, J.	Wenzel
Boudreau	Erickson	Kielkucki	Nornes	Seifert, M.	Westerberg
Bradley	Finseth	Knoblach	Olson	Skoe	Westfall
Broecker	Fuller	Krinkie	Osskopp	Smith	Westrom
Buesgens	Gerlach	Kuisle	Ozment	Stanek	Wilkin
Cassell	Goodno	Larsen, P.	Paulsen	Stang	Wolf
Clark, J.	Gunther	Lieder	Pawlenty	Storm	Workman
Daggett	Haake	Lindner	Reuter	Swenson	Spk. Sviggum
Davids	Hackbarth	Mares	Rhodes	Sykora	
Dehler	Harder	McElroy	Rifenberg	Tingelstad	

The motion did not prevail.

The question recurred on the Kuisle motion that the report of the Conference Committee on H. F. No. 3692 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3692, A bill for an act relating to agriculture; amending feedlot permit provisions; providing specific requirements for feedlot permit rules; adding requirements for administrative penalty orders; requiring a report; amending Minnesota Statutes 1998, sections 116.06, by adding a subdivision; 116.07, subdivision 7c; and 116.0713; Minnesota Statutes 1999 Supplement, sections 116.07, subdivision 7; and 116.072, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 18B.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 72 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abeler	Boudreau	Buesgens	Davids	Dorman	Fuller
Abrams	Bradley	Clark, J.	Dehler	Erickson	Gerlach
Anderson, B.	Broecker	Daggett	Dempsey	Finseth	Goodno

Gunther	Juhnke	McElroy	Paulsen	Skoe	Vandever
Haake	Kielkucki	Molnau	Pawlenty	Smith	Wenzel
Hackbarth	Knoblach	Mulder	Pelowski	Stanek	Westerberg
Harder	Krinkie	Ness	Reuter	Stang	Westfall
Holberg	Kuisle	Nornes	Rifenberg	Storm	Westrom
Holsten	Larsen, P.	Olson	Rostberg	Swenson	Wilkin
Howes	Lieder	Opatz	Schumacher	Sykora	Wolf
Huntley	Lindner	Osskopp	Seagren	Tingelstad	Workman
Jennings	Mares	Ozment	Seifert, M.	Van Dellen	Spk. Sviggum

Those who voted in the negative were:

Anderson, I.	Entenza	Jaros	Luther	Osthoff	Solberg
Bakk	Erhardt	Kahn	Mahoney	Otremba	Swapinski
Biernat	Folliard	Kalis	Mariani	Paymar	Tomassoni
Carlson	Gleason	Kelliher	Marko	Peterson	Trimble
Carruthers	Gray	Koskinen	McCollum	Pugh	Tuma
Cassell	Greenfield	Kubly	McGuire	Rest	Wagenius
Chaudhary	Greiling	Larson, D.	Milbert	Rhodes	Wejzman
Clark, K.	Hasskamp	Leighton	Mullery	Rukavina	Winter
Dawkins	Hausman	Lenczewski	Murphy	Seifert, J.	
Dorn	Hilty	Leppik	Orfield	Skoglund	

The bill was repassed, as amended by Conference, and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Pawlenty from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day, immediately preceding the remaining bills on the Calendar for the Day, for Thursday, April 13, 2000:

H. F. Nos. 3491 and 3046.

CALENDAR FOR THE DAY

H. F. No. 3491 was reported to the House.

Davids moved that H. F. No. 3491 be continued on the Calendar for the Day. The motion prevailed.

H. F. No. 3046 was reported to the House.

Holsten moved to amend H. F. No. 3046, the second engrossment, as follows:

Page 6, line 33, delete "this section" and insert "subdivision 3"

Page 6, line 34, delete "staff complement" and insert "permanent staffing levels"

Page 6, line 35, after "wildlife" insert "and the division of enforcement"

The motion prevailed and the amendment was adopted.

