

## STATE OF MINNESOTA

## EIGHTY-FIRST SESSION — 1999

---

 SIXTY-FIFTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 14, 1999

The House of Representatives convened at 9:30 a.m. and was called to order by Steve Sviggum, Speaker of the House.

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

A quorum was present.

Munger was excused.

Holberg was excused until 10:30 a.m.

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

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 11, 1999

The Honorable Steve Sviggum  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Sviggum:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 174, relating to the Paynesville area hospital district; authorizing the district to annex the city of Richmond to the district.

H. F. No. 70, relating to public safety; authorizing law enforcement agencies to sell forfeited firearms, ammunition, and firearm accessories to firearms dealers; allowing certain agencies to retain forfeited money for crime prevention use.

Sincerely,

JESSE VENTURA  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Steve Sviggum  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1999 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1999</i>	<i>Date Filed 1999</i>
184		139	1:35 p.m. May 11	May 11
1357		140	1:38 p.m. May 11	May 11
2234		141	1:40 p.m. May 11	May 11
411		142	1:42 p.m. May 11	May 11
1115		143	1:45 p.m. May 11	May 11
1746		144	1:47 p.m. May 11	May 11
376		145	1:49 p.m. May 11	May 11
1268		146	1:50 p.m. May 11	May 11
	174	147	1:52 p.m. May 11	May 11
	70	148	1:54 p.m. May 11	May 11

Sincerely,

MARY KIFFMEYER  
Secretary of State

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dauids introduced:

H. F. No. 2451, A bill for an act relating to telecommunications; establishing depreciation range system for telephone companies; amending Minnesota Statutes 1998, sections 237.075, subdivision 6; 237.22; and 237.773, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Rules, parts 7810.7000; 7810.7100; 7810.7200; 7810.7300; 7810.7400; 7810.7500; 7810.7600; 7810.7700; 7810.7800; 7810.7900; and 7810.8000.

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

Pelowski; Leppik; Seifert, M., and Carlson introduced:

H. F. No. 2452, A bill for an act relating to education; abolishing the higher education services office; establishing an office in the department of children, families, and learning to assume limited responsibilities; transferring certain responsibilities of the higher education services office to the department of finance and the post-secondary governing boards; appropriating money; amending Minnesota Statutes 1998, sections 136A.01; 136A.06; 136A.08; 136A.101, subdivisions 2 and 4; 136A.121, subdivisions 2, 6, 7, 9, and 9a; 136A.122; 136A.131, subdivision 1; 136A.1359; 136A.15, subdivision 3; 136A.16, subdivision 1; 136A.162; 136A.1701, subdivision 1; 136A.171; 136A.232; 136A.233, subdivision 1, and by adding a subdivision; 136A.242, subdivisions 5 and 8; 136A.243; 136A.244, subdivision 3; 136A.26; 136A.29, subdivision 4; and 136A.62, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; repealing Minnesota Statutes 1998, sections 136A.011; 136A.03; 136A.031; 136A.0411; 136A.05; 136A.07; 136A.101, subdivision 3; 136A.121, subdivision 17; 136A.136; 136A.15, subdivision 4; 136A.18; 136A.23; and 136A.87.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Westrom, Mulder, Gunther, Kubly, Cassell, Stang, Finseth, Nornes, Westfall and Erickson introduced:

H. F. No. 2453, A bill for an act relating to rural economic development; providing incentives for economic development in greater Minnesota; containing urban sprawl; expanding the research and credit for research in certain areas of the state; expanding the permitted uses of economic development tax increment financing districts; providing a sales tax exemption for building materials for certain facilities; specifying the duration limits of economic development tax increment financing districts based on geographic areas; amending Minnesota Statutes 1998, sections 290.068, subdivisions 1 and 2; 297A.25, by adding a subdivision; 469.174, by adding a subdivision; and 469.176, subdivisions 1b and 4c; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Policy.

Carruthers, Mares, Ozment and Wenzel introduced:

H. F. No. 2454, A bill for an act relating to retirement; state deferred compensation plan; authorizing the designation of certain trusts as beneficiary; proposing coding for new law in Minnesota Statutes, chapter 352.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs Policy.

Mulder introduced:

H. F. No. 2455, A bill for an act relating to floodwaters; restricting certain drainage projects; amending Minnesota Statutes 1998, section 103E.015, by adding a subdivision.

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

Kahn, Greiling, Wejzman, Skoglund and Hausman introduced:

H. F. No. 2456, A bill for an act relating to traffic regulations; requiring persons under age 12 to wear protective headgear when riding or being carried by a bicycle on a roadway, sidewalk, or bicycle path or trail; prohibiting parent or guardian from knowingly permitting a violation; amending Minnesota Statutes 1998, sections 169.222, by adding a subdivision; and 260.015, subdivision 21.

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

Haas, Lindner, Luther, Leppik, Carruthers, Carlson, Mares, Mullery, Biernat, Rest, Gray, Kalis, Solberg, Bishop and Gunther introduced:

H. F. No. 2457, A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature; providing for remodeling of, and an addition to, a building at North Hennepin Community College; authorizing issuance of bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Abrams, Pawlenty, Pugh and Sviggum introduced:

H. F. No. 2458, A bill for an act relating to the legislature; requiring passage of omnibus tax bill in odd-numbered year by April 15; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs Policy.

Kalis and Gunther introduced:

H. F. No. 2459, A bill for an act relating to transportation; appropriating money for Faribault county transit system.

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

Carruthers, Stanek, McGuire and Smith introduced:

H. F. No. 2460, A bill for an act relating to juvenile traffic offenders; providing for adult court jurisdiction over juveniles who commit nonfelony level traffic offenses after becoming 16 years of age; amending Minnesota Statutes 1998, section 260.193, subdivisions 1 and 4.

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

Kahn, Hasskamp, Leppik, Skoglund and Greenfield introduced:

H. F. No. 2461, A bill for an act relating to smoking; prohibiting tobacco advertisements and promotions in areas frequented by youth; prohibiting smoking in workplaces; providing for smoke-free areas in multitenant buildings; providing that the deposit of partially burned cigarettes is littering; providing penalties; amending Minnesota Statutes 1998, sections 85.20, subdivision 6; 169.42, subdivision 1; 169.421, subdivision 3; 144.413, subdivision 2; 144.414, subdivision 1, and by adding a subdivision; 144.415; and 609.68; proposing coding for new law in Minnesota Statutes, chapters 144; and 325E.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Pelowski introduced:

H. F. No. 2462, A bill for an act relating to railroads; placing limitations on eminent domain power of railroads; amending Minnesota Statutes 1998, section 222.27.

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

### **MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 726, A bill for an act relating to capital improvements; providing standards for state assistance to capital improvement projects of political subdivisions; proposing coding for new law in Minnesota Statutes, chapter 16A.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1024, A bill for an act relating to tax-exempt bond allocations; providing for certain eligibility, scoring system, income and purchase price limits, and reservation of authority; amending Minnesota Statutes 1998, sections 474A.02, subdivision 23a; 474A.045; 474A.061, subdivisions 2a, 2b, and 4; and 474A.091, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 145, A bill for an act relating to ethics in government; clarifying and simplifying the law related to lobbyist registration, conflicts of interest, and campaign finance; eliminating invalid provisions; amending Minnesota Statutes 1998, sections 10A.01; 10A.02, as amended; 10A.03; 10A.04; 10A.05; 10A.06; 10A.065, subdivisions 1, 1a, and 3; 10A.08; 10A.09; 10A.10; 10A.11; 10A.12; 10A.13; 10A.14; 10A.15; 10A.16; 10A.17; 10A.18; 10A.19; 10A.20; 10A.22, subdivisions 6 and 7; 10A.23; 10A.24; 10A.241; 10A.242; 10A.25; 10A.255, subdivisions 1 and 3; 10A.265; 10A.27; 10A.275, subdivision 1; 10A.28; 10A.29; 10A.30, subdivision 1; 10A.31; 10A.315; 10A.321; 10A.322; 10A.323; 10A.324, subdivisions 1 and 3; 10A.34; 200.02, by adding a subdivision; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1998, sections 10A.065, subdivision 5; 10A.22, subdivisions 1, 4, and 5; 10A.255, subdivision 2; 10A.275, subdivisions 2 and 3; 10A.324, subdivisions 2 and 4; 10A.325; 10A.335; 10A.40; 10A.41; 10A.42; 10A.43; 10A.44; 10A.45; 10A.46; 10A.47; 10A.48; 10A.49; 10A.50; and 10A.51.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Marty, Scheid and Ourada.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rhodes moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 145. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1831, A bill for an act relating to crime prevention; making miscellaneous changes to certain forfeiture provisions; amending Minnesota Statutes 1998, sections 169.1217, subdivisions 7 and 7a; and 609.5314, subdivisions 2 and 3.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Anderson, Neuville and Spear.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Dawkins moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1831. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 369, A bill for an act relating to health occupations; permitting physician assistants to render care in disasters without physician and physician assistant agreements; proposing coding for new law in Minnesota Statutes, chapter 147A.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Piper, Lesewski and Foley.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

McCollum moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 369. The motion prevailed.

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. 1932, A bill for an act relating to insurance; regulating rental vehicle coverages; requiring a study of rental car availability; amending Minnesota Statutes 1998, sections 60K.03, subdivision 7; and 72A.125, subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jennings moved that the House refuse to concur in the Senate amendments to H. F. No. 1932, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1636.

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. 1636

A bill for an act relating to governmental operations; providing for regulatory relief for local units of government; proposing coding for new law in Minnesota Statutes, chapter 14.

May 12, 1999

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. 1636, 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. 1636 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [14.091] [PETITION; UNIT OF LOCAL GOVERNMENT.]

(a) The elected governing body of a statutory or home-rule city or a county may petition for amendment or repeal of a rule or a specified portion of a rule. The petition must be adopted by resolution of the elected governing body and must be submitted in writing to the agency and to the office of administrative hearings, must specify what amendment or repeal is requested, and must demonstrate that one of the following has become available since the adoption of the rule in question:

(1) significant new evidence relating to the need for or reasonableness of the rule; or

(2) less costly or intrusive methods of achieving the purpose of the rule.

(b) Within 30 days of receiving a petition, an agency shall reply to the petitioner in writing stating either that the agency, within 90 days of the date of the reply, will give notice under section 14.389 of intent to adopt the amendment or repeal requested by the petitioner or that the agency does not intend to amend or repeal the rule and has requested the office of administrative hearings to review the petition. If the agency intends to amend or repeal the rule in the manner requested by the petitioner, the agency must use the process under section 14.389 to amend or repeal the rule. Section 14.389, subdivision 5, applies.



(c) Upon receipt of an agency request under paragraph (b), the chief administrative law judge shall assign an administrative law judge, who was not involved when the rule or portion of a rule that is the subject of the petition was adopted or amended, to review the petition to determine whether the petitioner has complied with the requirements of paragraph (a). The petitioner, the agency, or any interested person, at the option of any of them, may submit written material for the assigned administrative law judge's consideration within ten days of the chief administrative law judge's receipt of the agency request. The administrative law judge shall dismiss the petition if the judge determines that:

- (1) the petitioner has not complied with the requirements of paragraph (a);
- (2) the rule is required to comply with a court order; or
- (3) the rule is required by federal law or is required to maintain authority to administer a federal program.

(d) If the administrative law judge assigned by the chief administrative law judge determines that the petitioner has complied with the requirements of paragraph (a), the administrative law judge shall conduct a hearing and issue a decision on the petition within 120 days of its receipt by the office of administrative hearings. The agency shall give notice of the hearing in the same manner required for notice of a proposed rule hearing under section 14.14, subdivision 1a. At the public hearing, the agency shall make an affirmative presentation of facts establishing the need for and reasonableness of the rule or portion of the rule in question. If the administrative law judge determines that the agency has not established the continued need for and reasonableness of the rule or portion of the rule, the rule or portion of the rule does not have the force of law, effective 90 days after the administrative law judge's decision, unless the agency has before then published notice in the State Register of intent to amend or repeal the rule in accordance with paragraph (e).

(e) The agency may amend or repeal the rule in the manner requested by the petitioner, or in another manner that the administrative law judge has determined is needed and reasonable. Amendments under this paragraph may be adopted under the expedited process in section 14.389. Section 14.389, subdivision 5, applies to this adoption. If the agency uses the expedited process and no public hearing is required, the agency must complete the amendment or repeal of the rule within 90 days of the administrative law judge's decision under paragraph (d). If a public hearing is required, the agency must complete the amendment or repeal of the rule within 180 days of the administrative law judge's decision under paragraph (d). A rule or portion of a rule that is not amended or repealed in the time prescribed by this paragraph does not have the force of law upon expiration of the deadline. A rule that is amended within the time prescribed in this paragraph has the force of law, as amended.

(f) The chief administrative law judge shall report the decision under paragraph (d) within 30 days to the chairs of the house and senate committees having jurisdiction over governmental operations and the chairs of the house and senate committees having jurisdiction over the agency whose rule or portion of a rule was the subject of the petition.

(g) The chief administrative law judge shall assess a petitioner half the cost of processing a petition and conducting a public hearing under paragraph (d).

(h) This section expires July 31, 2001."

Delete the title and insert:

"A bill for an act relating to governmental operations; providing for regulatory relief for local units of government; proposing coding for new law in Minnesota Statutes, chapter 14."

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

Senate Conferees: LEROY A. STUMPF, JOHN C. HOTTINGER AND MARTHA R. ROBERTSON.

House Conferees: JIM KNOBLACH, GEORGE CASSELL AND BILL HILTY.

Knoblach moved that the report of the Conference Committee on S. F. No. 1636 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1636, A bill for an act relating to governmental operations; providing for regulatory relief for local units of government; proposing coding for new law in Minnesota Statutes, chapter 14.

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 103 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Jaros	Milbert	Rhodes	Tuma
Abrams	Dorn	Jennings	Molnau	Rifenberg	Tunheim
Anderson, B.	Erhardt	Johnson	Mulder	Rostberg	Van Dellen
Anderson, I.	Erickson	Juhnke	Murphy	Rukavina	Vandever
Bakk	Finseth	Kalis	Ness	Schumacher	Wenzel
Bishop	Fuller	Kielkucki	Nornes	Seagren	Westerberg
Boudreau	Gerlach	Knoblach	Olson	Seifert, J.	Westfall
Bradley	Gleason	Krinkie	Opatz	Seifert, M.	Westrom
Broecker	Goodno	Kubly	Osskopp	Skoe	Wilkin
Buesgens	Gunther	Kuisle	Otremba	Smith	Winter
Carlson	Haake	Larsen, P.	Ozment	Solberg	Wolf
Cassell	Haas	Leighton	Paulsen	Stanek	Workman
Chaudhary	Hackbarth	Lenczewski	Pawlenty	Stang	Spk. Sviggum
Clark, J.	Harder	Leppik	Pelowski	Storm	
Daggett	Hasskamp	Lieder	Peterson	Swenson	
Davids	Hilty	Lindner	Pugh	Sykora	
Dehler	Holsten	Mares	Rest	Tingelstad	
Dempsey	Howes	McElroy	Reuter	Tomassoni	

Those who voted in the negative were:

Biernat	Folliard	Huntley	Luther	McGuire	Skoglund
Carruthers	Gray	Kahn	Mahoney	Mullery	Trimble
Clark, K.	Greenfield	Kelliher	Mariani	Orfield	Wagenius
Dawkins	Greiling	Koskinen	Marko	Osthoff	Wejcman
Entenza	Hausman	Larson, D.	McCollum	Paymar	

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. 1382.

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. 1382

A bill for an act relating to crime prevention; repealing provisions and striking language related to the enhanced gross misdemeanor DWI crime; expanding the gross misdemeanor DWI crime, probationary period, and mandatory sentencing provisions; requiring mandatory consecutive sentences for certain DWI-related offenses; amending Minnesota Statutes 1998, sections 169.121, subdivisions 1c, 3, and 3d; 169.129, subdivision 1; 609.02, subdivision 2; 609.035, subdivision 2; 609.105, subdivisions 1 and 3; 609.135, subdivision 2; and 609.15, subdivision 2; repealing Minnesota Statutes 1998, sections 169.121, subdivision 3e; 169.129, subdivision 2; and 609.02, subdivision 2a.

May 7, 1999

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. 1382, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment.

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

Senate Conferees: ALLAN H. SPEAR, DAVE KLEIS AND LEO T. FOLEY.

House Conferees: KEVIN GOODNO, MATT ENTENZA AND DOUG FULLER.

Goodno moved that the report of the Conference Committee on S. F. No. 1382 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1382, A bill for an act relating to crime prevention; repealing provisions and striking language related to the enhanced gross misdemeanor DWI crime; expanding the gross misdemeanor DWI crime, probationary period, and mandatory sentencing provisions; requiring mandatory consecutive sentences for certain DWI-related offenses; amending Minnesota Statutes 1998, sections 169.121, subdivisions 1c, 3, and 3d; 169.129, subdivision 1; 609.02, subdivision 2; 609.035, subdivision 2; 609.105, subdivisions 1 and 3; 609.135, subdivision 2; and 609.15, subdivision 2; repealing Minnesota Statutes 1998, sections 169.121, subdivision 3e; 169.129, subdivision 2; and 609.02, subdivision 2a.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Biernat	Buesgens	Clark, J.	Dehler	Erhardt
Abrams	Bishop	Carlson	Clark, K.	Dempsey	Finseth
Anderson, B.	Boudreau	Carruthers	Daggett	Dorman	Folliard
Anderson, I.	Bradley	Cassell	Davids	Dorn	Fuller
Bakk	Broecker	Chaudhary	Dawkins	Entenza	Gerlach

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

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

The Speaker called Abrams to the Chair.

Mr. Speaker:

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

S. F. No. 746.

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. 746

A bill for an act relating to local government; permitting Grand Rapids to hold their general election in November.

May 12, 1999

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. 746, 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. 746 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [GRAND RAPIDS TOWNSHIP; NOVEMBER GENERAL ELECTION.]

Grand Rapids Township may designate the first Tuesday after the first Monday in November of either the even-numbered or the odd-numbered year as the date of the town general election. The ordinance or resolution changing the date of the town general election must include a plan to shorten or lengthen the terms of office to provide for an orderly transition to the November election schedule. The ordinance or resolution changing the date of the town general election may be proposed by the town board or by a resolution of the electors adopted at the annual meeting and is effective upon an affirmative vote of the electors at the next town general election. Town supervisors elected at a November election shall serve three-year terms and shall serve until a successor is elected and qualified.

Sec. 2. [CITY OF GRAND RAPIDS PUBLIC UTILITIES COMMISSION; MEMBERSHIP.]

Notwithstanding Minnesota Statutes, section 412.341, the city of Grand Rapids may by ordinance increase the Grand Rapids public utilities commission membership to five members. The ordinance increasing the commission membership must provide for the initial terms of the additional members so that no more than two positions on the commission are open for appointment in any year.

Sec. 3. [LOCAL APPROVAL NOT REQUIRED.]

This act is effective without local approval as provided in Minnesota Statutes, section 645.023."

Delete the title and insert:

"A bill for an act relating to local government; permitting Grand Rapids Township to hold its general election in November; permitting the city of Grand Rapids to increase the membership of its public utilities commission to five members."

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

Senate Conferees: BOB LESSARD, JIM VICKERMAN AND DENNIS R. FREDERICKSON.

House Conferees: LOREN A. SOLBERG, ELAINE HARDER AND MARY ELLEN OTREMBIA.

Solberg moved that the report of the Conference Committee on S. F. No. 746 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 746, A bill for an act relating to local government; permitting Grand Rapids to hold their general election in November.

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 130 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Olson                      Sykora

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. 23.

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. 23

A bill for an act relating to family law; repealing the administrative process for support orders; establishing a child support magistrate system; amending Minnesota Statutes 1998, sections 357.021, subdivision 1a; 484.70, subdivision 1; 518.54, by adding a subdivision; 518.551, subdivisions 9, 12, 13, and 14; 518.575, subdivision 1; 518.616, subdivision 1; and 552.05, subdivision 10; Laws 1998, chapter 338, section 8; proposing coding for new law in Minnesota Statutes, chapters 484; and 518; repealing Minnesota Statutes 1998, sections 518.5511; and 518.5512.

May 11, 1999

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. 23, 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. 23 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

EXPEDITED ADMINISTRATIVE PROCEDURES AND JUDICIAL PROCESS

Section 1. Minnesota Statutes 1998, section 484.70, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] The chief judge of the judicial district may appoint one or more suitable persons to act as referees. Referees shall hold office at the pleasure of the judges of the district court and shall be learned in the law, except that persons holding the office of referee on January 1, 1983, may continue to serve under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family, probate, juvenile or special term court. ~~Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.~~

Sec. 2. [484.702] [EXPEDITED CHILD SUPPORT HEARING PROCESS.]

Subdivision 1. [CREATION; SCOPE.] (a) The supreme court shall create an expedited child support hearing process to establish, modify, and enforce child support; and enforce maintenance, if combined with child support. The process must be designed to handle child support and paternity matters in compliance with federal law.

(b) All proceedings establishing, modifying, or enforcing support orders; and enforcing maintenance orders, if combined with a support proceeding, must be conducted in the expedited process if the case is a IV-D case. Cases that are not IV-D cases may not be conducted in the expedited process.

(c) This section does not prevent a party, upon timely notice to the public authority, from commencing an action or bringing a motion in district court for the establishment, modification, or enforcement of support, or enforcement of maintenance orders if combined with a support proceeding, where additional issues involving domestic abuse, establishment or modification of custody or visitation, or property issues exist as noticed by the complaint, motion, counter motion, or counter action.

(d) At the option of the county, the expedited process may include contempt actions or actions to establish parentage.

(e) The expedited process should meet the following goals:

(1) be streamlined and uniform statewide and result in timely and consistent issuance of orders;

(2) be accessible to the parties without the need for an attorney and minimize litigation;

(3) be a cost-effective use of limited financial resources; and

(4) comply with applicable federal law.

(f) For purposes of this section, "IV-D case" has the meaning given in section 518.54.

Subd. 2. [ADMINISTRATION.] (a) The state court administrator shall provide for the administration of the expedited child support hearing process in each judicial district.

(b) Until June 30, 2000, the office of administrative hearings and the state court administrator may enter into contracts to provide one or more administrative law judges to serve as child support magistrates and for administrative and case management support. The title to all personal property used in the administrative child support process mutually agreed upon by the office of administrative hearings and the office of the state court administrator must be transferred to the state court administrator for use in the expedited child support process.

Subd. 3. [APPOINTMENT OF CHILD SUPPORT MAGISTRATES.] The chief judge of each judicial district may appoint one or more suitable persons to act as child support magistrates for the expedited child support hearing process, with the confirmation of the supreme court. A child support magistrate appointed to serve in the expedited child support process, whether hired on a full-time, part-time, or contract basis, is a judicial officer under section 43A.02, subdivision 25, and is an employee of the state under section 3.732 for purposes of section 3.736 only.

Subd. 4. [TRAINING AND QUALIFICATIONS OF CHILD SUPPORT MAGISTRATES.] The supreme court may:

(1) provide training for individuals who serve as child support magistrates for the expedited child support hearing process;

(2) establish minimum qualifications for child support magistrates; and

(3) establish a policy for evaluating and removing child support magistrates.

Subd. 5. [RULES.] The supreme court, in consultation with the conference of chief judges, shall adopt rules to implement the expedited child support hearing process under this section.

Sec. 3. Minnesota Statutes 1998, section 484.72, is amended by adding a subdivision to read:

Subd. 6. [EXPEDITED CHILD SUPPORT PROCESS.] Notwithstanding subdivisions 1 and 4, hearings and proceedings conducted in the expedited child support process under section 484.702 may be reported by use of electronic recording equipment provided that the equipment meets the minimum standards promulgated by the state court administrator. Electronic recording equipment must be operated and monitored by a person who meets the minimum qualifications promulgated by the state court administrator.

Sec. 4. [518.178] [VISITATION AND SUPPORT REVIEW HEARING.]

Upon motion of either party, the court shall conduct a hearing to review compliance with the visitation and child support provisions set forth in a decree of dissolution or legal separation or an order that establishes child custody, visitation, and support rights and obligations of parents. The state court administrator shall prepare, and each court administrator shall make available, simplified pro se forms for reviewing visitation and child support disputes. The court may impose any visitation enforcement remedy available under sections 518.175 and 518.1751, and any support enforcement remedy available under section 518.551.



Sec. 5. Minnesota Statutes 1998, section 518.54, is amended by adding a subdivision to read:

Subd. 14. [IV-D CASE.] "IV-D case" means a case where a party has assigned to the state rights to child support because of the receipt of public assistance as defined in section 256.741 or has applied for child support services under title IV-D of the Social Security Act, United States Code, title 42, section 654(4).

Sec. 6. Minnesota Statutes 1998, section 518.551, subdivision 9, is amended to read:

Subd. 9. [ASSIGNMENT OF RIGHTS; JUDGMENT.] (a) The public agency responsible for child support enforcement is joined as a party in each case in which rights are assigned under section 256.741, subdivision 2. The court administrator shall enter and docket a judgment obtained by operation of law under section 548.091, subdivision 1, in the name of the public agency to the extent that the obligation has been assigned. When arrearages are reduced to judgment under circumstances in which section 548.091 is not applicable, the court shall grant judgment in favor of, and in the name of, the public agency to the extent that the arrearages are assigned. After filing notice of an assignment with the court administrator, who shall enter the notice in the docket, the public agency may enforce a judgment entered before the assignment of rights as if the judgment were granted to it, and in its name, to the extent that the arrearages in that judgment are assigned.

(b) The public authority is a real party in interest in any IV-D case where there has been an assignment of support. In all other IV-D cases, the public authority has a pecuniary interest, as well as an interest in the welfare of the children involved in those cases. The public authority may intervene as a matter of right in those cases to assure that child support orders are obtained and enforced which provide for an appropriate and accurate level of child, medical, and child care support. If the public authority participates in a IV-D case where the action taken by the public authority requires the use of an attorney's services, the public authority shall be represented by an attorney consistent with the provisions in section 518.255.

Sec. 7. [518.5513] [PUBLIC AUTHORITY PROCEDURES FOR CHILD AND MEDICAL SUPPORT ORDERS AND PARENTAGE ORDERS.]

Subdivision 1. [GENERAL.] The public authority may use the provisions of this section in cases in which support rights are assigned under section 256.741, subdivision 2, or where the public authority is providing services under an application for child support services.

Subd. 2. [ROLE OF NONATTORNEY EMPLOYEES; GENERAL PROVISIONS.] (a) The county attorney shall review and approve as to form and content all pleadings and other legal documents prepared by nonattorney employees of the county agency for use in the expedited child support process.

(b) Under the direction of, and in consultation with, the county attorney, nonattorney employees of the county agency shall have authority to perform the following legal duties:

- (1) meet and confer with parties by mail, telephone, electronic, or other means regarding legal issues;
- (2) explain to parties the purpose, procedure, and function of the expedited child support process and the role and authority of nonattorney employees of the county agency regarding legal issues;
- (3) prepare pleadings, including, but not limited to, summonses and complaints, notices, motions, subpoenas, orders to show cause, proposed orders, administrative orders, and stipulations and agreements;
- (4) issue administrative subpoenas;
- (5) prepare judicial notices;
- (6) negotiate settlement agreements;

(7) attend and participate as a witness in hearings and other proceedings and, if requested by the child support magistrate, present evidence, agreements and stipulations of the parties, and any other information deemed appropriate by the magistrate;

(8) participate in such other activities and perform such other duties as delegated by the county attorney; and

(9) exercise other powers and perform other duties as permitted by statute or court rule.

(c) Nonattorney employees of the county agency may perform the following duties without direction from the county attorney:

(1) gather information on behalf of the public authority;

(2) prepare financial worksheets;

(3) obtain income information from the department of economic security and other sources;

(4) serve documents on parties;

(5) file documents with the court;

(6) meet and confer with parties by mail, telephone, electronic, or other means regarding nonlegal issues;

(7) explain to parties the purpose, procedure, and function of the expedited child support process and the role and authority of nonattorney employees of the county agency regarding nonlegal issues; and

(8) perform such other routine nonlegal duties as assigned.

(d) Performance of the duties prescribed in paragraphs (b) and (c) by nonattorney employees of the county agency does not constitute the unauthorized practice of law for purposes of section 481.02.

Subd. 3. [PREPARATION OF FINANCIAL WORKSHEET.] (a) In cases involving establishment or modification of a child support order, a nonattorney employee of the public authority shall prepare a financial worksheet that contains:

(1) names and addresses of the parties;

(2) Social Security numbers of the parties;

(3) number of members in household of each party and dependents of the parties;

(4) names and addresses of the parties' employers;

(5) net income of the parties as defined in section 518.551, subdivision 5, with the authorized deductions itemized;

(6) amounts and sources of any other earnings and income of the parties;

(7) health insurance coverage of parties; and

(8) any other information relevant to the determination of child or medical support under section 518.171 or 518.551, subdivision 5.

(b) In preparing the financial worksheet, the nonattorney employee of the public authority shall obtain any income information available to the public authority from the department of economic security and serve this information on the parties. The information must be filed with the court or child support magistrate at least five days before any hearing involving child support, medical support, or child care reimbursement issues.

Subd. 4. [NONCONTESTED MATTERS.] Under the direction of the county attorney and based on agreement of the parties, nonattorney employees may prepare a stipulation, findings of fact, conclusions of law, and proposed order. The documents must be approved and signed by the county attorney as to form and content before submission to the court or child support magistrate for approval.

Subd. 5. [ADMINISTRATIVE AUTHORITY.] (a) The public authority may take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any judicial or administrative tribunal:

(1) recognize and enforce orders of child support agencies of other states;

(2) upon request for genetic testing by a child, parent, or any alleged parent, and using the procedure in paragraph (b), order the child, parent, or alleged parent to submit to blood or genetic testing for the purpose of establishing paternity;

(3) subpoena financial or other information needed to establish, modify, or enforce a child support order and request sanctions for failure to respond to a subpoena;

(4) upon notice to the obligor, obligee, and the appropriate court, direct the obligor or other payor to change the payee to the central collections unit under sections 518.5851 to 518.5853;

(5) order income withholding of child support under section 518.6111;

(6) secure assets to satisfy the debt or arrearage in cases in which there is a support debt or arrearage by:

(i) intercepting or seizing periodic or lump sum payments from state or local agencies, including reemployment insurance, workers' compensation payments, judgments, settlements, lotteries, and other lump sum payments;

(ii) attaching and seizing assets of the obligor held in financial institutions or public or private retirement funds;  
and

(iii) imposing liens in accordance with section 548.091 and, in appropriate cases, forcing the sale of property and the distribution of proceeds;

(7) for the purpose of securing overdue support, increase the amount of the monthly support payments by an additional amount equal to 20 percent of the monthly support payment to include amounts for debts or arrearages;  
and

(8) subpoena an employer or payor of funds to provide promptly information on the employment, compensation, and benefits of an individual employed by that employer as an employee or contractor, and to request sanctions for failure to respond to the subpoena as provided by law.

(b) A request for genetic testing by a child, parent, or alleged parent must be supported by a sworn statement by the person requesting genetic testing alleging paternity, which sets forth facts establishing a reasonable possibility of the requisite sexual contact between the parties, or denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the alleged parties. The order for genetic tests may be served anywhere within the state and served outside the state in the same manner as prescribed by law for service of subpoenas issued by the district court of this state. If the child, parent, or alleged parent fails to comply with the genetic testing order, the public authority may seek to enforce that order in district court through a motion to compel testing. No results obtained through genetic testing done in response to an order issued under this section may be used in any criminal proceeding.

(c) Subpoenas may be served anywhere within the state and served outside the state in the same manner as prescribed by law for service of process of subpoenas issued by the district court of this state. When a subpoena under this subdivision is served on a third-party recordkeeper, written notice of the subpoena shall be mailed to the person who is the subject of the subpoenaed material at the person's last known address within three days of the day the subpoena is served. This notice provision does not apply if there is reasonable cause to believe the giving of the notice may lead to interference with the production of the subpoenaed documents.

(d) A person served with a subpoena may make a written objection to the public authority or court before the time specified in the subpoena for compliance. The public authority or the court shall cancel or modify the subpoena, if appropriate. The public authority shall pay the reasonable costs of producing the documents, if requested.

(e) Subpoenas are enforceable in the same manner as subpoenas of the district court. Upon motion of the county attorney, the court may issue an order directing the production of the records. Failure to comply with the court order may subject the person who fails to comply to civil or criminal contempt of court.

(f) The administrative actions under this subdivision are subject to due process safeguards, including requirements for notice, opportunity to contest the action, and opportunity to appeal the order to the judge, judicial officer, or child support magistrate.

Subd. 6. [SHARING OF INFORMATION.] The public authority may share available and relevant information on the parties in order to perform its duties under this section or under supreme court rules governing the expedited child support hearing process under section 484.702, subject to the limitations of sections 256.87, subdivision 8; 257.70; and 518.005, subdivision 5.

Sec. 8. Minnesota Statutes 1998, section 552.05, subdivision 10, is amended to read:

Subd. 10. [FORMS.] The commissioner of human services shall ~~supreme court is requested to~~ develop statutory forms for use as required under this chapter. ~~In developing these forms, the commissioner shall consult with the attorney general, representatives of financial institutions, and legal services. The commissioner shall report back to the legislature by February 1, 1998, with recommended forms to be included in this chapter.~~

Sec. 9. [TRANSITIONAL PROVISIONS.]

Judicial districts are encouraged to utilize the existing expertise of child support administrative law judges in appointing child support magistrates under section 2 in order to facilitate the transfer of these functions to the judicial branch.

Sec. 10. Laws 1998, chapter 338, section 8, is amended to read:

Sec. 8. [EVALUATION AND RECOMMENDATIONS.]

The supreme court, in consultation with the commissioner of human services, ~~in consultation with~~ and the commissioner's advisory committee for child support enforcement, shall evaluate the extent to which the administrative process has met the legislative mandate to develop and implement an administrative process that is simple, streamlined, informal, uniform throughout the state, and accessible to parties without counsel expedited process. Notwithstanding Minnesota Statutes, section 13.46, the supreme court has access to private data on parties to the expedited process for purposes of doing this evaluation. The evaluation shall determine the extent to which the expedited process meets the goals set forth in Minnesota Statutes, section 484.702, and the level of satisfaction with the expedited process reported by parents who have participated in the process. Results shall be reported, to the extent possible, statewide and by judicial district. The commissioner shall legislature requests that the supreme court present recommendations for further progress towards these mandates the legislative goals. The evaluation and recommendations shall should be presented to the legislature by December 15, ~~1999~~ 2000.

## ARTICLE 2

## ADMINISTRATIVE PROCESS REPEAL

Section 1. Minnesota Statutes 1998, section 13B.06, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Account" means a demand deposit account, checking or negotiable withdraw order account, savings account, time deposit account, or money market mutual fund.

(b) "Account information" means the type of account, the account number, whether the account is singly or jointly owned, and in the case of jointly owned accounts the name and address of the nonobligor account owner if available.

(c) "Financial institution" means any of the following that do business within the state:

(1) federal or state commercial banks and federal or state savings banks, including savings and loan associations and cooperative banks;

(2) federal and state chartered credit unions;

(3) benefit associations;

(4) life insurance companies;

(5) safe deposit companies; and

(6) money market mutual funds.

(d) "Obligor" means an individual who is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, and is not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge~~ a child support magistrate, or the public authority.

(e) "Public authority" means the public authority responsible for child support enforcement.

Sec. 2. Minnesota Statutes 1998, section 168A.20, subdivision 4, is amended to read:

Subd. 4. [SATISFACTION OF LIEN FOR CHILD SUPPORT.] If the secured party is a public authority or a child support or maintenance obligee with a lien under section 168A.05, subdivision 8, upon either the satisfaction of a security interest in a vehicle for which the certificate of title is in the possession of the owner, or the execution by the owner of a written payment agreement determined to be acceptable by the court, ~~an administrative law judge~~ a child support magistrate, the public authority, or the obligee, within 15 days the secured party shall execute a release of security interest on the form prescribed by the department and mail or deliver the notification with release to the owner or any person who delivers to the secured party an authorization from the owner to receive the release.

Sec. 3. Minnesota Statutes 1998, section 171.186, subdivision 1, is amended to read:

Subdivision 1. [SUSPENSION.] The commissioner shall suspend a person's driver's license or operating privileges without a hearing upon receipt of a court order or notice from a public authority responsible for child support enforcement that states that the driver is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, and is not in compliance with a written payment agreement regarding both current support and arrearages approved by a court, ~~an administrative law judge~~ a child support magistrate, or the public authority responsible for child support enforcement, in accordance with section 518.551, subdivision 13.

Sec. 4. Minnesota Statutes 1998, section 171.186, subdivision 3, is amended to read:

Subd. 3. [DURATION.] A license or operating privilege must remain suspended and may not be reinstated, nor may a license be subsequently issued to the person, until the commissioner receives notice from the court, ~~an administrative law judge~~ a child support magistrate, or public authority responsible for child support enforcement that the person is in compliance with all current orders of support or written payment agreements regarding both current support and arrearages. A fee may not be assessed for reinstatement of a license under this section.

Sec. 5. Minnesota Statutes 1998, section 214.101, subdivision 1, is amended to read:

Subdivision 1. [COURT ORDER; HEARING ON SUSPENSION.] (a) For purposes of this section, "licensing board" means a licensing board or other state agency that issues an occupational license.

(b) If a licensing board receives an order from a court or ~~an administrative law judge~~ a child support magistrate or a notice from a public authority responsible for child support enforcement under section 518.551, subdivision 12, dealing with suspension of a license of a person found by the court or the public authority to be in arrears in child support or maintenance payments, or both, the board shall, within 30 days of receipt of the order or public authority notice, suspend the license as directed by the order or notice.

Sec. 6. Minnesota Statutes 1998, section 214.101, subdivision 4, is amended to read:

Subd. 4. [VERIFICATION OF PAYMENTS.] A board may not issue, reinstate, or renew a license of a person who has been suspended or is the subject of an order or notice under this section until it receives notification from the court, ~~administrative law judge~~ child support magistrate, or public authority that referred the matter to the board confirming that the applicant is not in arrears in either child support or maintenance payments, or confirming that the person is in compliance with a written payment plan regarding both current support and arrearages.

Sec. 7. Minnesota Statutes 1998, section 357.021, subdivision 1a, is amended to read:

Subd. 1a. [TRANSMITTAL OF FEES TO STATE TREASURER.] (a) Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

(b) In a county which has a screener-collector position, fees paid by a county pursuant to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the fees first to reimburse the county for the amount of the salary paid for the screener-collector position. The balance of the fees collected shall then be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund. In a county in the eighth judicial district which has a screener-collector position, the fees paid by a county shall be transmitted monthly to the state treasurer for deposit in the state treasury and credited to the general fund. A screener-collector position for purposes of this paragraph is an employee whose function is to increase the collection of fines and to review the incomes of potential clients of the public defender, in order to verify eligibility for that service.

(c) No fee is required under this section from the public authority or the party the public authority represents in an action for:

(1) ~~child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court, or child or medical support enforcement conducted by an administrative law judge in an administrative hearing under section 518.5511, or in a proceeding under section 484.702;~~

(2) civil commitment under chapter 253B;

(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525;

(4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery of overpayments of public assistance;

(5) court relief under chapter 260;

(6) forfeiture of property under sections 169.1217 and 609.531 to 609.5317;

(7) recovery of amounts issued by political subdivisions or public institutions under sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37, and 260.251, or other sections referring to other forms of public assistance;

(8) restitution under section 611A.04; or

(9) actions seeking monetary relief in favor of the state pursuant to section 16D.14, subdivision 5.

(d) The fees collected for child support modifications under subdivision 2, clause (13), must be transmitted to the county treasurer for deposit in the county general fund. The fees must be used by the county to pay for child support enforcement efforts by county attorneys.

Sec. 8. Minnesota Statutes 1998, section 518.171, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] (a) The order is binding on the employer or union and the health and dental insurance plan when service under subdivision 3 has been made. In the case of an obligor who changes employment and is required to provide health coverage for the child, a new employer that provides health care coverage shall enroll the child in the obligor's health plan upon receipt of an order or notice for health insurance, unless the obligor contests the enrollment. The obligor may contest the enrollment on the limited grounds that the enrollment is improper due to mistake of fact or that the enrollment meets the requirements of section 518.64, subdivision 2. If the obligor chooses to contest the enrollment, the obligor must do so no later than 15 days after the employer notifies the obligor of the enrollment, by doing all of the following:

(1) filing a request for contested hearing according to section ~~518.5511, subdivision 3a~~ 484.702;

(2) serving a copy of the request for contested hearing upon the public authority and the obligee; and

(3) securing a date for the contested hearing no later than 45 days after the notice of enrollment.

(b) The enrollment must remain in place during the time period in which the obligor contests the withholding.

An employer or union that is included under ERISA may not deny enrollment based on exclusionary clauses described in section 62A.048. Upon application of the obligor according to the order or notice, the employer or union and its health and dental insurance plan shall enroll the minor child as a beneficiary in the group insurance plan and withhold any required premium from the obligor's income or wages. If more than one plan is offered by the employer or union, the child shall be enrolled in the least costly health insurance plan otherwise available to the obligor that is comparable to a number two qualified plan. If the obligor is not enrolled in a health insurance plan, the employer or union shall also enroll the obligor in the chosen plan if enrollment of the obligor is necessary in order to obtain dependent coverage under the plan. Enrollment of dependents and the obligor shall be immediate and not dependent upon open enrollment periods. Enrollment is not subject to the underwriting policies described in section 62A.048.

(c) An employer or union that willfully fails to comply with the order is liable for any health or dental expenses incurred by the dependents during the period of time the dependents were eligible to be enrolled in the insurance program, and for any other premium costs incurred because the employer or union willfully failed to comply with the order. An employer or union that fails to comply with the order is subject to contempt under section 518.615 and is also subject to a fine of \$500 to be paid to the obligee or public authority. Fines paid to the public authority are designated for child support enforcement services.

(d) Failure of the obligor to execute any documents necessary to enroll the dependent in the group health and dental insurance plan will not affect the obligation of the employer or union and group health and dental insurance plan to enroll the dependent in a plan. Information and authorization provided by the public authority responsible for child support enforcement, or by the custodial parent or guardian, is valid for the purposes of meeting enrollment requirements of the health plan. The insurance coverage for a child eligible under subdivision 5 shall not be terminated except as authorized in subdivision 5.

Sec. 9. Minnesota Statutes 1998, section 518.551, subdivision 12, is amended to read:

Subd. 12. [OCCUPATIONAL LICENSE SUSPENSION.] (a) Upon motion of an obligee, if the court finds that the obligor is or may be licensed by a licensing board listed in section 214.01 or other state, county, or municipal agency or board that issues an occupational license and the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge, a child support magistrate, or the public authority, the administrative law judge, or the court~~ shall direct the licensing board or other licensing agency to suspend the license under section 214.101. The court's order must be stayed for 90 days in order to allow the obligor to execute a written payment agreement regarding both current support and arrearages. The payment agreement must be approved by either the court or the public authority responsible for child support enforcement. If the obligor has not executed or is not in compliance with a written payment agreement regarding both current support and arrearages after the 90 days expires, the court's order becomes effective. If the obligor is a licensed attorney, the court shall report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct. The remedy under this subdivision is in addition to any other enforcement remedy available to the court.

(b) If a public authority responsible for child support enforcement finds that the obligor is or may be licensed by a licensing board listed in section 214.01 or other state, county, or municipal agency or board that issues an occupational license and the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge, a child support magistrate, or the public authority, the court, an administrative law judge, or the public authority~~ shall direct the licensing board or other licensing agency to suspend the license under section 214.101. If the obligor is a licensed attorney, the public authority may report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct. The remedy under this subdivision is in addition to any other enforcement remedy available to the public authority.

(c) At least 90 days before notifying a licensing authority or the lawyers professional responsibility board under paragraph (b), the public authority shall mail a written notice to the license holder addressed to the license holder's last known address that the public authority intends to seek license suspension under this subdivision and that the license holder must request a hearing within 30 days in order to contest the suspension. If the license holder makes a written request for a hearing within 30 days of the date of the notice, ~~either a court hearing or a contested administrative proceeding or a hearing under section 484.702~~ must be held ~~under section 518.5511, subdivision 4~~. Notwithstanding any law to the contrary, the license holder must be served with 14 days' notice in writing specifying the time and place of the hearing and the allegations against the license holder. The notice may be served personally or by mail. If the public authority does not receive a request for a hearing within 30 days of the date of the notice, and the obligor does not execute a written payment agreement regarding both current support and arrearages approved by the public authority within 90 days of the date of the notice, the public authority shall direct the licensing board or other licensing agency to suspend the obligor's license under paragraph (b), or shall report the matter to the lawyers professional responsibility board.

(d) ~~The administrative law judge, on behalf of~~ The public authority; or the court shall notify the lawyers professional responsibility board for appropriate action in accordance with the rules of professional responsibility conduct or order the licensing board or licensing agency to suspend the license if the judge finds that:

(1) the person is licensed by a licensing board or other state agency that issues an occupational license;



(2) the person has not made full payment of arrearages found to be due by the public authority; and

(3) the person has not executed or is not in compliance with a payment plan approved by the court, ~~an administrative law judge~~, a child support magistrate, or the public authority.

(e) Within 15 days of the date on which the obligor either makes full payment of arrearages found to be due by the court or public authority or executes and initiates good faith compliance with a written payment plan approved by the court, ~~an administrative law judge~~, a child support magistrate, or the public authority, the court, ~~an administrative law judge~~, a child support magistrate, or the public authority responsible for child support enforcement shall notify the licensing board or licensing agency or the lawyers professional responsibility board that the obligor is no longer ineligible for license issuance, reinstatement, or renewal under this subdivision.

(f) In addition to the criteria established under this section for the suspension of an obligor's occupational license, a court, ~~an administrative law judge~~, a child support magistrate, or the public authority may direct the licensing board or other licensing agency to suspend the license of a party who has failed, after receiving notice, to comply with a subpoena relating to a paternity or child support proceeding. Notice to an obligor of intent to suspend must be served by first class mail at the obligor's last known address. The notice must inform the obligor of the right to request a hearing. If the obligor makes a written request within ten days of the date of the hearing, a ~~contested administrative proceeding hearing~~ must be held ~~under section 518.5511, subdivision 4~~. At the hearing, the only issues to be considered are mistake of fact and whether the obligor received the subpoena.