H. F. No. 3046, A bill for an act relating to game and fish; requiring certain reports; modifying duties of citizen oversight committees; modifying certain licensing fees; appropriating money; amending Minnesota Statutes 1998, sections 97A.055, subdivisions 4 and 4a; 97A.475, subdivisions 2, 3, 6, 7, 8, 11, 12, 13, and 20; and 97A.485, subdivision 12.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Abeler	Entenza	Holsten	Lieder	Ozment	Storm
Anderson, B.	Erhardt	Howes	Luther	Paulsen	Swapinski
Bakk	Erickson	Huntley	Mares	Paymar	Swenson
Bishop	Folliard	Jennings	McCollum	Peterson	Sykora
Boudreau	Fuller	Juhnke	McElroy	Rest	Tingelstad
Bradley	Goodno	Kahn	McGuire	Rhodes	Tuma
Broecker	Greiling	Kalis	Molnau	Rostberg	Wagenius
Carruthers	Gunther	Kelliher	Murphy	Schumacher	Wenzel
Cassell	Haake	Knoblach	Ness	Seagren	Westerberg
Clark, J.	Hackbarth	Koskinen	Nornes	Seifert, J.	Westfall
Daggett	Harder	Kubly	Olson	Seifert, M.	Winter
Dehler	Hasskamp	Kuisle	Opatz	Skoe	Workman
Dempsey	Hausman	Larsen, P.	Orfield	Skoglund	Spk. Sviggum
Dorman	Hilty	Leighton	Osskopp	Stanek	
Dorn	Holberg	Leppik	Osthoff	Stang	

Those who voted in the negative were:

Abrams	Dawkins	Krinkie	Mulder	Rukavina	Westrom
Anderson, I.	Finseth	Larson, D.	Mullery	Smith	Wilkin
Biernat	Gerlach	Lenczewski	Otremba	Solberg	Wolf
Buesgens	Gleason	Lindner	Pawlenty	Tomassoni	
Carlson	Gray	Mahoney	Pelowski	Trimble	
Chaudhary	Greenfield	Mariani	Pugh	Van Dellen	
Clark, K.	Jaros	Marko	Reuter	Vandev eer	
Davids	Kielkucki	Milbert	Rifenberg	Wejcman	

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

Pawlenty moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

CALL OF THE HOUSE LIFTED

Molnau moved that the call of the House be suspended. The motion prevailed and it was so ordered.

MOTIONS AND RESOLUTIONS

Goodno moved that the name of Bradley be added as an author on H. F. No. 3652. The motion prevailed.

Westerberg moved that S. F. No. 3019 be recalled from the Committee on Civil Law and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

The Speaker resumed the Chair.

House Resolution No. 22 was reported to the House.

HOUSE RESOLUTION NO. 22

A house resolution recognizing and honoring the citizens of Southeastern Minnesota for dedicating their time and money to build the Soldiers Field Veterans Memorial in Rochester, Minnesota.

Whereas, the citizens of Southeast Minnesota have dedicated their time and effort to building the Soldiers Field Veterans Memorial; and

Whereas, this memorial will honor those from the area who gave their last full measure of devotion to our nation, by engraving their names on the Wall of Remembrance at the memorial; and

Whereas, this memorial will also be dedicated to all veterans who served and will serve in the military during times of conflict, during times of war, and during times of peace, to ensure the safety and well-being of all citizens of our state and nation; and

Whereas, this memorial will serve to remind all generations that freedom is not free; and

Whereas, the citizens of Southeast Minnesota built this memorial, valued at \$3.5 to 5 million, without the use of tax dollars; *Now, Therefore*,

Be It Resolved by the House of Representatives of the State of Minnesota that it recognizes and honors the citizens of Southeast Minnesota for their dedication and efforts in building this memorial and calls upon all citizens of Minnesota to honor all veterans and support this memorial.

Be It Further Resolved that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and that of the Speaker, and transmit them to the Mayor of Rochester and the Committee of Volunteers, to hold in trust for the citizens of Southeastern Minnesota.

Bradley moved that House Resolution No. 22 be now adopted. The motion prevailed and House Resolution No. 22 was adopted.

ANNOUNCEMENT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Pursuant to rule 3.14, the Committee on Rules and Legislative Administration specified Friday, April 14, 2000, as the date after which a notice of intent to move to reconsider must not be made.

ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 9:00 a.m., Monday, April 17, 2000. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Monday, April 17, 2000.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