(g) The license of an obligor who fails to remain in compliance with an approved payment agreement may be suspended. Notice to the obligor of an intent to suspend under this paragraph must be served by first class mail at the obligor's last known address and must include a notice of hearing. The notice must be served upon the obligor not less than ten days before the date of the hearing. If the obligor appears at the hearing and the judge determines that the obligor has failed to comply with an approved payment agreement, the judge shall notify the occupational licensing board or agency to suspend the obligor's license under paragraph (c). If the obligor fails to appear at the hearing, the public authority may notify the occupational or licensing board to suspend the obligor's license under paragraph (c).

Sec. 10. Minnesota Statutes 1998, section 518.551, subdivision 13, is amended to read:

Subd. 13. [DRIVER'S LICENSE SUSPENSION.] (a) Upon motion of an obligee, which has been properly served on the obligor and upon which there has been an opportunity for hearing, if a court finds that the obligor has been or may be issued a driver's license by the commissioner of public safety and the obligor is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge~~, a child support magistrate, or the public authority, the court shall order the commissioner of public safety to suspend the obligor's driver's license. The court's order must be stayed for 90 days in order to allow the obligor to execute a written payment agreement regarding both current support and arrearages, which payment agreement must be approved by either the court or the public authority responsible for child support enforcement. If the obligor has not executed or is not in compliance with a written payment agreement regarding both current support and arrearages after the 90 days expires, the court's order becomes effective and the commissioner of public safety shall suspend the obligor's driver's license. The remedy under this subdivision is in addition to any other enforcement remedy available to the court. An obligee may not bring a motion under this paragraph within 12 months of a denial of a previous motion under this paragraph.

(b) If a public authority responsible for child support enforcement determines that the obligor has been or may be issued a driver's license by the commissioner of public safety and the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge~~, a child support magistrate, or the public authority, the public authority shall direct the commissioner of public safety to suspend the obligor's driver's license. The remedy under this subdivision is in addition to any other enforcement remedy available to the public authority.

(c) At least 90 days prior to notifying the commissioner of public safety according to paragraph (b), the public authority must mail a written notice to the obligor at the obligor's last known address, that it intends to seek suspension of the obligor's driver's license and that the obligor must request a hearing within 30 days in order to contest the suspension. If the obligor makes a written request for a hearing within 30 days of the date of the notice, ~~either a court hearing or a contested administrative proceeding must be held under section 518.5511, subdivision 4.~~ Notwithstanding any law to the contrary, the obligor must be served with 14 days' notice in writing specifying the time and place of the hearing and the allegations against the obligor. The notice may be served personally or by mail. If the public authority does not receive a request for a hearing within 30 days of the date of the notice, and the obligor does not execute a written payment agreement regarding both current support and arrearages approved by the public authority within 90 days of the date of the notice, the public authority shall direct the commissioner of public safety to suspend the obligor's driver's license under paragraph (b).

(d) At a hearing requested by the obligor under paragraph (c), and on finding that the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, the district court ~~or the administrative law judge~~ or child support magistrate shall order the commissioner of public safety to suspend the obligor's driver's license or operating privileges unless the court ~~or administrative law judge~~ child support magistrate determines that the obligor has executed and is in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge, a child support magistrate,~~ or the public authority.

(e) An obligor whose driver's license or operating privileges are suspended may provide proof to the public authority responsible for child support enforcement that the obligor is in compliance with all written payment agreements regarding both current support and arrearages. Within 15 days of the receipt of that proof, the public authority shall inform the commissioner of public safety that the obligor's driver's license or operating privileges should no longer be suspended.

(f) On January 15, 1997, and every two years after that, the commissioner of human services shall submit a report to the legislature that identifies the following information relevant to the implementation of this section:

- (1) the number of child support obligors notified of an intent to suspend a driver's license;
- (2) the amount collected in payments from the child support obligors notified of an intent to suspend a driver's license;
- (3) the number of cases paid in full and payment agreements executed in response to notification of an intent to suspend a driver's license;
- (4) the number of cases in which there has been notification and no payments or payment agreements;
- (5) the number of driver's licenses suspended; and
- (6) the cost of implementation and operation of the requirements of this section.

(g) In addition to the criteria established under this section for the suspension of an obligor's driver's license, a court, ~~an administrative law judge, a child support magistrate,~~ or the public authority may direct the commissioner of public safety to suspend the license of a party who has failed, after receiving notice, to comply with a subpoena relating to a paternity or child support proceeding. Notice to an obligor of intent to suspend must be served by first class mail at the obligor's last known address. The notice must inform the obligor of the right to request a hearing. If the obligor makes a written request within ten days of the date of the hearing, ~~a contested administrative proceeding must be held under section 518.5511, subdivision 4~~ hearing must be held. At the hearing, the only issues to be considered are mistake of fact and whether the obligor received the subpoena.

(h) The license of an obligor who fails to remain in compliance with an approved payment agreement may be suspended. Notice to the obligor of an intent to suspend under this paragraph must be served by first class mail at the obligor's last known address and must include a notice of hearing. The notice must be served upon the obligor not less than ten days before the date of the hearing. If the obligor appears at the hearing and the judge determines that the obligor has failed to comply with an approved payment agreement, the judge shall notify the department of public safety to suspend the obligor's license under paragraph (c). If the obligor fails to appear at the hearing, the public authority may notify the department of public safety to suspend the obligor's license under paragraph (c).

Sec. 11. Minnesota Statutes 1998, section 518.551, subdivision 14, is amended to read:

Subd. 14. [MOTOR VEHICLE LIEN.] (a) Upon motion of an obligee, if a court finds that the obligor is a debtor for a judgment debt resulting from nonpayment of court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, the court shall order the commissioner of public safety to enter a lien in the name of the obligee or in the name of the state of Minnesota, as appropriate, in accordance with section 168A.05, subdivision 8, unless the court finds that the obligor is in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge,~~ a child support magistrate, or the public authority. The court's order must be stayed for 90 days in order to allow the obligor to execute a written payment agreement regarding both current support and arrearages, which agreement shall be approved by either the court or the public authority responsible for child support enforcement. If the obligor has not executed or is not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge,~~ a child support magistrate, or the public authority within the 90-day period, the court's order becomes effective and the commissioner of public safety shall record the lien on any motor vehicle certificate of title subsequently issued in the name of the obligor. The remedy under this subdivision is in addition to any other enforcement remedy available to the court.

(b) If a public authority responsible for child support enforcement determines that the obligor is a debtor for judgment debt resulting from nonpayment of court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, the public authority shall direct the commissioner of public safety to enter a lien in the name of the obligee or in the name of the state of Minnesota, as appropriate, under section 168A.05, subdivision 8, on any motor vehicle certificate of title subsequently issued in the name of the obligor unless the public authority determines that the obligor is in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge,~~ a child support magistrate, or the public authority. The remedy under this subdivision is in addition to any other enforcement remedy available to the public agency.

(c) At least 90 days prior to notifying the commissioner of public safety pursuant to paragraph (b), the public authority must mail a written notice to the obligor at the obligor's last known address, that it intends to record a lien on any motor vehicle certificate of title subsequently issued in the name of the obligor and that the obligor must request a hearing within 30 days in order to contest the action. If the obligor makes a written request for a hearing within 30 days of the date of the notice, ~~either a court hearing or a contested administrative proceeding~~ must be held ~~under section 518.5511, subdivision 4~~. Notwithstanding any law to the contrary, the obligor must be served with 14 days' notice in writing specifying the time and place of the hearing and the allegations against the obligor. The notice may be served personally or by mail. If the public authority does not receive a request for a hearing within 30 days of the date of the notice and the obligor does not execute or is not in compliance with a written payment agreement regarding both current support and arrearages approved by the public authority within 90 days of the date of the notice, the public authority shall direct the commissioner of public safety to record the lien under paragraph (b).

(d) At a hearing requested by the obligor under paragraph (c), and on finding that the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, the district court or ~~the administrative law judge~~ child support magistrate shall order the commissioner of public safety to record the lien unless the court or ~~administrative law judge~~ child support magistrate determines that the obligor has executed and is in compliance with a written payment agreement regarding both current support and arrearages determined to be acceptable by the court, ~~an administrative law judge,~~ a child support magistrate, or the public authority.

(e) An obligor may provide proof to the court or the public authority responsible for child support enforcement that the obligor is in compliance with all written payment agreements regarding both current support and arrearages or that the value of the motor vehicle is less than the exemption provided under section 550.37. Within 15 days of the receipt of that proof, the court or public authority shall either execute a release of security interest under section 168A.20, subdivision 4, and mail or deliver the release to the owner or other authorized person or shall direct the commissioner of public safety not to enter a lien on any motor vehicle certificate of title subsequently issued in the name of the obligor in instances where a lien has not yet been entered.

(f) Any lien recorded against a motor vehicle certificate of title under this section and section 168A.05, subdivision 8, attaches only to the nonexempt value of the motor vehicle as determined in accordance with section 550.37. The value of a motor vehicle must be determined in accordance with the retail value described in the N.A.D.A. Official Used Car Guide, Midwest Edition, for the current year, or in accordance with the purchase price as defined in section 297B.01, subdivision 8.

Sec. 12. Minnesota Statutes 1998, section 518.553, is amended to read:

518.553 [PAYMENT AGREEMENTS.]

In proposing or approving proposed written payment agreements for purposes of section 518.551, the court, ~~an administrative law judge~~ a child support magistrate, or the public authority shall take into consideration the amount of the arrearages, the amount of the current support order, any pending request for modification, and the earnings of the obligor. The court, ~~administrative law judge~~ child support magistrate, or public authority shall consider the individual financial circumstances of each obligor in evaluating the obligor's ability to pay any proposed payment agreement and shall propose a reasonable payment agreement tailored to the individual financial circumstances of each obligor.

Sec. 13. Minnesota Statutes 1998, section 518.575, subdivision 1, is amended to read:

Subdivision 1. [MAKING NAMES PUBLIC.] At least once each year, the commissioner of human services, in consultation with the attorney general, shall publish a list of the names and other identifying information of no more than 25 persons who (1) are child support obligors, (2) are at least \$10,000 in arrears, (3) are not in compliance with a written payment agreement regarding both current support and arrearages approved by the court, ~~an administrative law judge~~, a child support magistrate, or the public authority, (4) cannot currently be located by the public authority for the purposes of enforcing a support order, and (5) have not made a support payment except tax intercept payments, in the preceding 12 months.

Identifying information may include the obligor's name, last known address, amount owed, date of birth, photograph, the number of children for whom support is owed, and any additional information about the obligor that would assist in identifying or locating the obligor. The commissioner and attorney general may use posters, media presentations, electronic technology, and other means that the commissioner and attorney general determine are appropriate for dissemination of the information, including publication on the Internet. The commissioner and attorney general may make any or all of the identifying information regarding these persons public. Information regarding an obligor who meets the criteria in this subdivision will only be made public subsequent to that person's selection by the commissioner and attorney general.

Before making public the name of the obligor, the department of human services shall send a notice to the obligor's last known address which states the department's intention to make public information on the obligor. The notice must also provide an opportunity to have the obligor's name removed from the list by paying the arrearage or by entering into an agreement to pay the arrearage, or by providing information to the public authority that there is good cause not to make the information public. The notice must include the final date when the payment or agreement can be accepted.

The department of human services shall obtain the written consent of the obligee to make the name of the obligor public.

Sec. 14. Minnesota Statutes 1998, section 518.5853, subdivision 6, is amended to read:

Subd. 6. [TRANSMITTAL OF ORDER TO THE LOCAL AGENCY BY THE TRIBUNAL.] The tribunal shall transmit a copy of the order establishing or modifying the payment, and a copy of the automatic income withholding order, to the local child support agency within two working days of the approval of the order by the judge or ~~administrative law judge~~ child support magistrate or other person or entity authorized to sign the automatic withholding order.

Sec. 15. Minnesota Statutes 1998, section 518.6111, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] This section applies to all support orders issued by a court or an administrative tribunal and orders for or notices of withholding issued by the public authority according to section ~~518.5512, subdivision 5, paragraph (a), clause (4)~~ 518.5513, subdivision 6, paragraph (a), clause (5).

Sec. 16. Minnesota Statutes 1998, section 518.6111, subdivision 7, is amended to read:

Subd. 7. [SUBSEQUENT INCOME WITHHOLDING.] (a) This subdivision applies to support orders that do not contain provisions for income withholding.

(b) For cases in which the public authority is providing child support enforcement services to the parties, the income withholding under this subdivision shall take effect without prior judicial notice to the obligor and without the need for judicial or administrative hearing. Withholding shall result when:

(1) the obligor requests it in writing to the public authority;

(2) the obligee or obligor serves on the public authority a copy of the notice of income withholding, a copy of the court's order, an application, and the fee to use the public authority's collection services; or

(3) the public authority commences withholding according to section ~~518.5512, subdivision 5, paragraph (a), clause (4)~~ 518.5513, subdivision 6, paragraph (a), clause (5).

(c) For cases in which the public authority is not providing child support services to the parties, income withholding under this subdivision shall take effect when an obligee requests it by making a written motion to the court and the court finds that previous support has not been paid on a timely consistent basis or that the obligor has threatened expressly or otherwise to stop or reduce payments.

(d) Within two days after the public authority commences withholding under this subdivision, the public authority shall send to the obligor at the obligor's last known address, notice that withholding has commenced. The notice shall include the information provided to the payor of funds in the notice of withholding.

Sec. 17. Minnesota Statutes 1998, section 518.6111, subdivision 8, is amended to read:

Subd. 8. [CONTEST.] (a) The obligor may contest withholding under subdivision 7 on the limited grounds that the withholding or the amount withheld is improper due to mistake of fact. If the obligor chooses to contest the withholding, the obligor must do so no later than 15 days after the employer commences withholding, by doing all of the following:

(1) file a request for ~~contested hearing according to section 518.5511, subdivision 3a~~ an expedited child support hearing under section 484.702, and include in the request the alleged mistake of fact;

(2) serve a copy of the request for contested hearing upon the public authority and the obligee; and

(3) secure a date for the contested hearing no later than 45 days after receiving notice that withholding has commenced.

(b) The income withholding must remain in place while the obligor contests the withholding.

(c) If the court finds a mistake in the amount of the arrearage to be withheld, the court shall continue the income withholding, but it shall correct the amount of the arrearage to be withheld.

Sec. 18. Minnesota Statutes 1998, section 518.6111, subdivision 14, is amended to read:

Subd. 14. [TERMINATION BY THE PUBLIC AUTHORITY.] If the public authority determines that income withholding is no longer applicable, the public authority shall notify the obligee and the obligor of intent to terminate income withholding.

Five days following notification to the obligee and obligor, the public authority shall issue a notice to the payor of funds terminating income withholding, without a requirement for a court order unless the obligee has requested ~~a contested hearing under section 518.5511, subdivision 3a~~ an expedited child support hearing under section 484.702.

Sec. 19. Minnesota Statutes 1998, section 518.616, subdivision 1, is amended to read:

Subdivision 1. [COURT ORDER.] For any support order being enforced by the public authority, the public authority may seek a court order requiring the obligor to seek employment if:

- (1) employment of the obligor cannot be verified;
- (2) the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments; and
- (3) the obligor is not in compliance with a written payment plan.

Upon proper notice being given to the obligor, the court may enter a seek employment order if it finds that the obligor has not provided proof of gainful employment and has not consented to an order for income withholding under section 518.6111 or entered into a written payment plan approved by the court, ~~an administrative law judge,~~ a child support magistrate, or the public authority.

Sec. 20. Minnesota Statutes 1998, section 518.617, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] If a person against whom an order or decree for support has been entered under this chapter, chapter 256, or a comparable law from another jurisdiction, is in arrears in court-ordered child support or maintenance payments in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment plan approved by the court, ~~an administrative law judge~~ a child support magistrate, or the public authority, the person may be cited and punished by the court for contempt under section 518.64, chapter 588, or this section. Failure to comply with a seek employment order entered under section 518.616 is evidence of willful failure to pay support.

Sec. 21. Minnesota Statutes 1998, section 518.641, subdivision 2, is amended to read:

Subd. 2. [CONDITIONS.] No adjustment under this section may be made unless the order provides for it and until the following conditions are met:

- (a) the obligee serves notice of the application for adjustment by mail on the obligor at the obligor's last known address at least 20 days before the effective date of the adjustment;
- (b) the notice to the obligor informs the obligor of the date on which the adjustment in payments will become effective;

(c) after receipt of notice and before the effective day of the adjustment, the obligor fails to request a hearing on the issue of whether the adjustment should take effect, and ex parte, to stay imposition of the adjustment pending outcome of the hearing; or

(d) the public authority sends notice of its application for adjustment to the obligor at the obligor's last known address at least 20 days before the effective date of the adjustment, and the notice informs the obligor of the date on which the adjustment will become effective and the procedures for contesting the adjustment according to section ~~518.5512~~ 484.702.

Sec. 22. Minnesota Statutes 1998, section 552.05, subdivision 4, is amended to read:

Subd. 4. [PROCESS TO REQUEST HEARING.] If the judgment debtor elects to request a hearing on any issue specified in subdivision 6, the judgment debtor shall complete the applicable portion of the exemption and right to hearing notice, sign it under penalty of perjury, and deliver one copy to the public authority within 14 days of the date postmarked on the correspondence mailed to the judgment debtor containing the exemption and right to hearing notice. Upon timely receipt of a request for hearing, funds not claimed to be exempt by the judgment debtor remain subject to the execution levy. Within seven days after the date postmarked on the envelope containing the executed request for hearing mailed to the public authority, or the date of personal delivery of the executed request for hearing to the public authority, the public authority shall either notify the financial institution to release the exempt portion of the funds to the judgment debtor or schedule ~~a contested administrative proceeding under section 518.5511~~ an expedited child support hearing under section 484.702 and notify the judgment debtor of the time and place of the scheduled hearing.

Sec. 23. Minnesota Statutes 1998, section 552.05, subdivision 5, is amended to read:

Subd. 5. [DUTIES OF PUBLIC AUTHORITY IF HEARING IS REQUESTED.] Within seven days of the receipt of a request for hearing or a claim of exemption to which the public authority does not consent, the public authority shall schedule ~~a contested administrative proceeding under section 518.5511~~ an expedited child support hearing under section 484.702. The hearing must be scheduled to occur within five business days. The public authority shall send written notice of the hearing date, time, and place to the judgment debtor by first class mail. The hearing may be conducted by telephone, audiovisual means or other electronic means, at the discretion of the administrative law judge. If the hearing is to be conducted by telephone, audiovisual means, or other electronic means, the public authority shall provide reasonable assistance to the judgment debtor to facilitate the submission of all necessary documentary evidence to the administrative law judge, including access to the public authority's facsimile transmission machine.

Sec. 24. [REPEALER.]

Minnesota Statutes 1998, sections 518.5511; and 518.5512, are repealed.

Sec. 25. [EFFECTIVE DATE; APPLICATION.]

This act is effective July 1, 1999.

Delete the title and insert:

"A bill for an act relating to family law; repealing the administrative process for support orders; establishing a child support magistrate system; authorizing child support and visitation review hearings; amending Minnesota Statutes 1998, sections 13B.06, subdivision 1; 168A.20, subdivision 4; 171.186, subdivisions 1 and 3; 214.101, subdivisions 1 and 4; 357.021, subdivision 1a; 484.70, subdivision 1; 484.72, by adding a subdivision; 518.171, subdivision 4; 518.54, by adding a subdivision; 518.551, subdivisions 9, 12, 13, and 14; 518.553; 518.575, subdivision 1; 518.5853, subdivision 6; 518.6111, subdivisions 2, 7, 8, and 14; 518.616, subdivision 1; 518.617, subdivision 1; 518.641, subdivision 2; and 552.05, subdivisions 4, 5, and 10; Laws 1998, chapter 338, section 8; proposing coding for new law in Minnesota Statutes, chapters 484; and 518; repealing Minnesota Statutes 1998, sections 518.5511; and 518.5512."

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

Senate Conferees: LEO T. FOLEY, RICHARD J. COHEN AND DAVID L. KNUTSON.

House Conferees: LEN BIERNAT, JIM SEIFERT AND STEVE SMITH.

Biernat moved that the report of the Conference Committee on S. F. No. 23 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 23, A bill for an act relating to family law; repealing the administrative process for support orders; establishing a child support magistrate system; amending Minnesota Statutes 1998, sections 357.021, subdivision 1a; 484.70, subdivision 1; 518.54, by adding a subdivision; 518.551, subdivisions 9, 12, 13, and 14; 518.575, subdivision 1; 518.616, subdivision 1; and 552.05, subdivision 10; Laws 1998, chapter 338, section 8; proposing coding for new law in Minnesota Statutes, chapters 484; and 518; repealing Minnesota Statutes 1998, sections 518.5511; and 518.5512.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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



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. 1621, A bill for an act relating to the environment; modifying provisions relating to judicial review of agency decisions; modifying requirements for incinerator monitors; amending Minnesota Statutes 1998, sections 115.05, subdivision 11; and 116.85, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Osskopp moved that the House refuse to concur in the Senate amendments to H. F. No. 1621, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 60.

PATRICK E. FLAHAVEN, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 60, A bill for an act relating to elections; defining certain terms; changing the name of the state partisan primary to the state party nominating election; moving the state party nominating election and primary from September to June; changing certain procedures, terms, and deadlines; amending Minnesota Statutes 1998, sections 10A.255, subdivisions 1 and 3; 10A.31, subdivision 6; 10A.321; 10A.322, subdivision 1; 10A.323; 200.02, by adding a subdivision; 202A.14; 202A.19; 204B.09, subdivision 1; 204B.12, subdivision 1; 204B.33; 204D.03, subdivision 1; 204D.08, subdivision 4; 205.065, subdivision 1; and 205A.03, subdivision 2.

The bill was read for the first time.

Pawlenty moved that S. F. No. 60 and H. F. No. 272, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

### **ANNOUNCEMENT BY THE SPEAKER**

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1831:

Dawkins, Stanek and Smith.

Pawlenty moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1621:

Osskopp, Gerlach and Larson, D.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1932:

Jennings, Davids and Paulsen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 145:

Rhodes; Seifert, M., and Kahn.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 369:

McCollum, Abeler and Mulder.

The Speaker announced the following changes in membership of the Conference Committee on S. F. No. 2223:

Delete the names of Osskopp, Rhodes, Reuter and Kahn.

Add the names of Bishop; Anderson, B.; Gerlach and Haas.

The following Conference Committee Reports were received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1825

A bill for an act relating to lawful gambling; specifying locations where pull-tab dispensing machines may be used; requiring certain information to be printed on raffle tickets; authorizing certain tipboard games and tipboard rules; increasing maximum consolation prizes for bingo games; specifying maximum tipboard prizes; amending Minnesota Statutes 1998, sections 349.151, subdivision 4b, and by adding a subdivision; 349.1711, by adding a subdivision; and 349.211, subdivision 2, and by adding a subdivision.

May 12, 1999

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. 1825, 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. 1825 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 24. [CARD CLUB.] "Card club" means a facility or portion of a facility where the commission has authorized a licensee to conduct card playing.

Sec. 2. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 25. [CARD PLAYING.] "Card playing" means an activity wherein individuals compete and wager with each other utilizing a 52-unit system comprised of a series of numbers, numbered two through ten, and the letters J, Q, K, and A, combined with four symbols commonly known as hearts, diamonds, spades, and clubs, wherein each individual unit constitutes the display of one of the 52 possible combinations. The symbol commonly known as a joker may be incorporated into the system.

Sec. 3. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 26. [UNBANKED.] "Unbanked" means a wagering system or game where the individual participants compete against each other and not against the sponsor or house. In an unbanked system or game, the sponsor or house may deduct a percentage from the accumulated wagers and impose other charges for hosting the activity, but does not have an interest in the outcome of a game. The sponsor or house may add additional prizes, awards, or money to any game for promotional purposes.

Sec. 4. Minnesota Statutes 1998, section 240.07, subdivision 3, is amended to read:

Subd. 3. [LICENSE ISSUANCE.] (a) If after considering the information received from the hearing and investigations, the commission determines that the applicant will conduct horse racing in accordance with all applicable laws and rules, will not adversely affect the public health, welfare, and safety, that the license will not create a competitive situation that will adversely affect racing and the public interest and that the applicant is fit to sponsor and manage racing, the commission may issue a class B license.

(b) If the commission determines that the licensee will operate a card club in accordance with all applicable law and rules and the applicant's approved plan of operation under section 240.30, subdivision 6, that the operation of a card club by the licensee will not adversely affect the public health, welfare, and safety, and that the licensee is fit to operate a card club, the commission may include with the class B license an authorization to conduct a card club at the licensee's class A racetrack as provided in section 240.30. The commission may give an interim authorization for the operation of a card club that is effective until the expiration of the licensee's class B license, and may charge for the interim authorization a proportionate amount of the additional class B license fee under section 240.10.

(c) The license is for a period of one year.

Sec. 5. Minnesota Statutes 1998, section 240.10, is amended to read:

240.10 [LICENSE FEES.]

The fee for a class A license is \$10,000 per year. The fee for a class B license is \$100 for each assigned racing day on which racing is actually conducted, and \$50 for each day on which simulcasting is authorized and actually takes place, plus \$10,000 per year if the class B license includes authorization to operate a card club. The fee for a class D license is \$50 for each assigned racing day on which racing is actually conducted. Fees imposed on class B and class D licenses must be paid to the commission at a time and in a manner as provided by rule of the commission.

The commission shall by rule establish an annual license fee for each occupation it licenses under section 240.08 but no annual fee for a class C license may exceed \$100.

License fee payments received must be paid by the commission to the state treasurer for deposit in the general fund.

Sec. 6. [240.135] [CARD CLUB REVENUE.]

(a) From the amounts received from charges authorized under section 240.30, subdivision 4, the licensee shall set aside the amounts specified in this section to be used for purse payments. These amounts are in addition to the breeders fund and purse requirements set forth elsewhere in this chapter.

(1) For amounts between zero and \$6,000,000, the licensee shall set aside ten percent to be used as purses.

(2) For amounts in excess of \$6,000,000, the licensee shall set aside 14 percent to be used as purses.

(b) From all amounts set aside under paragraph (a), the licensee shall set aside ten percent to be deposited in the breeders fund. The licensee and the horseperson's organization representing the majority of horsepersons who have raced at the racetrack during the preceding 12 months may negotiate percentages different from those stated in this section if the agreement is in writing and filed with the racing commission.

(c) It is the intent of the legislature that the proceeds of the card playing activities authorized by this chapter be used to improve the horse racing industry by improving purses. The commission shall annually review the financial details of card playing activities and determine if the present use of card playing proceeds is consistent with the policy established by this paragraph. If the commission determines that the use of the proceeds does not comply with the policy set forth herein, then the commission shall direct the parties to make the changes necessary to ensure compliance. If these changes require legislation, the commission shall make the appropriate recommendations to the legislature.

Sec. 7. [240.136] [COMPULSIVE GAMBLING NOTICE.]

A class B licensee who has been authorized to operate a card club must prominently post in the card club premises the toll-free telephone number established by the commissioner of human services in connection with the compulsive gambling program established under section 245.98.

Sec. 8. Minnesota Statutes 1998, section 240.25, subdivision 8, is amended to read:

Subd. 8. [AGE UNDER 18.] A person under the age of 18 may not place a bet or present a pari-mutuel ticket for payment with an approved pari-mutuel system or participate in card playing at a card club at a licensed racetrack.

Sec. 9. [240.30] [CARD CLUBS.]

Subdivision 1. [CARD CLUB OPERATION.] A class B licensee conducting pari-mutuel betting on horse racing at a class A racetrack may operate a card club at the racetrack and offer card playing services to patrons only if the commission has authorized the licensee to operate a card club operation under section 240.07, subdivision 3, paragraph (b), and the commission has approved the licensee's plan of operation under subdivision 6. The commission may withdraw its authorization for operation of a card club at any time for a violation of a law or rule governing card club operation.

Subd. 2. [SUPERVISION.] The authorized licensee is responsible for conducting and supervising the card games, providing all necessary equipment, services, and personnel, and reimbursing the commission for costs related to card club regulation and enforcement.

Subd. 3. [TYPE OF WAGERING.] All card club wagering activities must be conducted in an unbanked system.

Subd. 4. [CHARGES.] The authorized licensee may charge patrons for card playing services by deducting and retaining money from wagers, by charging a fee based on playing time, or by any other means authorized by the commission.

Subd. 5. [LIMITATION.] The commission shall not authorize a licensee to operate a card club unless the licensee has conducted at least 50 days of live racing at a class A facility within the past 12 months or during the preceding calendar year.

Subd. 6. [PLAN OF OPERATION.] (a) The commission shall not authorize a class B licensee to operate a card club unless the licensee has submitted, and the commission approved, a plan of operation for card playing activities. The plan must set forth all necessary details for conducting card playing activities, including, among other things:

(1) specifying and defining all card games to be played, including all governing aspects of each game;

(2) time and location of card playing activities;

(3) amount and method by which participants will be charged for card playing services;

(4) arrangements to ensure the security of card playing activities;

(5) designation of all licensed employees of the licensee who undertake supervisory positions related to card playing activities;

(6) internal control systems for card playing activities; and

(7) a plan for the training of card club personnel in identification of problem gamblers and appropriate action to prevent or control problem gambling.

(b) The licensee must prepare and make available to all customers a written manual that covers all portions of the current plan of operation. The licensee must also publish, in pamphlet form, a condensed and comprehensive version of the manual and make it available to all customers.

Subd. 7. [AMENDMENTS TO PLAN; VIOLATIONS; RELATION TO OTHER LAWS.] (a) The licensee may amend the plan of operation only with the commission's approval. The commission may withdraw its approval of a plan of operation.

(b) Card club activities are deemed to be relevant to the integrity of horse racing activities in Minnesota for purposes of sections 240.03; 240.06, subdivision 7; 240.08; and 240.27, subdivision 1.

(c) A violation of a law or rule relating to card club operation or a violation of an approved plan of operation is deemed to be a violation of law or rule for purposes of section 240.22.

(d) A violation of an approved plan of operation is deemed to be a violation of a rule of the commission for purposes of section 240.26, subdivision 3.

(e) Card playing at a card club is deemed to be a bet at a licensed racetrack for purposes of section 240.28, subdivision 2.

Subd. 8. [LIMITATIONS.] The commission may not approve any plan of operation under subdivision 6 that exceeds any of the following limitations:

(1) the maximum number of tables used for card playing at the card club at any one time may not exceed 50;

(2) the opening wager by any player in any card game may not exceed \$15; and

(3) no single wager that increases the total amount staked in any card game may exceed \$30.

Subd. 9. [REIMBURSEMENT TO COMMISSION.] The commission shall require that the licensee reimburse it for the commission's actual costs, including personnel costs, of regulating the card club. Amounts received under this subdivision must be deposited as provided in section 240.155, subdivision 1.

Sec. 10. Minnesota Statutes 1998, section 349.151, subdivision 4b, is amended to read:

Subd. 4b. [PULL-TAB SALES FROM DISPENSING DEVICES.] (a) The board may by rule authorize but not require the use of pull-tab dispensing devices.

(b) Rules adopted under paragraph (a):

(1) must limit the number of pull-tab dispensing devices on any permitted premises to three;

(2) must limit the use of pull-tab dispensing devices to a permitted premises which is (i) a licensed premises for on-sales of intoxicating liquor or 3.2 percent malt beverages; or (ii) a licensed bingo hall that allows gambling only by persons 18 years or older; and

(3) must prohibit the use of pull-tab dispensing devices at any licensed premises where pull-tabs are sold other than through a pull-tab dispensing device by an employee of the organization who is also the lessor or an employee of the lessor.

(c) Notwithstanding rules adopted under paragraph (b), pull-tab dispensing devices may be used in establishments licensed for the off-sale of intoxicating liquor, other than drugstores and general food stores licensed under section 340A.405, subdivision 1.

(d) The director may charge a manufacturer a fee of up to \$5,000 per pull-tab dispensing device to cover the costs of services provided by an independent testing laboratory to perform testing and analysis of pull-tab dispensing devices. The director shall deposit in a separate account in the state treasury all money the director receives as reimbursement for the costs of services provided by independent testing laboratories that have entered into contracts with the state to perform testing and analysis of pull-tab dispensing devices. Money in the account is appropriated to the director to pay the costs of services under those contracts.

Sec. 11. Minnesota Statutes 1998, section 349.1711, is amended by adding a subdivision to read:

Subd. 4. [TIPBOARD RULES.] The board may by rule permit tipboard games with multiple seals. The board may also adopt rules for cumulative or carryover tipboard prizes.

Sec. 12. [349.173] [CONDUCT OF RAFFLES.]

Raffle tickets at a minimum must list the three most expensive prizes to be awarded. If additional prizes will be awarded that are not contained on the raffle ticket, the raffle ticket must contain the statement "A complete list of additional prizes is available upon request." Notwithstanding section 349.12, subdivision 33, raffles conducted under the exemptions in section 349.166 may use tickets that contain only the sequential number of the raffle ticket and no other information if the organization makes a list of prizes and a statement of other relevant information required by rule available to persons purchasing tickets and if tickets are only sold at the event and on the date when the tickets are sold.

Sec. 13. Minnesota Statutes 1998, section 349.211, subdivision 2, is amended to read:

Subd. 2. [PROGRESSIVE BINGO GAMES.] A prize of up to \$2,000 may be awarded for a progressive bingo game, including a cover-all game. The prize for a progressive bingo game may start at \$300 and be increased by up to \$100 for each occasion during which the progressive bingo game is played. A consolation prize of up

to ~~\$100~~ \$200 for a progressive bingo game may be awarded in each occasion during which the progressive bingo game is played and the accumulated prize is not won. The total amount awarded in progressive bingo game prizes in any calendar year may not exceed \$36,000.

Sec. 14. Minnesota Statutes 1998, section 349.211, is amended by adding a subdivision to read:

Subd. 2c. [TIPBOARD PRIZES.] The maximum prize which may be awarded for a tipboard ticket is \$500, not including any cumulative or carryover prizes. Cumulative or carryover prizes in tipboard games shall not exceed \$2,500.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 13 are effective the day following final enactment. Section 14 is effective the day following final approval of the rules established in section 11."

Delete the title and insert:

"A bill for an act relating to gambling; allowing a class B licensee of a class A racetrack to conduct card club activities; expanding the use of pull-tab dispensing machines; making technical changes; setting forth conduct of raffles; modifying progressive bingo prizes; specifying maximum tipboard prizes; amending Minnesota Statutes 1998, sections 240.01, by adding subdivisions; 240.07, subdivision 3; 240.10; 240.25, subdivision 8; 349.151, subdivision 4b; 349.1711, by adding a subdivision; and 349.211, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 240; and 349."

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

House Conferees: MIKE OSSKOPP, BOB MILBERT AND DAVID TOMASSONI.

Senate Conferees: JIM VICKERMAN, JERRY R. JANEZICH AND CAL LARSON.

#### CALL OF THE HOUSE

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

Abeler	Davids	Haas	Krinkie	Mullery	Rifenberg
Abrams	Dawkins	Hackbarth	Kubly	Ness	Rostberg
Anderson, B.	Dehler	Harder	Kuisle	Nornes	Rukavina
Anderson, I.	Dempsey	Hasskamp	Larson, D.	Olson	Schumacher
Bakk	Dorman	Hausman	Leighton	Opatz	Seagren
Biernat	Dorn	Hilty	Lenczewski	Orfield	Seifert, J.
Bishop	Entenza	Holberg	Leppik	Osskopp	Seifert, M.
Boudreau	Erhardt	Holsten	Lieder	Osthoff	Skoe
Bradley	Finseth	Howes	Lindner	Otremba	Skoglund
Broecker	Folliard	Huntley	Luther	Paulsen	Smith
Buesgens	Fuller	Jennings	Mahoney	Pawlenty	Solberg
Carlson	Gerlach	Johnson	Mares	Paymar	Stanek
Carruthers	Gleason	Juhnke	Marko	Pelowski	Stang
Cassell	Goodno	Kahn	McCollum	Peterson	Storm
Chaudhary	Greenfield	Kelliher	McGuire	Pugh	Swenson
Clark, J.	Greiling	Kielkucki	Milbert	Rest	Sykora
Clark, K.	Gunther	Knoblach	Molnau	Reuter	Tingelstad
Daggett	Haake	Koskinen	Mulder	Rhodes	Tomassoni

Trimble	Vandever	Wenzel	Westrom	Wolf
Tuma	Wagenius	Westerberg	Wilkin	Workman
Tunheim	Wejzman	Westfall	Winter	Spk. Sviggum

Pawlenty 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 Speaker called Boudreau to the Chair.

Carruthers moved that the House refuse to adopt the Conference Committee report on H. F. No. 1825, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Carruthers motion and the roll was called. There were 48 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Hasskamp	Leighton	Opatz	Skoe
Anderson, B.	Entenza	Hausman	Lenczewski	Orfield	Skoglund
Bakk	Erhardt	Hilty	Luther	Osthoff	Tunheim
Biernat	Folliard	Huntley	Mahoney	Otremba	Vandever
Carlson	Gray	Johnson	McCollum	Paulsen	Wagenius
Carruthers	Greenfield	Kelliher	McGuire	Paymar	Wejzman
Chaudhary	Greiling	Knoblach	Murphy	Pelowski	Wenzel
Clark, K.	Harder	Koskinen	Olson	Rest	Winter

Those who voted in the negative were:

Abrams	Erickson	Juhnke	McElroy	Rostberg	Trimble
Anderson, I.	Finseth	Kahn	Milbert	Rukavina	Tuma
Bishop	Fuller	Kalis	Molnau	Schumacher	Van Dellen
Boudreau	Gerlach	Kielkucki	Mulder	Seagren	Westerberg
Bradley	Gleason	Krinkie	Mullery	Seifert, J.	Westfall
Broecker	Goodno	Kubly	Ness	Seifert, M.	Westrom
Buesgens	Gunther	Kuisle	Nornes	Smith	Wilkin
Cassell	Haake	Larsen, P.	Osskopp	Solberg	Wolf
Clark, J.	Haas	Larson, D.	Ozment	Stanek	Workman
Daggett	Hackbarth	Leppik	Pawlenty	Stang	Spk. Sviggum
Davids	Holberg	Lieder	Peterson	Storm	
Dawkins	Holsten	Lindner	Pugh	Swenson	
Dehler	Howes	Mares	Reuter	Sykora	
Dempsey	Jaros	Mariani	Rhodes	Tingelstad	
Dorman	Jennings	Marko	Rifenberg	Tomassoni	

The motion did not prevail.

Osskopp moved that the report of the Conference Committee on H. F. No. 1825 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.



H. F. No. 1825, A bill for an act relating to lawful gambling; specifying locations where pull-tab dispensing machines may be used; requiring certain information to be printed on raffle tickets; authorizing certain tipboard games and tipboard rules; increasing maximum consolation prizes for bingo games; specifying maximum tipboard prizes; amending Minnesota Statutes 1998, sections 349.151, subdivision 4b, and by adding a subdivision; 349.1711, by adding a subdivision; and 349.211, subdivision 2, and 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.

Osskopp moved that those not voting be excused from voting. The motion prevailed.

There were 73 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Howes	McElroy	Rhodes	Tuma
Anderson, I.	Dempsey	Jaros	Milbert	Rostberg	Van Dellen
Biernat	Dorman	Jennings	Molnau	Rukavina	Westfall
Bishop	Erickson	Juhnke	Mulder	Schumacher	Westrom
Boudreau	Finseth	Kielkucki	Mullery	Seifert, J.	Wilkin
Bradley	Fuller	Krinkie	Ness	Seifert, M.	Wolf
Broecker	Gerlach	Kuisle	Nornes	Smith	Workman
Buesgens	Gleason	Larson, D.	Opatz	Solberg	Spk. Sviggum
Cassell	Gunther	Leighton	Osskopp	Stang	
Clark, J.	Haake	Leppik	Ozment	Storm	
Daggett	Hackbarth	Mares	Peterson	Swenson	
Dauids	Hasskamp	Mariani	Pugh	Sykora	
Dawkins	Holsten	Marko	Reuter	Tomassoni	

Those who voted in the negative were:

Abeler	Folliard	Huntley	Lieder	Otremba	Stanek
Anderson, B.	Goodno	Johnson	Lindner	Paulsen	Tingelstad
Bakk	Gray	Kahn	Luther	Pawlenty	Trimble
Carlson	Greenfield	Kalis	Mahoney	Paymar	Tunheim
Carruthers	Greiling	Kelliher	McCollum	Pelowski	Vandever
Chaudhary	Haas	Knoblach	McGuire	Rest	Wagenius
Clark, K.	Harder	Koskinen	Murphy	Rifenberg	Wejzman
Dorn	Hausman	Kubly	Olson	Seagren	Wenzel
Entenza	Hilty	Larsen, P.	Orfield	Skoe	Westerberg
Erhardt	Holberg	Lenczewski	Osthoff	Skoglund	Winter

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

The Speaker resumed the Chair.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1467

A bill for an act relating to education; family and early childhood education; providing for children and family support programs, community and systems change, prevention and intervention, and self-sufficiency and lifelong learning; appropriating money; amending Minnesota Statutes 1998, sections 13.46, subdivision 2; 16B.405,

subdivision 2; 119A.31, subdivision 1, and by adding a subdivision; 119B.01, subdivisions 1, 2, 10, 12, 12a, 13, 16, 17, and by adding subdivisions; 119B.02, subdivision 1, and by adding subdivisions; 119B.03, subdivisions 1, 2, 3, 4, 6, and 9; 119B.04, subdivision 1; 119B.05, subdivision 1; 119B.06, subdivision 1; 119B.061; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.10, subdivision 1; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13; 119B.14; 119B.15; 119B.18, subdivision 3; 119B.19, subdivision 1, and by adding subdivisions; 119B.20, subdivisions 7, 8, 12, and by adding a subdivision; 119B.21, subdivisions 1, 2, 3, 5, 8, 9, 10, and 11; 119B.23, subdivision 1; 119B.24; 119B.25, subdivision 3; 121A.19; 122A.26, by adding a subdivision; 124D.13, subdivision 2; 124D.135, subdivisions 1 and 3; 124D.19, subdivision 11; 124D.20, subdivision 5; 124D.22; 124D.23, by adding a subdivision; 124D.33, subdivision 3; 124D.52, subdivision 2, and by adding subdivisions; 124D.53, subdivision 3, and by adding a subdivision; 124D.54, subdivision 1; 125A.35, subdivision 5; 171.29, subdivision 2; 256.01, subdivision 4; 256.045, subdivisions 6, 7, and by adding a subdivision; 256.046, subdivision 1; 256.98, subdivisions 1, 7, and 8; 256.983, subdivisions 3 and 4; and 466.01, subdivision 1; Laws 1997, First Special Session chapter 4, article 1, section 61, subdivisions 2 and 3, as amended; Laws 1998, First Special Session chapter 1, article 1, sections 10 and 11; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; 119B.22; 124D.14; and 124D.53, subdivision 6.

May 13, 1999

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. 1467, 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. 1467 be further amended as follows:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### CHILDREN AND FAMILY SUPPORT PROGRAMS

Section 1. Minnesota Statutes 1998, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) according to section 13.05;
- (2) according to court order;
- (3) according to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;

(5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

(6) to administer federal funds or programs;

(7) between personnel of the welfare system working in the same program;

(8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names, social security numbers, income, addresses, and other data as required, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, early refund of refundable tax credits, and the income tax. "Refundable tax credits" means the dependent care credit under section 290.067, the Minnesota working family credit under section 290.0671, the property tax refund under section 290A.04, and, if the required federal waiver or waivers are granted, the federal earned income tax credit under section 32 of the Internal Revenue Code;

(9) between the department of human services, the department of children, families, and learning, and the ~~Minnesota~~ department of economic security for the purpose of monitoring the eligibility of the data subject for reemployment insurance, for any employment or training program administered, supervised, or certified by that agency, for the purpose of administering any rehabilitation program or child care assistance program, whether alone or in conjunction with the welfare system, or to monitor and evaluate the ~~statewide~~ Minnesota family investment program by exchanging data on recipients and former recipients of food stamps, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential programs as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state according to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education services office to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);

(14) participant social security numbers and names collected by the telephone assistance program may be disclosed to the department of revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a ~~recipient of aid to families with dependent children or Minnesota family investment program-statewide program participant~~ recipient participant may be disclosed to law enforcement officers who provide the name of the recipient participant and notify the agency that:

(i) the recipient participant:

(A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony under the laws of the jurisdiction from which the individual is fleeing; or

(B) is violating a condition of probation or parole imposed under state or federal law;

(ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and

(iii) the request is made in writing and in the proper exercise of those duties;

(16) the current address of a recipient of general assistance or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient and to law enforcement officers who are investigating the recipient in connection with a felony level offense;

(17) information obtained from food stamp applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act, according to Code of Federal Regulations, title 7, section 272.1(c);

(18) the address, social security number, and, if available, photograph of any member of a household receiving food stamps shall be made available, on request, to a local, state, or federal law enforcement officer if the officer furnishes the agency with the name of the member and notifies the agency that:

(i) the member:

(A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

(B) is violating a condition of probation or parole imposed under state or federal law; or

(C) has information that is necessary for the officer to conduct an official duty related to conduct described in subitem (A) or (B);

(ii) locating or apprehending the member is within the officer's official duties; and

(iii) the request is made in writing and in the proper exercise of the officer's official duty;

(19) certain information regarding child support obligors who are in arrears may be made public according to section 518.575;

(20) data on child support payments made by a child support obligor and data on the distribution of those payments excluding identifying information on obligees may be disclosed to all obligees to whom the obligor owes support, and data on the enforcement actions undertaken by the public authority, the status of those actions, and data on the income of the obligor or obligee may be disclosed to the other party;

(21) data in the work reporting system may be disclosed under section 256.998, subdivision 7;

(22) to the department of children, families, and learning for the purpose of matching department of children, families, and learning student data with public assistance data to determine students eligible for free and reduced price meals, meal supplements, and free milk according to United States Code, title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to produce accurate numbers of students receiving ~~aid to families with dependent children~~ or Minnesota family investment ~~program-statewide program~~ assistance as required by section 126C.06; to allocate federal and state funds that are distributed based on income of the student's family; and to verify receipt of energy assistance for the telephone assistance plan;

(23) the current address and telephone number of program recipients and emergency contacts may be released to the commissioner of health or a local board of health as defined in section 145A.02, subdivision 2, when the commissioner or local board of health has reason to believe that a program recipient is a disease case, carrier, suspect case, or at risk of illness, and the data are necessary to locate the person;

(24) to other state agencies, statewide systems, and political subdivisions of this state, including the attorney general, and agencies of other states, interstate information networks, federal agencies, and other entities as required by federal regulation or law for the administration of the child support enforcement program;

(25) to personnel of public assistance programs as defined in section 256.741, for access to the child support system database for the purpose of administration, including monitoring and evaluation of those public assistance programs; or

(26) to monitor and evaluate the statewide Minnesota family investment program by exchanging data between the departments of human services and children, families, and learning, on recipients and former recipients of food stamps, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L.

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed according to the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16), (17), or (18), or paragraph (b), are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 2. Minnesota Statutes 1998, section 119A.45, is amended to read:

119A.45 [EARLY CHILDHOOD LEARNING AND CHILD PROTECTION FACILITIES.]

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for ~~Head Start, early childhood and family education programs, other early childhood intervention programs, or demonstration family service centers housing multiagency collaboratives~~ early childhood programs, with priority to centers in counties or municipalities with the highest number of children living in poverty. The commissioner may also make grants to state agencies and political subdivisions to construct or rehabilitate facilities for crisis nurseries or child visitation centers. The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner must prescribe the terms and conditions of the leases. A grant for an individual facility must not exceed \$200,000 for each program that is housed in the facility, up to a maximum of \$500,000 for a facility that houses three programs or more. Programs include Head Start, early childhood and family education programs, and other early childhood intervention programs. The commissioner must give priority to grants that involve collaboration among sponsors of programs under this section. At least 25 percent of the amounts appropriated for these grants must be used in conjunction with the youth employment and training programs operated by the commissioner of economic security. Eligible programs must consult with appropriate labor organizations to deliver education and training.

Sec. 3. Minnesota Statutes 1998, section 119B.01, subdivision 2, is amended to read:

Subd. 2. [APPLICANT.] "Child care fund applicants" means all parents, stepparents, legal guardians, or eligible relative ~~caretakers~~ caregivers who are members of the family and reside in the household that applies for child care assistance under the child care fund.

Sec. 4. Minnesota Statutes 1998, section 119B.01, is amended by adding a subdivision to read:

Subd. 2a. [APPLICATION.] "Application" means the submission to a county agency, by or on behalf of a family, of a completed, signed, and dated child care assistance universal application form that indicates the family's desire to receive assistance.

Sec. 5. Minnesota Statutes 1998, section 119B.01, subdivision 10, is amended to read:

Subd. 10. [FAMILY.] "Family" means parents, stepparents, guardians and their spouses, or other eligible relative ~~caretakers~~ caregivers and their spouses, and their blood related dependent children and adoptive siblings under the age of 18 years living in the same home including children temporarily absent from the household in settings such as schools, foster care, and residential treatment facilities or parents, stepparents, guardians and their spouses, or other relative caregivers and their spouses temporarily absent from the household in settings such as schools, military service, or rehabilitation programs. When a minor parent or parents and his, her, or their child or children are living with other relatives, and the minor parent or parents apply for a child care subsidy, "family" means only the minor parent or parents and the their child or children. ~~An adult may be considered a dependent member of the family unit if 50 percent of the adult's support is being provided by the parents, stepparents, guardians and their spouses, or eligible relative caretakers and their spouses, residing in the same household.~~ An adult age 18 or older who meets this definition of family and is a full-time high school or post-secondary student and can reasonably be expected to graduate before age 19 may be considered a dependent member of the family unit if 50 percent or more of the adult's support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same household.

Sec. 6. Minnesota Statutes 1998, section 119B.01, subdivision 12, is amended to read:

Subd. 12. [INCOME.] "Income" means earned or unearned income received by all family members, including public assistance cash benefits and at-home infant care subsidy payments, unless specifically excluded. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs or reimbursement for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; state and federal earned income tax credits; in-kind income such as food stamps, energy assistance, foster care assistance, medical assistance, child care assistance, and housing subsidies; earned income of full or part-time secondary school students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma including earnings from summer employment; grant awards under the family subsidy program; nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.74 or 256.741, ~~if enacted.~~

Sec. 7. Minnesota Statutes 1998, section 119B.01, subdivision 12a, is amended to read:

Subd. 12a. [~~MFIP-S~~ MFIP.] "~~MFIP-S~~" "MFIP" means the Minnesota family investment ~~program-statewide program,~~ the state's TANF program under Public Law Number 104-193, Title I, and includes the MFIP program under chapter 256J, the work first program under chapter 256K, and tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2.

Sec. 8. Minnesota Statutes 1998, section 119B.01, subdivision 13, is amended to read:

Subd. 13. [PROVIDER.] "Provider" means a child care license holder who operates a family ~~day~~ child care home, a group family ~~day~~ child care home, a ~~day~~ child care center, a nursery school, a day nursery, ~~an extended day a~~ school age ~~child care program;~~ a ~~legal nonlicensed extended day license-exempt~~ school age ~~child care program which operates~~ operating under the auspices of a local school board or a park or recreation board of a city of the first class that has adopted school age ~~child care standards~~ guidelines which meet or exceed ~~standards~~ guidelines recommended by the ~~state department of children, families, and learning,~~ or a ~~legal nonlicensed caregiver registered provider~~ who is at least 18 years of age, and who is not a member of the ~~AFDC MFIP~~ assistance unit or a member of the family receiving child care assistance under this chapter.

Sec. 9. Minnesota Statutes 1998, section 119B.01, subdivision 16, is amended to read:

Subd. 16. [TRANSITION YEAR FAMILIES.] "Transition year families" means families who have received ~~AFDC MFIP~~ assistance, or who were eligible to receive ~~AFDC MFIP~~ assistance after choosing to discontinue receipt of the cash portion of ~~MFIP-S~~ MFIP assistance under section 256J.31, subdivision 12, for at least three of the last

six months before losing eligibility for ~~AFDC MFIP~~ due to ~~increased hours of employment~~, or increased income from employment or child or spousal support or families participating in work first under chapter 256K who meet the requirements of section 256K.07. Transition year child care may be used to support employment or job search.

Sec. 10. Minnesota Statutes 1998, section 119B.01, subdivision 17, is amended to read:

Subd. 17. [CHILD CARE FUND.] "Child care fund" means a program under this chapter providing:

(1) financial assistance for child care to parents engaged in employment ~~or the short-term provision of at-home infant care for their own child, job search,~~ or education and training leading to employment, or an at-home infant care subsidy; and

(2) grants to develop, expand, and improve the access and availability of child care services statewide.

Sec. 11. Minnesota Statutes 1998, section 119B.02, subdivision 1, is amended to read:

Subdivision 1. [CHILD CARE SERVICES.] The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The rules shall provide that funds received as a lump sum payment of child support arrearages shall not be counted as income to a family in the month received but shall be prorated over the 12 months following receipt and added to the family income during those months. In the rules adopted under this section, county and human services boards shall be authorized to establish policies for payment of child care spaces for absent children, when the payment is required by the child's regular provider. The rules shall not set a maximum number of days for which absence payments can be made, but instead shall direct the county agency to set limits and pay for absences according to the prevailing market practice in the county. County policies for payment of absences shall be subject to the approval of the commissioner. The commissioner shall maximize the use of federal money ~~in section 256.736 under Public Law Number 104-193, titles I and VI,~~ and other programs that provide federal or state reimbursement for child care services for low-income families who are in education, training, job search, or other activities allowed under those programs. Money appropriated under this section must be coordinated with the programs that provide federal reimbursement for child care services to accomplish this purpose. The commissioner shall allocate federal reimbursement obtained must be allocated to the county to counties that spent money for child care that is federally reimbursable under programs that provide federal reimbursement for federally reimbursable child care services. The counties shall use the federal money to expand child care services. The commissioner may adopt rules under chapter 14 to implement and coordinate federal program requirements.

Sec. 12. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 3. [SUPERVISION OF COUNTIES.] The commissioner shall supervise child care programs administered by the counties through standard-setting, technical assistance to the counties, approval of county child care fund plans, and distribution of public money for services. The commissioner shall provide training and other support services to assist counties in planning for and implementing child care assistance programs. The commissioner shall adopt rules under chapter 14 that establish minimum administrative standards for the provision of child care services by county boards of commissioners.

Sec. 13. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 4. [UNIVERSAL APPLICATION FORM.] The commissioner must develop and make available to all counties a universal application form for child care assistance under this chapter. The application must provide notice of eligibility requirements for assistance and penalties for wrongfully obtaining assistance.

Sec. 14. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 5. [PROGRAM INTEGRITY.] For child care assistance programs under this chapter, the commissioner shall enforce, in cooperation with the commissioner of human services, the requirements for program integrity and fraud prevention investigations under sections 256.046, 256.98, and 256.983.

Sec. 15. Minnesota Statutes 1998, section 119B.03, subdivision 1, is amended to read:

Subdivision 1. [ALLOCATION PERIOD; NOTICE OF ALLOCATION.] When the commissioner notifies county and human service boards of the forms and instructions they are to follow in the development of their ~~biennial community social services~~ child care fund plans required under section ~~256E.08~~ 119B.08, subdivision 3, the commissioner shall also notify county and human services boards of their estimated child care fund program allocation for the two years covered by the plan. By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Sec. 16. Minnesota Statutes 1998, section 119B.03, subdivision 2, is amended to read:

Subd. 2. [WAITING LIST.] Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a ~~cursor~~ preliminary determination of eligibility when a family requests ~~information about~~ child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. ~~When money is available counties shall expedite the processing of student applications during key enrollment periods.~~ Counties must review and update their waiting list at least every six months.

Sec. 17. Minnesota Statutes 1998, section 119B.03, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE RECIPIENTS PARTICIPANTS.] Families that meet the eligibility requirements under sections 119B.07, 119B.09, and 119B.10, except ~~AFDC recipients, MFIP recipients participants, work first participants,~~ and transition year families, ~~and 119B.10~~ are eligible for child care assistance under the basic sliding fee program. Families enrolled in the basic sliding fee program shall be continued until they are no longer eligible. Child care assistance provided through the child care fund is considered assistance to the parent.

Sec. 18. Minnesota Statutes 1998, section 119B.03, subdivision 4, is amended to read:

Subd. 4. [FUNDING PRIORITY.] (a) First priority for child care assistance under the basic sliding fee program must be given to eligible ~~non-AFDC~~ non-MFIP families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
  - (2) child care needs of parents under 21 years of age; and
  - (3) child care needs of other parents within the priority group described in this paragraph.
- (b) Second priority must be given to parents who have completed their ~~AFDC~~ MFIP or work first transition year.
- (c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.



Sec. 19. Minnesota Statutes 1998, section 119B.03, subdivision 6, is amended to read:

Subd. 6. [ALLOCATION FORMULA.] ~~Beginning January 1, 1996, except as provided in subdivision 7,~~ The basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) ~~One-third~~ One-fourth of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent ~~calendar~~ fiscal year completed at the time of the notice of allocation.

(b) ~~One-third~~ One-fourth of the funds shall be allocated based on the number of ~~children under age 13 in each county who are enrolled in general assistance medical care, medical assistance, and MinnesotaCare on December 31 of the most recent calendar year~~ families participating in the transition year child care program as reported during the most recent quarter completed at the time of the notice of allocation.

(c) ~~One-third~~ One-fourth of the funds shall be allocated ~~based on the number of children under age 13 who reside in each county, from the most recent estimates of the state demographer~~ in proportion to each county's most recently reported first, second, and third priority waiting list as defined in subdivision 2.

(d) One-fourth of the funds must be allocated in proportion to each county's most recently reported waiting list as defined in subdivision 2.

Sec. 20. Minnesota Statutes 1998, section 119B.03, subdivision 9, is amended to read:

Subd. 9. [PORTABILITY POOL.] (a) The commissioner shall establish a pool of up to five percent of the annual appropriation for the basic sliding fee program to provide continuous child care assistance for eligible families who move between Minnesota counties. At the end of each allocation period, any unspent funds in the portability pool must be ~~added to the funds available for reallocation~~ used for assistance under the basic sliding fee program. If expenditures from the portability pool exceed the amount of money available, the reallocation pool must be reduced to cover these shortages.

(b) To be eligible for portable basic sliding fee assistance, a family that has moved from a county in which it was receiving basic sliding fee assistance to a county with a waiting list for the basic sliding fee program must:

(1) meet the income and eligibility guidelines for the basic sliding fee program; and

(2) notify the new county of residence within 30 days of moving and apply for basic sliding fee assistance in the new county of residence.

(c) The receiving county must:

(1) accept administrative responsibility for applicants for portable basic sliding fee assistance at the end of the two months of assistance under the Unitary Residency act;

(2) continue basic sliding fee assistance for the lesser of six months or until the family is able to receive assistance under the county's regular basic sliding program; and

(3) notify the commissioner through the quarterly reporting process of any family that meets the criteria of the portable basic sliding fee assistance pool.

Sec. 21. Minnesota Statutes 1998, section 119B.04, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER TO ADMINISTER PROGRAM.] The commissioner ~~of children, families, and learning~~ is authorized and directed to receive, administer, and expend funds available under the child care and development fund under Public Law Number 104-193, Title ~~I~~ VI.

Sec. 22. Minnesota Statutes 1998, section 119B.05, subdivision 1, is amended to read:

Subdivision 1. [~~ELIGIBLE RECIPIENTS~~ PARTICIPANTS.] Families eligible for child care assistance under the ~~AFDC MFIP~~ child care program are:

- (1) ~~persons receiving services under sections 256.031 to 256.0361 and 256.047 to 256.048;~~
- (2) ~~AFDC recipients~~ MFIP participants who are employed or in job search and meet the requirements of section 119B.10;
- (3) ~~(2)~~ persons who are members of transition year families under section 119B.01, subdivision 16;
- (4) ~~members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation;~~
- (5) ~~AFDC caretakers who are participating in the STRIDE and non-STRIDE AFDC child care program;~~
- (6) ~~(3)~~ families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K; ~~and~~
- (7) ~~MFIP-S~~ (4) MFIP families who are participating in work activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J. Child care assistance to support work activities as described in section 256J.49 must be available according to sections ~~119A.54,~~ 119B.01, subdivision 8, 124D.13, 256E.08, and 611A.32 and titles IVA, IVB, IVE, and XX of the Social Security Act; and
- (5) families who are participating in programs as required in tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2.

Sec. 23. Minnesota Statutes 1998, section 119B.06, subdivision 1, is amended to read:

Subdivision 1. [~~COMMISSIONER TO ADMINISTER BLOCK GRANT~~.] The commissioner ~~of children, families, and learning~~ is authorized and directed to receive, administer, and expend child care funds available under the child care and development block grant authorized under Public Law Number 101-508 ~~(2)~~.

Sec. 24. Minnesota Statutes 1998, section 119B.061, is amended to read:

119B.061 [AT-HOME INFANT CHILD CARE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] ~~Beginning July 1, 1998, A family receiving or eligible to receive assistance under the basic sliding fee program is eligible for in which a parent provides care for the family's infant child may receive a subsidy in lieu of assistance for a parent to provide short-term child care for the family's infant child if the family is eligible for, or is receiving assistance under the basic sliding fee program.~~ An eligible family must meet the eligibility factors under section 119B.09, the income criteria under section 119B.12, and the requirements of this section. Subject to federal match and maintenance of effort requirements for the child care and development fund, the commissioner shall establish a pool of up to seven percent of the annual appropriation for the basic sliding fee program to provide assistance under the at-home infant child care program. At the end of ~~the~~ a fiscal year, the commissioner may carry forward any unspent funds must be used under this section to the next fiscal year within the same biennium for assistance under the basic sliding fee program.

Subd. 2. [ELIGIBLE FAMILIES.] A family with an infant under the age of one year is eligible for assistance if:

- (1) the family is not receiving ~~MFIP-S~~ MFIP, other cash assistance, or other child care assistance;

(2) the family has not previously received all of the one-year exemption from the work requirement for infant care under the ~~MFIP-S~~ MFIP program;

(3) the family has not previously received a life-long total of 12 months of assistance under this section; and

(4) the family is participating in the basic sliding fee program or, ~~for the first child in a family,~~ provides verification of employment participation in an authorized activity at the time of application and meets the program requirements.

Subd. 3. [ELIGIBLE PARENT.] ~~Only~~ A family is eligible for assistance under this section if one parent, in a two-parent family, is eligible for assistance cares for the family's infant child. The eligible parent must:

(1) be over the age of 18;

(2) provide care for the infant full-time ~~care for the child~~ in the child's infant's home; and

(3) ~~provide child~~ care for any other children in the family that who are eligible for child care assistance under this chapter.

For the purposes of this section, "parent" means birth parent, adoptive parent, or stepparent.

Subd. 4. [ASSISTANCE.] (a) A family is limited to a lifetime total of 12 months of assistance under this section. The maximum rate of assistance ~~must be at is equal to~~ is equal to 75 percent of the rate established under section 119B.13 for care of infants in licensed family day child care in the applicant's county of residence. Assistance must be calculated to reflect the ~~copy parent fee~~ requirement and under section 119B.12 for the family's income level and family size.

(b) A participating family must ~~continue to~~ report income and other family changes as specified in the county's plan under section 119B.08, subdivision 3. The family must treat any assistance received under this section as unearned income.

(c) Participation in the at-home infant child care program must be considered participation in the basic sliding fee program for purposes of continuing eligibility under section 119B.03, subdivision 3. Persons who are admitted to the at-home infant care program retain their position in any basic sliding fee program or on any waiting list attained at the time of admittance. If they are on the waiting list, they must advance as if they had not been admitted to the program. Persons leaving the at-home infant care program re-enter the basic sliding fee program at the position they would have occupied or the waiting list at the position to which they would have advanced. Persons who would have attained eligibility for the basic sliding fee program must be given assistance or advance to the top of the waiting list when they leave the at-home infant care program. Persons admitted to the at-home infant care program who are not on a basic sliding fee waiting list may apply to the basic sliding fee program, and if eligible, be placed on the waiting list.

(d) The time that a family ~~that~~ receives assistance under this section ~~is ineligible for~~ must be deducted from the one-year exemption from work requirements under the ~~MFIP-S~~ MFIP program.

(e) Assistance under this section does not establish an employer-employee relationship between any member of the assisted family and the county or state.

Subd. 5. [IMPLEMENTATION.] ~~By July 1, 1998;~~ (a) The commissioner shall implement the at-home infant child care program under this section through counties that administer the basic sliding fee program under section 119B.03. The commissioner must develop and distribute consumer information on the at-home infant care program to assist parents of infants or expectant parents in making informed child care decisions.

(b) The commissioner shall evaluate this program and report the impact to the legislature by January 1, 2000. The evaluation must include data on the number of families participating in the program; the number of families continuing to pursue employment or education while participating in the program; the average income of families prior to, during, and after participation in the program; family size; and single parent and two-parent status.

Sec. 25. Minnesota Statutes 1998, section 119B.07, is amended to read:

119B.07 [USE OF MONEY.]

Money for persons listed in sections 119B.03, subdivision 3, and 119B.05, subdivision 1, shall be used to reduce the costs of child care for students, including the costs of child care for students while employed if enrolled in an eligible education program at the same time and making satisfactory progress towards completion of the program. Counties may not limit the duration of child care subsidies for a person in an employment or educational program, except when the person is found to be ineligible under the child care fund eligibility standards. Any limitation must be based on a person's ~~employability~~ employment plan in the case of an ~~AFDC recipient~~ MFIP participant, and county policies included in the child care ~~allocation~~ fund plan. The maximum length of time a student is eligible for child care assistance under the child care fund for education and training is no more than the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution, excluding basic or remedial education programs needed to prepare for post-secondary education or employment. To be eligible, the student must be in good standing and be making satisfactory progress toward the degree. Time limitations for child care assistance do not apply to basic or remedial educational programs needed to prepare for post-secondary education or employment. These programs include: high school, general equivalency diploma, and English as a second language. Programs exempt from this time limit must not run concurrently with a post-secondary program. ~~High school students who are participating in a post-secondary options program and who receive a high school diploma issued by the school district are exempt from the time limitations while pursuing a high school diploma. Financially eligible students who have received child care assistance for one academic year shall be provided child care assistance in the following academic year if funds allocated under sections 119B.03 and 119B.05 are available.~~ If an ~~AFDC recipient~~ MFIP participant who is receiving ~~AFDC~~ MFIP child care assistance under this chapter moves to another county, continues to participate in educational or training programs authorized in their ~~employability development~~ employment plans, and continues to be eligible for ~~AFDC~~ MFIP child care assistance under this chapter, the ~~AFDC caretaker~~ MFIP participant must receive continued child care assistance from the county responsible for their current ~~employability development~~ employment plan, ~~without interruption under section 256G.07.~~

Sec. 26. [119B.074] [SPECIAL REVENUE ACCOUNT FOR CHILD CARE.]

A child support collection account is established in the special revenue fund for the deposit of collections through the assignment of child support under section 256.741, subdivision 2. The commissioner of human services must deposit all collections made under section 256.741, subdivision 2, in the child support collection account. Money in this account is appropriated to the commissioner for assistance under section 119B.03 and is in addition to other state and federal appropriations.

Sec. 27. Minnesota Statutes 1998, section 119B.08, subdivision 3, is amended to read:

Subd. 3. [CHILD CARE FUND PLAN.] ~~Effective January 1, 1992, the county will include the plan required under this subdivision in its biennial community social services plan required in this section, for the group described in section 256E.03, subdivision 2, paragraph (h). The commissioner shall establish the dates by which the county must submit these plans. The county and designated administering agency shall submit to the commissioner an annual child care fund allocation plan in its biennial community social services plan. The commissioner shall establish the dates by which the county must submit the plans.~~ The plan shall include:

(1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;

(2) the methods used by the county to inform eligible ~~groups~~ families of the availability of child care assistance and related services;

(3) the provider rates paid for all children with special needs by provider type;

(4) the county prioritization policy for all eligible ~~groups~~ families under the basic sliding fee program ~~and AFDC child care program~~; and

(5) other information as requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within 60 days of the date the plan is submitted whether the plan is approved or the corrections or information needed to approve the plan. The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Sec. 28. Minnesota Statutes 1998, section 119B.09, subdivision 1, is amended to read:

Subdivision 1. [GENERAL ELIGIBILITY REQUIREMENTS FOR ALL APPLICANTS FOR CHILD CARE ASSISTANCE.] (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

(1) meet the requirements of section 119B.05; receive ~~aid to families with dependent children, MFIP-S, or work first, whichever is in effect~~ MFIP assistance; and are receiving participating in employment and training services under ~~section 256.736 or chapter 256J or 256K~~;

(2) have household income below the eligibility levels for ~~aid to families with dependent children~~ MFIP; or

(3) have household income within a range established by the commissioner.

(b) Child care services ~~for the families receiving aid to families with dependent children~~ must be made available as in-kind services, ~~to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program. Child care services to families whose incomes are below the threshold of eligibility for aid to families with dependent children, but are not AFDC caretakers, must be made available with the same copayment required of AFDC caretakers or MFIP-S caregivers.~~

(c) All applicants for child care assistance and families currently receiving child care assistance must be assisted and required to cooperate in establishment of paternity and enforcement of child support obligations for all children in the family as a condition of program eligibility. For purposes of this section, a family is considered to meet the requirement for cooperation when the family complies with the requirements of section 256.741, ~~if enacted~~.

Sec. 29. Minnesota Statutes 1998, section 119B.09, subdivision 3, is amended to read:

Subd. 3. [PRIORITIES; ALLOCATIONS.] If a county projects that its child care allocation is insufficient to meet the needs of all eligible ~~groups~~ families, it may prioritize among the ~~groups~~ families that remain to be served after the county has complied with the priority requirements of section 119B.03. Counties that have established a priority for ~~non-AFDC~~ families who are not MFIP participants beyond those established under section 119B.03 must submit the policy in the annual ~~allocation~~ child care fund plan.

Sec. 30. Minnesota Statutes 1998, section 119B.09, subdivision 7, is amended to read:

Subd. 7. [DATE OF ELIGIBILITY FOR ASSISTANCE.] The date of eligibility for child care assistance under this chapter is the later of the date the application was signed; the beginning date of employment, education, or training; or the date a determination has been made that the applicant is a participant in employment and training services under Minnesota Rules, part 3400.0080, subpart 2a, ~~section 256.736~~, or chapter 256J or 256K. The date of eligibility for the basic sliding fee at-home infant child care program is the later of the date the infant is born or, in a county with a basic sliding fee ~~wait~~ waiting list, the date the family applies for at-home infant child care.

Payment ceases for a family under the at-home infant child care program when a family has used a total of 12 months of assistance as specified under section 119B.061. Payment of child care assistance for employed persons on ~~AFDC MFIP~~ is effective the date of employment or the date of ~~AFDC MFIP~~ eligibility, whichever is later. Payment of child care assistance for ~~MFIP-S MFIP~~ or work first participants in employment and training services is effective the date of commencement of the services or the date of ~~MFIP-S MFIP~~ or work first eligibility, whichever is later. Payment of child care assistance for transition year child care must be made retroactive to the date of eligibility for transition year child care.

Sec. 31. Minnesota Statutes 1998, section 119B.10, subdivision 1, is amended to read:

Subdivision 1. [ASSISTANCE FOR PERSONS SEEKING AND RETAINING EMPLOYMENT.] (a) Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive up to 240 hours of child care assistance per calendar year.

(b) Employed persons who work at least an average of 20 hours and full-time students who work at least an average of ten hours a week and receive at least a minimum wage for all hours worked are eligible for continued child care assistance for employment. For purposes of this section, work-study programs must be counted as employment. Child care assistance during employment must be authorized as provided in paragraphs (c) and (d).

(c) When the caregiver person works for an hourly wage and the hourly wage is equal to or greater than the applicable minimum wage, child care assistance shall be provided for the actual hours of employment, break, and mealtime during the employment and travel time up to two hours per day.

(d) When the caregiver person does not work for an hourly wage, child care assistance must be provided for the lesser of:

(1) the amount of child care determined by dividing gross earned income by the applicable minimum wage, up to one hour every eight hours for meals and break time, plus up to two hours per day for travel time; or

(2) the amount of child care equal to the actual amount of child care used during employment, including break and mealtime during employment, and travel time up to two hours per day.

Sec. 32. Minnesota Statutes 1998, section 119B.11, subdivision 2a, is amended to read:

Subd. 2a. [RECOVERY OF OVERPAYMENTS.] An amount of child care assistance paid to a recipient in excess of the payment due is recoverable by the county agency. If the family remains eligible for child care assistance, the overpayment must be recovered through recoupment as identified in Minnesota Rules, part 9565.5110, subpart 11, items A and B, if the family remains eligible for assistance 3400.0140, subpart 19. If the family no longer remains eligible for child care assistance, the county may choose to initiate efforts to recover overpayments from the family for overpayment less than \$50. If the overpayment is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment from the family. If the county is unable to recoup the overpayment through voluntary repayment, the county shall initiate civil court proceedings to recover the overpayment unless the county's costs to recover the overpayment will exceed the amount of the overpayment. A family with an outstanding debt under this subdivision is not eligible for child care assistance until: (1) the debt is paid in full; or (2) satisfactory arrangements are made with the county to retire the debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400, and the family is in compliance with the arrangements.

Sec. 33. Minnesota Statutes 1998, section 119B.12, subdivision 2, is amended to read:

Subd. 2. [PARENT FEE.] A family's monthly parent fee must be a fixed percentage of its annual gross income. Parent fees must apply to families eligible for child care assistance under sections 119B.03 and 119B.05. Income must be as defined in section 119B.01, subdivision 12. The fixed percent is based on the relationship of the family's annual gross income to 100 percent of state median income. Beginning January 1, 1998, parent fees must begin at 75 percent of the poverty level. The minimum parent fees for families between 75 percent and 100 percent of

poverty level must be \$5 per month. ~~Parent fees for families with incomes at or above the poverty level must not decrease due to the addition of family members after the family's initial eligibility determination.~~ Parent fees must be established in rule and must provide for graduated movement to full payment.

Sec. 34. Minnesota Statutes 1998, section 119B.13, is amended to read:

119B.13 [CHILD CARE RATES.]

Subdivision 1. [SUBSIDY RESTRICTIONS.] ~~Effective July 1, 1991,~~ The maximum rate paid for child care assistance under the child care fund is ~~the maximum rate eligible for federal reimbursement.~~ The rate may not exceed the 75th percentile rate for like-care arrangements in the county as surveyed by the commissioner. A rate which includes a provider bonus paid under subdivision 2 or a special needs rate paid under subdivision 3 may be in excess of the maximum rate allowed under this subdivision. The department of ~~children, families, and learning~~ shall monitor the effect of this paragraph on provider rates. The county shall pay the provider's full charges for every child in care up to the maximum established. The commissioner shall determine the maximum rate for each type of care, including special needs and handicapped care. Not less than once every two years, the county commissioner shall evaluate ~~rates~~ market practices for payment of ~~absent spaces~~ absences and shall establish policies for payment of absent days that reflect current market practice.

When the provider charge is greater than the maximum provider rate allowed, the parent is responsible for payment of the difference in the rates in addition to any family copayment fee.

Subd. 2. [PROVIDER RATE BONUS FOR ACCREDITATION.] ~~Currently accredited child care centers shall be paid a ten percent bonus above the maximum rate established in subdivision 1, up to the actual provider rate.~~ A family ~~day~~ child care provider or child care center shall be paid a ten percent bonus above the maximum rate established in subdivision 1, if the provider or center holds a current early childhood development credential approved by the commissioner, up to the actual provider rate. ~~For purposes of this subdivision, "accredited" means accredited by the National Association for the Education of Young Children.~~

Subd. 3. [PROVIDER RATE FOR CARE OF CHILDREN WITH HANDICAPS OR SPECIAL NEEDS.] Counties shall reimburse providers for the care of children with handicaps or special needs, at a special rate to be ~~set~~ approved by the county for care of these children, subject to the approval of the commissioner.

Subd. 4. [RATES CHARGED TO PUBLICLY SUBSIDIZED FAMILIES.] Child care providers receiving reimbursement under this chapter may not charge a rate to clients receiving assistance under this chapter that is higher than the private, full-paying client rate.

Subd. 5. [PROVIDER NOTICE.] The county shall inform both the family receiving assistance under this chapter and the child care provider of the payment amount and how and when payment will be received. If the county sends a family a notice that child care assistance will be terminated, the county shall inform the provider that unless the family requests to continue to receive assistance pending an appeal, child care payments will no longer be made. The notice to the ~~vendor~~ provider must not contain any private data on the family or information on why payment will no longer be made.

Subd. 6. [PROVIDER PAYMENTS.] Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses. If payments for child care assistance are made to providers, the provider shall bill the county for services provided within ten days of the end of the month of service. If bills are submitted in accordance with the provisions of this subdivision, a county shall issue payment to the provider of child care under the child care fund within 30 days of receiving an invoice from the provider. Counties may establish policies that make payments on a more frequent basis. A county's payment policies must be included in the county's child care plan under section 119B.08, subdivision 3.

Sec. 35. Minnesota Statutes 1998, section 119B.14, is amended to read:

119B.14 [EXTENSION OF EMPLOYMENT OPPORTUNITIES.]

The county board shall ~~insure~~ ensure that child care services available to eligible residents are well advertised and that everyone who receives or applies for ~~aid to families with dependent children~~ MFIP assistance is informed of training and employment opportunities and programs, including child care assistance and child care resource and referral services.

Sec. 36. Minnesota Statutes 1998, section 119B.15, is amended to read:

119B.15 [ADMINISTRATIVE EXPENSES.]

The commissioner shall use up to 1/21 of the state and federal funds available for the basic sliding fee program and 1/21 of the state and federal funds available for the ~~AFDC~~ MFIP child care program for payments to counties for administrative expenses.

Sec. 37. Minnesota Statutes 1998, section 119B.18, subdivision 3, is amended to read:

Subd. 3. [CHILD DEVELOPMENT EDUCATION AND TRAINING LOANS.] The commissioner shall establish a child development education and training loan program to be administered by the regional child care resource and referral programs. The commissioner shall establish application procedures, eligibility criteria, terms, and other conditions necessary to make educational loans under this section. A single applicant may not receive more than \$1,500 per year under this program. All or part of the loan may be forgiven if the applicant continues to provide child care services for a period of ~~12~~ 24 months following the completion of all courses paid for by the educational loan.

Sec. 38. Minnesota Statutes 1998, section 119B.24, is amended to read:

119B.24 [DUTIES OF COMMISSIONER.]

In addition to the powers and duties already conferred by law, the commissioner of children, families, and learning shall:

~~(1) by September 1, 1998, and every five years thereafter, survey and report on all components of the child care system, including, but not limited to, availability of licensed child care slots, the number of children in various kinds of child care settings, staff wages, rate of staff turnover, qualifications of child care workers, cost of child care by type of service and ages of children, and child care availability through school systems;~~

~~(2) by September 1, 1998, and every five years thereafter, survey and report on the extent to which existing child care services fulfill the need for child care, giving particular attention to the need for part-time care and for care of infants, sick children, children with special needs, low-income children, toddlers, and school-age children;~~

~~(3) administer the child care fund, including the basic sliding fee program authorized under sections 119B.01 to 119B.16;~~

~~(4)~~ (2) monitor the child care resource and referral programs established under section 119B.19; and

~~(5)~~ (3) encourage child care providers to participate in a nationally recognized accreditation system for early childhood programs. The commissioner shall reimburse licensed child care providers for one-half of the direct cost of accreditation fees, upon successful completion of accreditation.



Sec. 39. Minnesota Statutes 1998, section 119B.25, subdivision 3, is amended to read:

Subd. 3. [FINANCING PROGRAM.] A nonprofit corporation that receives a grant under this section shall use the money to:

(1) establish a revolving loan fund to make loans to existing, expanding, and new licensed and legal unlicensed child care and early childhood education sites;

(2) establish a fund to guarantee private loans to improve or construct a child care or early childhood education site;

(3) establish a fund to provide forgivable loans or grants to match all or part of a loan made under this section; ~~and~~

(4) establish a fund as a reserve against bad debt; and

(5) establish a fund to provide business planning assistance for child care providers.

The nonprofit corporation shall establish the terms and conditions for loans and loan guarantees including, but not limited to, interest rates, repayment agreements, private match requirements, and conditions for loan forgiveness. The nonprofit corporation shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered. The nonprofit corporation may use interest earnings for administrative expenses.

Sec. 40. Minnesota Statutes 1998, section 121A.19, is amended to read:

121A.19 [DEVELOPMENTAL SCREENING AID.]

Each school year, the state must pay a district ~~\$25~~ \$40 for each child screened according to the requirements of section 121A.17. If this amount of aid is insufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient.

Sec. 41. Minnesota Statutes 1998, section 124D.13, subdivision 6, is amended to read:

Subd. 6. [PARTICIPANTS' FEES.] A district ~~may charge~~ must establish a reasonable sliding fee scale but it shall waive the fee for a participant unable to pay.

Sec. 42. Minnesota Statutes 1998, section 124D.135, subdivision 1, is amended to read:

Subdivision 1. [REVENUE.] The revenue for early childhood family education programs for a school district equals ~~\$101.25 for 1998 and \$113.50 for 1999~~ fiscal years 2000 and 2001 and \$120 for 2002 and later fiscal years times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the district on October 1 of the previous school year.

Sec. 43. Minnesota Statutes 1998, section 124D.135, subdivision 3, is amended to read:

Subd. 3. [EARLY CHILDHOOD FAMILY EDUCATION LEVY.] For fiscal years 2000 and 2001 to obtain early childhood family education revenue, a district may levy an amount equal to the tax rate of ~~.45~~ .5282 percent times the adjusted tax capacity of the district for the year preceding the year the levy is certified. Beginning with levies for fiscal year 2002, by September 30 of each year, the commissioner shall establish a tax rate for early childhood education revenue that raises \$21,027,000 for fiscal year 2002 and \$22,135,000 in fiscal year 2003 and each subsequent year. If the amount of the early childhood family education levy would exceed the early childhood family education revenue, the early childhood family education levy must equal the early childhood family education revenue.

Sec. 44. Minnesota Statutes 1998, section 124D.19, subdivision 11, is amended to read:

Subd. 11. [~~EXTENDED DAY SCHOOL-AGE CARE PROGRAMS.~~] (a) A school board may offer, as part of a community education program, ~~an extended day~~ a school-age care program for children from kindergarten through grade 6 for the purpose of expanding students' learning opportunities. If the school board chooses not to offer a school-age care program, it may allow an appropriate insured community group, for profit entity or nonprofit organization to use available school facilities for the purpose of offering a school-age care program.

(b) A school-age care program must include the following:

- (1) adult supervised programs while school is not in session;
- (2) parental involvement in program design and direction;
- (3) partnerships with the kindergarten through grade 12 system, and other public, private, or nonprofit entities;  
~~and~~
- (4) opportunities for trained secondary school pupils to work with younger children in a supervised setting as part of a community service program; and

(5) access to available school facilities, including the gymnasium, sports equipment, computer labs, and media centers, when not otherwise in use as part of the operation of the school. The school district may establish reasonable rules relating to access to these facilities and may require that:

- (i) the organization request access to the facilities and prepare and maintain a schedule of proposed use;
- (ii) the organization provide evidence of adequate insurance to cover the activities to be conducted in the facilities;  
~~and~~
- (iii) the organization prepare and maintain a plan demonstrating the adequacy and training of staff to supervise the use of the facilities.

~~(b)~~ (c) The district may charge a sliding fee based upon family income for ~~extended day~~ school-age care programs. The district may receive money from other public or private sources for the ~~extended day~~ school-age care program. The board of the district must develop standards for school-age child care programs. ~~Districts must adopt standards within one year after the district first offers services under a program authorized by this subdivision.~~ The state board of education may not adopt rules for ~~extended day~~ school-age care programs.

~~(c)~~ (d) The district shall maintain a separate account within the community services fund for all funds related to the ~~extended day~~ school-age care program.

(e) A district is encouraged to coordinate the school-age care program with its special education, vocational education, adult basic education, early childhood family education programs, kindergarten through grade 12 instruction and curriculum services, youth development and youth service agencies, and with related services provided by other governmental agencies and nonprofit agencies.

Sec. 45. Minnesota Statutes 1998, section 124D.22, is amended to read:

124D.22 [~~EXTENDED DAY SCHOOL-AGE CARE REVENUE.~~]

Subdivision 1. [ELIGIBILITY.] A district that offers ~~an extended day~~ a school-age care program according to section 124D.19, subdivision 11, is eligible for ~~extended day~~ school-age care revenue for the additional costs of providing services to children with disabilities or to children experiencing family or related problems of a temporary nature who participate in the ~~extended day~~ school-age care program.

Subd. 2. [~~EXTENDED DAY SCHOOL-AGE CARE REVENUE.~~] The ~~extended day school-age care~~ revenue for an eligible district equals the approved additional cost of providing services to children with disabilities or children experiencing family or related problems of a temporary nature who participate in the ~~extended day school-age care~~ program.

Subd. 3. [~~EXTENDED DAY SCHOOL-AGE CARE LEVY.~~] To obtain ~~extended day school-age care~~ revenue, a school district may levy an amount equal to the district's ~~extended day school-age care~~ revenue as defined in subdivision 2 multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the resident pupil units in the district for the school year to which the levy is attributable, to ~~\$3,767~~ \$3,280.

Subd. 4. [~~EXTENDED DAY SCHOOL-AGE CARE AID.~~] A district's ~~extended day school-age care~~ aid is the difference between its ~~extended day school-age care~~ revenue and its ~~extended day school-age care~~ levy. If a district does not levy the entire amount permitted, ~~extended day school-age care~~ aid must be reduced in proportion to the actual amount levied.

Sec. 46. Minnesota Statutes 1998, section 124D.23, is amended by adding a subdivision to read:

Subd. 2b. [INSURANCE.] The commissioner of children, families, and learning may designate one collaborative to act as a lead collaborative for purposes of obtaining liability coverage for participating collaboratives.

Sec. 47. Minnesota Statutes 1998, section 125A.35, subdivision 5, is amended to read:

Subd. 5. [INCREASED COSTS.] County boards that have submitted base year 1993 expenditures as required under subdivision 4 are not required to pay any increased cost over the base year 1993 for early intervention services resulting from implementing the early intervention system. Increased costs to county boards may be paid for with early intervention ~~flow-through~~ service dollars.

Sec. 48. Minnesota Statutes 1998, section 256.01, subdivision 4, is amended to read:

Subd. 4. [DUTIES AS STATE AGENCY.] The state agency shall:

(1) supervise the administration of assistance to dependent children under Laws 1937, chapter 438, by the county agencies in an integrated program with other service for dependent children maintained under the direction of the state agency;

(2) may subpoena witnesses and administer oaths, make rules, and take such action as may be necessary, or desirable for carrying out the provisions of Laws 1937, chapter 438. All rules made by the state agency shall be binding on the counties and shall be complied with by the respective county agencies;

(3) establish adequate standards for personnel employed by the counties and the state agency in the administration of Laws 1937, chapter 438, and make the necessary rules to maintain such standards;

(4) prescribe the form of and print and supply to the county agencies blanks for applications, reports, affidavits, and such other forms as it may deem necessary and advisable;

(5) cooperate with the federal government and its public welfare agencies in any reasonable manner as may be necessary to qualify for federal aid for aid to dependent children and in conformity with the provisions of Laws 1937, chapter 438, including the making of such reports and such forms and containing such information as the Federal Social Security Board may from time to time require, and comply with such provisions as such board may from time to time find necessary to assure the correctness and verification of such reports;

(6) may cooperate with other state agencies in establishing reciprocal agreements in instances where a child receiving aid to dependent children moves or contemplates moving into or out of the state, in order that such child may continue to receive supervised aid from the state moved from until the child shall have resided for one year in the state moved to;

(7) on or before October 1 in each even-numbered year make a biennial report to the governor concerning the activities of the agency; ~~and~~

(8) enter into agreements with other departments of the state as necessary to meet all requirements of the federal government; and

(9) cooperate with the commissioner of children, families, and learning to enforce the requirements for program integrity and fraud prevention for investigation for child care assistance under chapter 119B.

Sec. 49. Minnesota Statutes 1998, section 256.045, is amended by adding a subdivision to read:

Subd. 3c. [FINAL ORDER IN HEARING UNDER SECTION 119B.16.] The state human services referee shall recommend an order to the commissioner of children, families, and learning in an appeal under section 119B.16. The commissioner shall affirm, reverse, or modify the order. An order issued under this subdivision is conclusive on the parties unless an appeal is taken under subdivision 7.

Sec. 50. Minnesota Statutes 1998, section 256.045, subdivision 6, is amended to read:

Subd. 6. [ADDITIONAL POWERS OF THE COMMISSIONER; SUBPOENAS.] (a) The commissioner of human services, or the commissioner of health for matters within the commissioner's jurisdiction under subdivision 3b, or the commissioner of children, families, and learning for matters within the commissioner's jurisdiction under subdivision 3c, may initiate a review of any action or decision of a county agency and direct that the matter be presented to a state human services referee for a hearing held under subdivision 3, 3a, 3b, 3c, or 4a. In all matters dealing with human services committed by law to the discretion of the county agency, the commissioner's judgment may be substituted for that of the county agency. The commissioner may order an independent examination when appropriate.

(b) Any party to a hearing held pursuant to subdivision 3, 3a, 3b, 3c, or 4a may request that the commissioner issue a subpoena to compel the attendance of witnesses and the production of records at the hearing. A local agency may request that the commissioner issue a subpoena to compel the release of information from third parties prior to a request for a hearing under section 256.046 upon a showing of relevance to such a proceeding. The issuance, service, and enforcement of subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules of Civil Procedure.

(c) The commissioner may issue a temporary order staying a proposed demission by a residential facility licensed under chapter 245A while an appeal by a recipient under subdivision 3 is pending or for the period of time necessary for the county agency to implement the commissioner's order.

Sec. 51. Minnesota Statutes 1998, section 256.045, subdivision 7, is amended to read:

Subd. 7. [JUDICIAL REVIEW.] Except for a prepaid health plan, any party who is aggrieved by an order of the commissioner of human services, or the commissioner of health in appeals within the commissioner's jurisdiction under subdivision 3b, or the commissioner of children, families, and learning for matters within the commissioner's jurisdiction under subdivision 3c, may appeal the order to the district court of the county responsible for furnishing assistance, or, in appeals under subdivision 3b, the county where the maltreatment occurred, by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the commissioner issued the order, the amended order, or order affirming the original order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the court administrator in appeals

taken pursuant to this subdivision, with the exception of appeals taken under subdivision 3b. The commissioner may elect to become a party to the proceedings in the district court. Except for appeals under subdivision 3b, any party may demand that the commissioner furnish all parties to the proceedings with a copy of the decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the human services referee, by serving a written demand upon the commissioner within 30 days after service of the notice of appeal. Any party aggrieved by the failure of an adverse party to obey an order issued by the commissioner under subdivision 5 may compel performance according to the order in the manner prescribed in sections 586.01 to 586.12.

Sec. 52. Minnesota Statutes 1998, section 256.046, subdivision 1, is amended to read:

Subdivision 1. [HEARING AUTHORITY.] A local agency ~~shall~~ must initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the aid to families with dependent children, ~~MFIP-S MFIP~~, child care assistance programs, general assistance, family general assistance, Minnesota supplemental aid, medical care, or food stamp programs. The hearing is subject to the requirements of section 256.045 and the requirements in Code of Federal Regulations, title 7, section 273.16, for the food stamp program and title 45, section 235.112, as of September 30, 1995, for the cash grant and medical care programs.

Sec. 53. Minnesota Statutes 1998, section 256.741, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ASSIGNMENT.] Assignments in this section take effect upon a determination that the applicant is eligible for public assistance. The amount of support assigned under this subdivision may not exceed the total amount of public assistance issued or the total support obligation, whichever is less. Child care support collections made according to an assignment under subdivision 2, paragraph (c), must be ~~transferred~~ deposited, subject to any limitations of federal law, ~~from~~ by the commissioner of human services in the child support collection account in the special revenue fund and appropriated to the commissioner of children, families, and learning ~~and dedicated to the child care fund under chapter 119B for child care assistance under section 119B.03~~. These collections are in addition to state and federal funds appropriated to the child care fund.

Sec. 54. Minnesota Statutes 1998, section 256.98, subdivision 1, is amended to read:

Subdivision 1. [WRONGFULLY OBTAINING ASSISTANCE.] A person who commits any of the following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897, 256.12, 256.031 to 256.361, 256.72 to 256.871, 256.9365, 256.94 to 256.966, ~~child care, MFIP-S MFIP~~, chapter 256B, 256D, 256J, 256K, ~~or~~ 256L, child care assistance programs, or all of these sections, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses (1) to (5):

(1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of any material fact, or by impersonation or other fraudulent device, assistance or the continued receipt of assistance, to include child care assistance or vouchers produced according to sections 145.891 to 145.897 and MinnesotaCare services according to sections 256.9365, 256.94, and 256L.01 to 256L.16, to which the person is not entitled or assistance greater than that to which the person is entitled;

(2) knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the county agency; or

(3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments to which the individual is not entitled as a provider of subsidized child care, or by furnishing or concurring in a willfully false claim for child care assistance.

The continued receipt of assistance to which the person is not entitled or greater than that to which the person is entitled as a result of any of the acts, failure to act, or concealment described in this subdivision shall be deemed to be continuing offenses from the date that the first act or failure to act occurred.

Sec. 55. Minnesota Statutes 1998, section 256.98, subdivision 7, is amended to read:

Subd. 7. [DIVISION OF RECOVERED AMOUNTS.] Except for recoveries under chapter 119B, if the state is responsible for the recovery, the amounts recovered shall be paid to the appropriate units of government as provided under section 256.863. If the recovery is directly attributable to a county, the county may retain one-half of the nonfederal share of any recovery from a recipient or the recipient's estate.

This subdivision does not apply to recoveries from medical providers or to recoveries involving the department of human services, surveillance and utilization review division, state hospital collections unit, and the benefit recoveries division.

Sec. 56. Minnesota Statutes 1998, section 256.98, subdivision 8, is amended to read:

Subd. 8. [DISQUALIFICATION FROM PROGRAM.] (a) Any person found to be guilty of wrongfully obtaining assistance by a federal or state court or by an administrative hearing determination, or waiver thereof, through a disqualification consent agreement, or as part of any approved diversion plan under section 401.065, or any court-ordered stay which carries with it any probationary or other conditions, in the aid to families with dependent children program, the Minnesota family assistance program-statewide, the food stamp program, the Minnesota family investment plan, ~~child care program~~, the general assistance or family general assistance program, or the Minnesota supplemental aid program shall be disqualified from that program. The needs of that individual shall not be taken into consideration in determining the grant level for that assistance unit:

- (1) for one year after the first offense;
- (2) for two years after the second offense; and
- (3) permanently after the third or subsequent offense.

The period of program disqualification shall begin on the date stipulated on the advance notice of disqualification without possibility of postponement for administrative stay or administrative hearing and shall continue through completion unless and until the findings upon which the sanctions were imposed are reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review. The sanctions provided under this subdivision are in addition to, and not in substitution for, any other sanctions that may be provided for by law for the offense involved. A disqualification established through hearing or waiver shall result in the disqualification period beginning immediately unless the person has become otherwise ineligible for assistance. If the person is ineligible for assistance, the disqualification period begins when the person again meets the eligibility criteria of the program from which they were disqualified and makes application for that program.

(b) A family receiving assistance through child care assistance programs under chapter 119B with a family member who is found to be guilty of wrongfully obtaining child care assistance by a federal court, state court, or an administrative hearing determination or waiver, through a disqualification consent agreement, as part of an approved diversion plan under section 401.065, or a court-ordered stay with probationary or other conditions, is disqualified from child care assistance programs. The disqualifications must be for periods of three months, six months, and two years for the first, second, and third offenses respectively. Subsequent violations must result in permanent disqualification. During the disqualification period, disqualification from any child care program must extend to all child care programs and must be immediately applied.

Sec. 57. Minnesota Statutes 1998, section 256.983, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENT RESPONSIBILITIES.] The commissioner shall establish training programs which shall be attended by all investigative and supervisory staff of the involved county agencies. The commissioner shall also develop the necessary operational guidelines, forms, and reporting mechanisms, which shall be used by the involved county agencies. An individual's application or redetermination form ~~shall~~ for public assistance benefits, including child care assistance programs and medical care programs, must include an authorization for release by

the individual to obtain documentation for any information on that form which is involved in a fraud prevention investigation. The authorization for release ~~would be~~ is effective ~~until~~ for six months after public assistance benefits have ceased.

Sec. 58. Minnesota Statutes 1998, section 256.983, subdivision 4, is amended to read:

Subd. 4. [FUNDING.] (a) County agency reimbursement shall be made through the settlement provisions applicable to the ~~aid to families with dependent children program, food stamp program, Minnesota family investment program-statewide, and MFIP, child care assistance programs, the~~ medical assistance program, and other federal and state-funded programs.

(b) The commissioner will maintain program compliance if for any three consecutive month period, a county agency fails to comply with fraud prevention investigation program guidelines, or fails to meet the cost-effectiveness standards developed by the commissioner. This result is contingent on the commissioner providing written notice, including an offer of technical assistance, within 30 days of the end of the third or subsequent month of noncompliance. The county agency shall be required to submit a corrective action plan to the commissioner within 30 days of receipt of a notice of noncompliance. Failure to submit a corrective action plan or, continued deviation from standards of more than ten percent after submission of a corrective action plan, will result in denial of funding for each subsequent month, or billing the county agency for fraud prevention investigation (FPI) service provided by the commissioner, or reallocation of program grant funds, or investigative resources, or both, to other counties. The denial of funding shall apply to the general settlement received by the county agency on a quarterly basis and shall not reduce the grant amount applicable to the FPI project.

Sec. 59. Minnesota Statutes 1998, section 466.01, subdivision 1, is amended to read:

Subdivision 1. [MUNICIPALITY.] For the purposes of sections 466.01 to 466.15, "municipality" means any city, whether organized under home rule charter or otherwise, any county, town, public authority, public corporation, nonprofit firefighting corporation that has associated with it a relief association as defined in section 424A.001, subdivision 4, special district, school district, however organized, county agricultural society organized pursuant to chapter 38, joint powers board or organization created under section 471.59 or other statute, public library, regional public library system, multicounty multitype library system, the following local collaboratives whose plans have been approved by the children's cabinet: family services ~~collaborative~~ collaboratives established under section 124D.23, children's mental health collaboratives established under sections 245.491 to 245.496, or a collaborative established by the merger of a children's mental health collaborative and a family services collaborative, other political subdivision, or community action agency.

Sec. 60. Laws 1997, chapter 162, article 2, section 28, subdivision 6, is amended to read:

Subd. 6. [PROGRAM COMPONENTS.] An adolescent parenting program must include:

(1) a high quality educational program provided in the least restrictive environment that includes strategies to ensure access to educational services, including flexible attendance policies and class scheduling, and grants academic credit for all work completed;

(2) to the extent possible, collaboration with other governmental agencies and community-based organizations to provide on-site support services, including child care;

(3) an individualized learning plan for each eligible student that includes career goals;

(4) assurance of compliance with requirements of Public Law Number 92-318, title IX, prohibiting discrimination against students due to their pregnant or parenting status;

(5) courses in parent education and life skills;

- (6) accountability measures for student performance linked to graduation standards;
- (7) professional development opportunities on adolescent pregnancy and parenting issues and strategies to achieve academic success with this student population;
- (8) a system to document that adolescent parenting and prevention support funds were used to provide support services to eligible students;
- (9) a comprehensive assessment of the district's adolescent pregnancy prevention programs and recommendations for improvements;
- (10) a system for collecting and reporting specific student data, including goals and outcome measurements; ~~and~~
- (11) a program advisory council, which may consist of an existing local council; and
- (12) transportation options for parents and their children, including allowing transportation on district buses along existing routes.

Sec. 61. [PLAN FOR INTEGRATION.]

The commissioner of children, families, and learning shall develop a plan for integrating child care and early childhood education programs and services. The plan must focus on cost-efficient delivery of services and address central location of programs, integration of programs, ease of accessibility to services by families, nontraditional hours of child care, infant care, sick child care, special needs child care, and legislative simplification of programs. The commissioner shall consult with representatives from a variety of for-profit, nonprofit, and publicly funded child care and early childhood education programs and services in developing the plan. The plan must contain budget recommendations, proposed legislation in draft form, and recommendations for financial incentives to reward programs that provide cooperative services. The commissioner must report on the plan by January 15, 2001, to the senate and house committees having jurisdiction over child care and early childhood education programs.

Sec. 62. [PRETAX CHILD CARE ACCOUNTS; ASSISTANCE FOR EMPLOYERS.]

The commissioner of children, families, and learning in cooperation with the commissioner of revenue must provide assistance to support parental choice in child care through increased availability of pretax child care accounts. The commissioner may use a portion of the available Child Care and Development Fund to provide assistance under this section. The assistance must encourage employers to participate by establishing accounts for their employees. Assistance may include technical assistance, workshops for employers or employees on the advantages of pretax accounts, and other types of promotional material or assistance. The commissioner must report to the legislature by February 1, 2000, on progress under this section.

Sec. 63. [PARENT FEE SCHEDULE.]

The commissioner of children, families, and learning shall amend the parent fee schedule in Minnesota Rules, chapter 3400, to do the following:

- (1) parent fees for families with incomes between 101.01 percent of the federal poverty guidelines and 35 percent of the state median income must equal 2.20 percent of adjusted gross income for families at 35 percent of the state median income;
- (2) parent fees for families with incomes between 35.01 percent state median income and 42 percent of the state median income must equal 2.70 percent of adjusted gross income for families at 42 percent of the state median income;



(3) parent fees for families with incomes between 42.01 percent state median income and 75 percent of the state median income must begin at 3.75 percent of adjusted gross income and provide for graduated movement of fee increases; and

(4) parent fees for families at 75 percent of state median income must equal 20.0 percent of gross annual income.

Sec. 64. [CHILDHOOD LEARNING MATERIALS; CONTRIBUTIONS.]

The commissioner of children, families, and learning shall initiate contacts with businesses and other organizations to encourage them to donate materials designed to help families interact with their children during the first four years of life in ways that will help develop the skills and abilities necessary to succeed in reading and in school. The goal of this cooperative effort shall be to provide learning materials for children under age five through an alliance of business, nonprofit organizations, and government. The commissioner shall provide testimony on the status of this project by February 1, 2000, to the house and senate committees with jurisdiction over family and early childhood education.

Sec. 65. [ADDITIONAL EARLY CHILDHOOD FAMILY EDUCATION AID; FISCAL YEAR 2000.]

A district that complies with Minnesota Statutes, section 124D.13, shall receive additional early childhood family education aid for fiscal year 2000 equal to \$2.46 times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the school district on October 1 of the previous school year. The additional early childhood family education aid may be used only for early childhood family education programs.

Sec. 66. [CONSOLIDATION PLAN.]

The commissioner of children, families, and learning shall identify potential obstacles to the consolidation of MFIP, transition year, and basic sliding fee child care programs into one child care assistance program and shall study ways to achieve this consolidation during the 2002-2003 biennium. The commissioner shall testify before relevant house and senate committees on this matter during the year 2000 session.

Sec. 67. [STATE MONEY TO BE USED AS MATCH FOR WELFARE-TO-WORK GRANT MONEY.]

The commissioner of finance shall examine all relevant state expenditures authorized for fiscal years 2000 and 2001 to determine whether any expenditures can be used to provide a state match to obtain federal Welfare-to-Work funds. If the commissioner determines that any state expenditures can be used for this purpose in a manner that does not compromise the state's TANF maintenance-of-effort and is consistent with the state's fiscal policies and practices, the commissioner shall direct the appropriate agencies to take the actions necessary to track, document, and verify the designated state expenditures in order to qualify for and use up to \$5,000,000 in state expenditures for use as a match for federal Welfare-to-Work funds.

Sec. 68. [TRANSFER OF PROGRAMS.]

The powers and duties of the department of children, families, and learning with respect to drug policy and violence prevention under Minnesota Statutes 1998, sections 119A.25, 119A.26, 119A.27, 119A.28, 119A.29, 119A.31, 119A.32, 119A.33, and 119A.34, are transferred to the department of public safety under Minnesota Statutes, section 15.039.

## Sec. 69. [INCONSISTENT AMENDMENTS.]

The amendments in this article to Minnesota Statutes 1998, sections 119B.01, subdivisions 15 and 16; 119B.03, subdivision 4; 119B.05, subdivision 1; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.14; and 119B.15 prevail over the amendments to the same provisions of Minnesota Statutes 1998 that are contained in the 1999 S. F. No. 1585, if enacted.

## Sec. 70. [REVISOR INSTRUCTION.]

(a) The revisor of statutes shall change the headnote of Minnesota Statutes, section 119B.05, from "AFDC CHILD CARE PROGRAM" to "MFIP CHILD CARE ASSISTANCE PROGRAM" and the headnote of Minnesota Statutes, section 125A.35, from "EARLY INTERVENTION FLOW-THROUGH DOLLARS" to "EARLY INTERVENTION SERVICE DOLLARS."

(b) The revisor of statutes shall change the term "learning readiness" to "school readiness" wherever it appears in Minnesota Statutes and Minnesota Rules in connection with the learning readiness programs regulated under Minnesota Statutes, chapter 124D.

## Sec. 71. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. [SCHOOL READINESS PROGRAM REVENUE.] For revenue for learning readiness programs according to Minnesota Statutes, sections 124D.15 and 124D.16:

<u>\$10,395,000</u>	: : : : :	<u>2000</u>
<u>\$10,395,000</u>	: : : : :	<u>2001</u>

The 2000 appropriation includes \$1,040,000 for 1999 and \$9,355,000 for 2000.

The 2001 appropriation includes \$1,040,000 for 2000 and \$9,355,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. [EARLY CHILDHOOD FAMILY EDUCATION AID.] For early childhood family education aid according to Minnesota Statutes, section 124D.135:

<u>\$20,485,000</u>	: : : : :	<u>2000</u>
<u>\$19,420,000</u>	: : : : :	<u>2001</u>

The 2000 appropriation includes \$1,390,000 for 1999 and \$19,095,000 for 2000.

The 2001 appropriation includes \$2,122,000 for 2000 and \$17,298,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. [HEALTH AND DEVELOPMENTAL SCREENING AID.] For health and developmental screening aid according to Minnesota Statutes, sections 121A.17 and 121A.19:

<u>\$2,450,000</u>	: : : : :	<u>2000</u>
<u>\$2,650,000</u>	: : : : :	<u>2001</u>

The 2000 appropriation includes \$155,000 for 1999 and \$2,295,000 for 2000.

The 2001 appropriation includes \$255,000 for 2000 and \$2,395,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. [WAY TO GROW.] For grants for existing way to grow programs according to Minnesota Statutes, section 124D.17:

<u>\$475,000</u>	.....	<u>2000</u>
<u>\$475,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. [HEAD START PROGRAM.] For Head Start programs according to Minnesota Statutes, section 119A.52:

<u>\$18,375,000</u>	.....	<u>2000</u>
<u>\$18,375,000</u>	.....	<u>2001</u>

\$1,000,000 each year must be used for grants to local Head Start agencies for full-year programming for children ages 0 to 3. Programs must comply with applicable federal Head Start performance standards. Grantees may use state grant funds to provide services in addition to those allowed under federal Head Start regulations. In awarding grants, the commissioner must give priority to continue existing programs. Any additional money must be distributed to local Head Start agencies to expand full-year programming for children ages 0 to 3.

Any balance in the first year does not cancel but is available in the second year.

Subd. 7. [SCHOOL AGE CARE AID.] For extended day aid according to Minnesota Statutes, section 124D.22:

<u>\$274,000</u>	.....	<u>2000</u>
<u>\$216,000</u>	.....	<u>2001</u>

The 2000 appropriation includes \$30,000 for 1999 and \$244,000 for 2000.

The 2001 appropriation includes \$27,000 for 2000 and \$189,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 8. [BASIC SLIDING FEE CHILD CARE.] For child care assistance according to Minnesota Statutes, section 119B.03:

<u>\$21,621,000</u>	.....	<u>2000</u>
<u>\$22,377,000</u>	.....	<u>2001</u>

Six months before the end of the biennium, the commissioner must estimate the amount of biennial expenditures from the allocation for assistance under the at-home infant care program. The commissioner must transfer the amount of any projected surplus allocation to the basic sliding fee program. Of the amount set aside under section 119B.061 for the at-home infant care program, up to \$25,000 must be used to develop and provide information under section 119B.061, subdivision 5.

Any balance in the first year does not cancel but is available in the second year.

The fiscal year 2002 and 2003 base is \$62,199,000 each year. Of this amount, \$51,999,000 is from the general fund and \$10,200,000 is from the federal TANF block grant.

Subd. 9. [MFIP CHILD CARE.] For child care assistance according to Minnesota Statutes, section 119B.05:

<u>\$86,318,000</u>	.....	<u>2000</u>
<u>\$88,443,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 10. [CHILD CARE DEVELOPMENT.] For child care development grants according to Minnesota Statutes, section 119B.21:

<u>\$1,865,000</u>	.....	<u>2000</u>
<u>\$1,865,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Sec. 72. [FEDERAL TANF TRANSFERS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] The sums indicated in this section are transferred from the federal TANF fund to the child care and development fund and appropriated to the department of children, families, and learning for the fiscal years designated. The commissioner shall ensure that all transferred funds are expended in accordance with the child care and development fund regulations and that the maximum allowable transferred funds are used for the programs in this section.

Subd. 2. [BASIC SLIDING FEE CHILD CARE.] For child care assistance according to Minnesota Statutes, section 119B.03:

<u>\$37,985,000</u>	.....	<u>2000</u>
<u>\$37,986,000</u>	.....	<u>2001</u>

Any balance the first year does not cancel but is available in the second year. The fiscal year 2002 and 2003 base is \$62,199,000 each year. Of this amount, \$51,999,000 is from the general fund and \$10,200,000 is from the federal TANF block grant.

Subd. 3. [TRANSITION YEAR FAMILIES.] To provide uninterrupted assistance under Minnesota Statutes, section 119B.03, for families completing transition year child care assistance in fiscal year 2000:

<u>\$2,500,000</u>	.....	<u>2000</u>
--------------------	-------	-------------

This is a one-time appropriation. Any balance the first year does not cancel but is available in the second year.

Subd. 4. [CHILD CARE DEVELOPMENT.] For child care development activities:

<u>\$1,130,000</u>	.....	<u>2000</u>
<u>\$449,000</u>	.....	<u>2001</u>

\$100,000 of the 2000 appropriation is for a grant to a nonprofit corporation under Minnesota Statutes, section 119B.25, for purposes that are eligible for funding under the Child Care and Development Fund, including improvements to child care facilities, business planning, and development of licensed child care.

Up to \$20,000 of the fiscal year 2000 appropriation is for assistance to establish pretax child care accounts in section 62.

These are one-time appropriations. Any balance in the first year does not cancel but is available in the second year.

Subd. 5. [PROGRAM INTEGRITY.] For administrative costs of program integrity and fraud prevention for child care assistance programs under chapter 119B:

<u>\$175,000</u>	: : : : :	<u>2000</u>
<u>\$175,000</u>	: : : : :	<u>2001</u>

This must be a base general fund appropriation for fiscal years 2002 and 2003.

Sec. 73. [REPEALER.]

(a) Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; and 124D.14, are repealed.

(b) Section 63 is repealed on the effective date of the specified rule changes in Minnesota Rules, chapter 3400.

ARTICLE 2

COMMUNITY AND SYSTEMS CHANGE

Section 1. Minnesota Statutes 1998, section 124D.20, subdivision 5, is amended to read:

Subd. 5. [COMMUNITY EDUCATION LEVY.] To obtain community education revenue, a district may levy the amount raised by a tax rate of ~~41~~ .4795 percent times the adjusted net tax capacity of the district. If the amount of the community education levy would exceed the community education revenue, the community education levy shall be determined according to subdivision 6.

Sec. 2. Laws 1997, First Special Session chapter 4, article 1, section 61, subdivision 2, is amended to read:

Subd. 2. [TAX RATE ADJUSTMENT.] For taxes payable in 1998 and 1999, the commissioner shall adjust each tax rate established under Minnesota Statutes, chapters ~~124 and 124A~~ 120B, 122A, 123A, 123B, 124D, 125A, 126C, and 127A, by multiplying the rate by the ratio of the statewide tax capacity as calculated using the class rates in effect for assessment year 1996 to the statewide tax capacity using the class rates for that assessment year.

Sec. 3. Laws 1997, First Special Session chapter 4, article 1, section 61, subdivision 3, as amended by Laws 1998, chapter 398, article 1, section 41, is amended to read:

Subd. 3. [EQUALIZING FACTORS.] For taxes payable in 1998 and 1999, the commissioner shall adjust each equalizing factor established using adjusted net tax capacity per actual pupil unit under Minnesota Statutes, chapters ~~124 and 124A~~ 120B, 122A, 123A, 123B, 124D, 125A, 126C, and 127A, by dividing the equalizing factor by the ratio of the statewide tax capacity as calculated using the class rates in effect for assessment year 1996 to the statewide tax capacity using the class rates for that assessment year.

## Sec. 4. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. [FAMILY COLLABORATIVES.] For family collaboratives according to Laws 1995, First Special Session chapter 3, article 4, section 29, subdivision 10:

<u>\$4,777,000</u>	.....	<u>2000</u>
<u>\$2,535,000</u>	.....	<u>2001</u>

No new family services collaboratives shall be funded with this appropriation after June 30, 1999.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid according to Minnesota Statutes, section 124D.20:

<u>\$14,136,000</u>	.....	<u>2000</u>
<u>\$14,696,000</u>	.....	<u>2001</u>

The 2000 appropriation includes \$160,000 for 1999 and \$13,976,000 for 2000.

The 2001 appropriation includes \$1,552,000 for 2000 and \$13,144,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. [ADULTS WITH DISABILITIES PROGRAM AID.] For adults with disabilities programs according to Minnesota Statutes, section 124D.56:

<u>\$670,000</u>	.....	<u>2000</u>
<u>\$670,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. [HEARING-IMPAIRED ADULTS.] For programs for hearing-impaired adults according to Minnesota Statutes, section 124D.57:

<u>\$70,000</u>	.....	<u>2000</u>
<u>\$70,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. [FIRST CALL MINNESOTA.] For a grant to First Call Minnesota to operate a statewide system of information and referral for community services:

<u>\$50,000</u>	.....	<u>2000</u>
-----------------	-------	-------------

This is a one-time appropriation.

## ARTICLE 3

## PREVENTION AND INTERVENTION

## Section 1. [124D.221] [AFTER-SCHOOL ENRICHMENT PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] A competitive statewide after-school enrichment grant program is established to provide implementation grants to community or nonprofit organizations, to political subdivisions, or to school-based programs. The commissioner shall develop criteria for after-school enrichment programs.

Subd. 2. [PRIORITY NEIGHBORHOODS.] For grants in Minneapolis and St. Paul, the commissioner must give priority to neighborhoods in this subdivision. In Minneapolis, priority neighborhoods are Near North, Hawthorne, Sumner-Glenwood, Harrison, Jordan, Powderhorn, Central, Whittier, Cleveland, McKinley, Waite Park, Sheridan, Holland, and Phillips. In St. Paul, priority neighborhoods are Summit-University, Thomas-Dale, North End, Payne-Phalen, Daytons Bluff, and the West Side.

Subd. 3. [PROGRAM OUTCOMES.] The expected outcomes of the after-school enrichment programs are to:

- (1) increase the number of children participating in adult-supervised programs in nonschool hours;
- (2) support academic achievement, including the areas of reading and math;
- (3) reduce the amount of juvenile crime;
- (4) increase school attendance and reduce the number of school suspensions;
- (5) increase the number of youth engaged in community service and other activities designed to support character improvement, strengthen families, and instill community values;
- (6) increase skills in technology, the arts, sports, and other activities; and
- (7) increase and support the academic achievement and character development of adolescent parents.

Subd. 4. [PLAN.] An applicant shall develop a plan for an after-school enrichment program for youth. The plan must include:

- (1) collaboration with and leverage of existing community resources that have demonstrated effectiveness;
- (2) creative outreach to children and youth;
- (3) involvement of local governments, including park and recreation boards or schools, unless no government agency is appropriate;
- (4) community control over the design of the enrichment program; and
- (5) identification of the sources of nonpublic funding.

Subd. 5. [PLAN APPROVAL; GRANTS.] An applicant shall submit a plan developed under subdivision 4 to the commissioner for approval. The commissioner shall award a grant for the implementation of an approved plan.

Sec. 2. Minnesota Statutes 1998, section 124D.33, subdivision 3, is amended to read:

Subd. 3. [EXPECTED OUTCOMES.] Grant recipients must use the funds for programs designed to prevent teen pregnancy and to prevent crime in the long term. Recipient programs must assist youth to demonstrate the following outcomes:

- (1) a reduction in the incidence of teen pregnancy;

- (2) an increase in the establishment of paternity, especially through the recognition of parentage process;
- (3) an increase in the number of child support orders and collection;
- (4) an understanding of early childhood development, including the importance of fathers in the lives of children;
- ~~(1) understand~~ (5) an understanding of the connection between sexual behavior, adolescent pregnancy, and the roles and responsibilities of marriage and parenting;
- (6) an understanding that abstinence is the only completely safe means of sexual protection; and
- ~~(2) understand~~ (7) an understanding of the long-term responsibility of fatherhood;
- ~~(3) understand the importance of fathers in the lives of children;~~
- ~~(4) acquire parenting skills and knowledge of child development; and~~
- ~~(5) find community support for their roles as fathers and nurturers of children.~~

Sec. 3. Minnesota Statutes 1998, section 124D.33, subdivision 4, is amended to read:

Subd. 4. [GRANT APPLICATIONS.] (a) An application for a grant may be submitted by a youth or parenting program whose purpose is to reduce teen pregnancy or teach child development and parenting skills in collaboration with a district. Each grant application must include a description of the program's structure and components, including collaborative and outreach efforts; an implementation and evaluation plan to measure the program's success; a plan for using males as instructors and mentors; and a cultural diversity plan to ensure that staff or teachers will reflect the cultural backgrounds of the population served and that the program content is culturally sensitive.

(b) Grant recipients must, at a minimum, provide education in responsible parenting and child development, responsible decision-making related to marriage and relationships, and the legal implications of paternity. Grant recipients also must provide public awareness efforts in the collaborating school district. Grant recipients may offer support groups, health and nutrition education, and mentoring and peer teaching.

(c) A grant applicant must establish an advisory committee to assist the applicant in planning and implementation of a grant. The advisory committee must include student representatives, adult males from the community, representatives of community organizations, teachers, parent educators, and representatives of family social service agencies.

(d) A grant applicant must detail in its application how it will evaluate the effectiveness of its program, including how it will collect data to establish whether the expected outcomes have been met. The applicant must report the data it collects to the commissioner semiannually.

Sec. 4. Minnesota Statutes 1998, 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 be credited to the trunk highway fund.



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

(3) Eight percent shall 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 be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

(4) Twelve percent shall 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 ~~in~~ for elementary and secondary schools school students.

(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 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 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, a handling charge is imposed in the amount specified under section 168.33, subdivision 7. 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, subdivision 2.

#### Sec. 5. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] The sums indicated in this section are appropriated from the general fund, unless otherwise indicated, to the department of children, families, and learning for the fiscal years designated.

Subd. 2. [VIOLENCE PREVENTION EDUCATION GRANTS.] For violence prevention education grants according to Minnesota Statutes, section 120B.23:

<u>\$1,450,000</u>	.....	<u>2000</u>
<u>\$1,450,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. [ABUSED CHILDREN.] For abused children programs according to Minnesota Statutes, section 119A.21:

<u>\$945,000</u>	.....	<u>2000</u>
<u>\$945,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. [CHILDREN'S TRUST FUND.] For children's trust fund according to Minnesota Statutes, sections 119A.12 and 119A.13:

<u>\$225,000</u>	.....	<u>2000</u>
<u>\$225,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. [AFTER-SCHOOL ENRICHMENT GRANTS.] For after school enrichment grants according to Laws 1996, chapter 412, article 4, section 30:

<u>\$5,260,000</u>	.....	<u>2000</u>
<u>\$5,260,000</u>	.....	<u>2001</u>

Of this amount, \$200,000 each year is for programs that make state armories available to communities for youth recreational and enrichment activities.

Any balance in the first year does not cancel but is available in the second year.

In fiscal year 2002 and 2003, the base for this program is \$5,510,000 from the general fund each year.

Subd. 6. [ALCOHOL-IMPAIRED DRIVER.] (a) For grants with funds received under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), clause (4):

<u>\$200,000</u>	.....	<u>2000</u>
<u>\$200,000</u>	.....	<u>2001</u>

(b) These appropriations are from the alcohol-impaired driver account of the special revenue fund to the department of children, families, and learning for chemical abuse prevention grants.

(c) Up to \$150,000 each year may be used for chemical abuse prevention grants to provide a match for a community collaborative project for children and youth developed by a regional organization established under Minnesota Statutes.

The regional organization must include a broad cross section of public and private sector community representatives to address specific community needs of children and youth. A regional organization that receives a grant must provide a two-to-one match of nonstate dollars.

(d) \$50,000 each year is for grants to a nonprofit organization to fund culturally appropriate prevention programs for American Indian youth and families and urban American Indian communities.

In addition, \$200,000 of the amount of special revenue funds carried forward for fiscal year 2000 may be used in fiscal years 2000 and 2001 for grants under this paragraph.

Subd. 7. [FAMILY VISITATION CENTERS.] (a) For family visitation centers according to Minnesota Statutes, section 119A.37:

<u>\$200,000</u>	<u>.....</u>	<u>2000</u>
<u>\$200,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

(b) An additional \$96,000 in fiscal year 2000 and \$96,000 in fiscal year 2001 is appropriated from the special revenue fund under Minnesota Statutes, section 517.08, subdivision 1c, for family visitation centers. Any balance in the first year does not cancel but is available for the second year.

Subd. 8. [ADOLESCENT PARENTING GRANTS.] For grants to reduce long-term welfare dependency and promote self-sufficiency among adolescent parents under Laws 1997, chapter 162, article 2, section 28:

<u>\$1,000,000</u>	<u>.....</u>	<u>2000</u>
--------------------	--------------	-------------

Any balance in the first year does not cancel but is available in the second year.

\$200,000 of this appropriation is one time and is not to be added to the base.

Subd. 9. [MALE RESPONSIBILITY AND FATHERING GRANTS.] For grants according to Minnesota Statutes, section 124D.33:

<u>\$250,000</u>	<u>.....</u>	<u>2000</u>
<u>\$250,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

ARTICLE 4

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 1998, section 16B.405, subdivision 2, is amended to read:

Subd. 2. [SOFTWARE SALE FUND.] (a) Except as provided in ~~paragraph (b)~~ paragraphs (b) and (c), proceeds of the sale or licensing of software products or services by the commissioner must be credited to the intertechnologies revolving fund. If a state agency other than the department of administration has contributed to the development of software sold or licensed under this section, the commissioner may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds of the sale or licensing of software products or services developed by the pollution control agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

(c) Proceeds of the sale or licensing of software products or services developed by the department of children, families, and learning, or custom developed by a vendor for the agency, to support the achieved savings assessment program, must be appropriated to the commissioner of children, families, and learning and credited to the weatherization program to support weatherization activities.

Sec. 2. Minnesota Statutes 1998, section 122A.26, is amended by adding a subdivision to read:

Subd. 3. [ENGLISH AS A SECOND LANGUAGE.] Notwithstanding subdivision 2, a person who possesses a bachelor's or master's degree in English as a second language, applied linguistics, or bilingual education, or who possesses a related degree as approved by the commissioner, shall be permitted to teach English as a second language in an adult basic education program that receives funding under section 124D.53.

Sec. 3. Minnesota Statutes 1998, section 124D.52, is amended by adding a subdivision to read:

Subd. 4. [ENGLISH AS A SECOND LANGUAGE PROGRAMS.] Persons may teach English as a second language classes conducted at a worksite, if they meet the requirements of section 122A.19, subdivision 1, clause (a), regardless of whether they are licensed teachers. Persons teaching English as a second language for an approved adult basic education program must possess a bachelor's or master's degree in English as a second language, applied linguistics, or bilingual education, or a related degree as approved by the commissioner.

Sec. 4. Minnesota Statutes 1998, section 124D.52, is amended by adding a subdivision to read:

Subd. 5. [BASIC SERVICE LEVEL.] A district, or a consortium of districts, with a program approved by the commissioner under subdivision 2 must establish, in consultation with the commissioner, a basic level of service for every adult basic education site in the district or consortium. The basic service level must describe minimum levels of academic instruction and support services to be provided at each site. The program must set a basic service level that promotes effective learning and student achievement with measurable results. Each district or consortium of districts must submit its basic service level to the commissioner for approval.

Sec. 5. Minnesota Statutes 1998, section 124D.53, subdivision 3, is amended to read:

Subd. 3. [AID.] Adult basic education aid for each approved program equals 65 percent of the general education formula allowance \$2,295 for fiscal year 2000 and \$2,338 for fiscal year 2001 and later fiscal years times the number of full-time equivalent students in its adult basic education program during the first prior program year.

Sec. 6. Minnesota Statutes 1998, section 124D.53, is amended by adding a subdivision to read:

Subd. 7. [BASIC POPULATION AID.] A district with a population of less than 30,000 is eligible for basic population aid if: (1) the district levied for adult basic education for revenue in fiscal year 1999; and (2) the district has a basic service level approved by the commissioner under section 124D.52, subdivision 5, or is a member of a consortium with an approved basic service level. Basic population aid is equal to the greater of \$4,000 or \$1 times the population of the district. District population is determined according to section 275.14. Aid under this section is in addition to aid under subdivision 3 and must be used for sites that meet the approved basic service level under section 124D.52, subdivision 5.

Sec. 7. Minnesota Statutes 1998, section 124D.54, subdivision 1, is amended to read:

Subdivision 1. [AID ELIGIBILITY.] For fiscal years 1998 and later, Adult high school graduation aid for eligible pupils age 21 or over, equals 65 percent of the general education formula allowance times 1.30 times the average daily membership under section 126C.05, subdivision 12.

(1) for fiscal year 2000: 1.30 multiplied by the average daily membership under section 126C.05, subdivision 12, multiplied by (i) \$1,676 or (ii) \$3,251,000 divided by the state total weighted average daily membership, not to exceed \$2,295;

(2) for fiscal year 2001 and later fiscal years: \$2,338 multiplied by 1.30 multiplied by the average daily membership under section 126C.05, subdivision 12.

Adult high school graduation aid must be paid in addition to any other aid to the district. Pupils age 21 or over may not be counted by the district for any purpose other than adult high school graduation aid.

Sec. 8. Laws 1998, First Special Session chapter 1, article 1, section 10, is amended to read:

Sec. 10. [HOUSEHOLD ELIGIBILITY; PARTICIPATION.]

Subdivision 1. [INITIAL ELIGIBILITY.] To be eligible for state or TANF matching funds in the family assets for independence initiative, a household must have income at or below ~~200~~ 185 percent of the federal poverty level and assets of ~~\$25,000~~ \$15,000 or less. An individual who is a dependent of another person for federal income tax purposes may not be a separate eligible household for purposes of establishing a family asset account. An individual who is a debtor for a judgment resulting from nonpayment of a court-ordered child support obligation may not participate in this program. Households accessing TANF matching funds are subject to the MFIP definition of household under Minnesota Statutes, section 256J.08, subdivision 46. Income and assets are determined according to eligibility guidelines for the energy assistance program.

Subd. 2. [CONTINUED PARTICIPATION.] A participating household whose income exceeds ~~200~~ 185 percent of the poverty level may continue to make contributions to the savings account. The amount of any contributions made during the time when a participating household's income is greater than ~~200~~ 185 percent of the poverty level is not eligible for the match under section 11.

Subd. 3. [FAMILY PARTICIPATION.] Each participating household must sign a family asset agreement that includes the amount of scheduled deposits into its savings account, the proposed use, and the proposed savings goal. A participating household must agree to complete an economic literacy training program.

Participating households may only deposit money that is derived from household earned income or from state and federal income tax credits.

Sec. 9. Laws 1998, First Special Session chapter 1, article 1, section 11, is amended to read:

Sec. 11. [WITHDRAWAL; MATCHING; PERMISSIBLE USES.]

Subdivision 1. [WITHDRAWAL OF FUNDS.] To receive a match, a participating household must transfer funds withdrawn from a family asset account to ~~a fiduciary organization~~ its matching fund custodial account held by the fiscal agent, according to the family asset agreement. The fiduciary organization must determine if the match request is for a permissible use consistent with the household's family asset agreement.

~~A fiduciary organization~~ The fiscal agent must ensure the household's custodial account contains the applicable matching funds to match the balance in the household's account, including interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches must be provided as follows:

(1) from state grant and TANF funds a matching contribution of ~~\$2~~ \$1.50 for every \$1 of funds withdrawn from the family asset account equal to the lesser of \$720 per year or a \$3,000 lifetime limit; and

(2) from nonstate funds, a matching contribution of no less than ~~\$2~~ \$1.50 for every \$1 of funds withdrawn from the family asset account equal to the lesser of \$720 per year or a \$3,000 lifetime limit.

Subd. 2. [VENDOR PAYMENT OF WITHDRAWN FUNDS.] Upon receipt of ~~withdrawn~~ transferred custodial account funds, the fiduciary organization must make a direct payment to the vendor of the goods or services for the permissible use.

Sec. 10. Laws 1998, First Special Session chapter 1, article 1, section 12, is amended to read:

Sec. 12. [PROGRAM REPORTING.]

The fiscal agent on behalf of each fiduciary organization ~~operating~~ participating in a family assets for independence initiative must annually report quarterly to the commissioner of human services and to the commissioner of children, families, and learning identifying the participants with accounts, the number of accounts, the amount of savings and matches for each participant's account, the uses of the account, and the number of businesses, homes, and educational services paid for with money from the account, as well as other information that may be required for the state to operate commissioner to administer the program effectively and meet federal TANF reporting requirements.

Sec. 11. [ADULT BASIC EDUCATION SERVICE DELIVERY STUDY GROUP.]

(a) The commissioner of children, families, and learning shall establish a task force to review, evaluate, and make legislative recommendations by January 15, 2000, on improving the delivery of adult basic education (ABE) services. The study group must make recommendation on ways to:

(1) improve the efficiency and effectiveness of ABE service delivery of over the next five years; and

(2) increase the number of adult learners served and the proportion of need for adult education met by ABE programs.

(b) The group should, at a minimum, consider the following factors:

(1) changes in the need for ABE services due to socioeconomic trends, welfare reform, and labor market factors;

(2) evolving instructional technologies, including distance learning and the integration of computers and other technologies into ABE programs;

(3) the organization, formation, and functioning of ABE service delivery through regional consortiums and school district programs;

(4) accountability in the delivery of ABE services to meet defined learner outcomes;

(5) funding to promote and recognize educational outcomes in ABE programs; and

(6) defining and maintaining viable ABE program delivery that meets the needs of adult learners throughout Minnesota.

(c) Members of the study group must include members of the house and senate committees that fund adult basic education programs; representatives of the department of children, families, and learning; and representatives of ABE programs, including school districts, community education, nonprofit organizations, correctional programs, and other organizations that provide or support ABE education. The group must include rural, urban, and suburban members.

Sec. 12. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. [MINNESOTA ECONOMIC OPPORTUNITY GRANTS.] For Minnesota economic opportunity grants:

<u>\$8,514,000</u>	.....	<u>2000</u>
<u>\$8,514,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. [TRANSITIONAL HOUSING PROGRAMS.] For transitional housing programs according to Minnesota Statutes, section 119A.43:

<u>\$2,075,000</u>	.....	<u>2000</u>
<u>\$2,075,000</u>	.....	<u>2001</u>

Of this amount, \$50,000 each year is for transitional housing services for homeless veterans and \$50,000 each year is for a grant to the Kids Capacity Initiative program in Hennepin county.

Of this amount, \$25,000 for the biennium is for a grant to Perspective, Inc. to provide transitional housing services. One or more nonprofit organizations must provide an equal amount of matching funds.

\$25,000 each year is for a grant to the city of St. Louis Park for the Meadowbrook Collaborative Housing Project to enhance youth outreach services and to provide educational and recreational programming for at-risk youth. The collaborative must include a cross section of public and private sector community representatives.

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. [FOODSHELF PROGRAMS.] For foodshelf programs according to Minnesota Statutes, section 119A.44:

<u>\$1,278,000</u>	.....	<u>2000</u>
<u>\$1,278,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. [ADULT BASIC EDUCATION AID.] For adult basic education aid according to Minnesota Statutes, section 124D.52, in fiscal year 2000 and Minnesota Statutes, section 124D.53 in fiscal year 2001:

<u>\$20,132,000</u>	.....	<u>2000</u>
<u>\$22,477,000</u>	.....	<u>2001</u>

The 2000 appropriation includes \$1,227,000 for 1999 and \$18,905,000 for 2000.

The 2001 appropriation includes \$2,101,000 for 2000 and \$20,376,000 for 2001.

Subd. 6. [ADULT BASIC EDUCATION BASIC POPULATION AID.] For basic population aid for eligible districts under section 7:

<u>\$1,960,000</u>	.....	<u>2000</u>
--------------------	-------	-------------

Notwithstanding Minnesota Statutes, section 127A.45, subdivision 12, 100 percent of this appropriation is for fiscal year 2000.

Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation.

Subd. 7. [ADULT GRADUATION AID.] For adult graduation aid according to Minnesota Statutes, section 124D.54:

<u>\$3,184,000</u>	.....	<u>2000</u>
<u>\$4,732,000</u>	.....	<u>2001</u>

The 2000 appropriation includes \$258,000 for 1999 and \$2,926,000 for 2000.

The 2001 appropriation includes \$325,000 for 2000 and \$4,407,000 for 2001.

Subd. 8. [GED TESTS.] For payment of 60 percent of the costs of GED tests according to Laws 1993, chapter 224, article 4, section 44, subdivision 10:

<u>\$125,000</u>	.....	<u>2000</u>
<u>\$125,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 9. [FAMILY ASSETS FOR INDEPENDENCE.] For a grant to the Ramsey Action Program to provide matching grants to fiduciary organizations under Laws 1998, First Special Session chapter 1, article 1, sections 6 to 12:

<u>\$500,000</u>	.....	<u>2000</u>
------------------	-------	-------------

Any balance in the first year does not cancel but is available in the second year.

Subd. 10. [LEAD HAZARD REDUCTION PROJECT.] For a grant to a nonprofit organization currently operating the CLEARCorps lead hazard reduction project:

<u>\$500,000</u>	.....	<u>2000</u>
------------------	-------	-------------

\$300,000 of this is a one-time appropriation. Any balance in the first year does not cancel but is available in the second year.

The grant must be used to continue the lead hazard reduction project and reduce and prevent lead poisoning in Minnesota's children. The grant may be used as a match for federal funds to reduce lead hazards.

Subd. 11. [GED ON TELEVISION.] For a grant to a public television station that serves rural areas of Minnesota:

<u>\$75,000</u>	.....	<u>2000</u>
<u>\$75,000</u>	.....	<u>2001</u>

The grant must be used to provide GED programming to aid immigrants and others who lack a high school diploma to obtain a GED. Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation.

Subd. 12. [EMERGENCY SERVICES.] For emergency services grants according to Laws 1997, chapter 162, article 3, section 7:

<u>\$350,000</u>	.....	<u>2000</u>
<u>\$350,000</u>	.....	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.



Sec. 13. [REPEALER.]

Minnesota Statutes 1998, section 124D.53, subdivision 6, is repealed.

## ARTICLE 5

### RESOURCE AND REFERRAL PROGRAMS

Section 1. Minnesota Statutes 1998, section 119B.01, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] For the purposes of ~~sections 119B.01 to 119B.19~~ this chapter, the following terms have the meanings given.

Sec. 2. Minnesota Statutes 1998, section 119B.01, is amended by adding a subdivision to read:

Subd. 18. [LEGAL NONLICENSED CHILD CARE PROVIDER.] "Legal nonlicensed child care provider" means a child care provider who is excluded from licensing requirements under section 245A.03, subdivision 2.

Sec. 3. Minnesota Statutes 1998, section 119B.19, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY DISTRIBUTION OF FUNDS FOR OPERATION OF CHILD CARE RESOURCE AND REFERRAL PROGRAMS.] The commissioner of children, families, and learning ~~may make grants~~ shall distribute funds to public or private nonprofit ~~agencies~~ organizations for the planning, establishment, expansion, improvement, or operation of child care resource and referral programs ~~and child care services according to the provisions of~~ under this section ~~and may make grants to county boards to carry out the purposes of sections 119B.19 to 119B.21.~~ The commissioner must adopt rules for programs under this section and sections 119B.20 and 119B.21. The commissioner must develop a process to fund organizations to operate child care resource and referral programs that includes application forms, timelines, and standards for renewal.

Sec. 4. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 1a. [DESIGNATION OF ORGANIZATIONS.] The commissioner shall designate an organization to administer a child care resource and referral program to serve a region.

Sec. 5. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 6. [BASIS FOR DISTRIBUTING FUNDS.] (a) The commissioner shall distribute funds for the administration of child care resource and referral programs based on the following factors for each region:

- (1) the region served by the program;
- (2) the number of children under the age of 13 years needing child care;
- (3) the ratio of children under the age of 13 years needing child care to the number of licensed spaces;
- (4) the number of licensed child care providers and school-age care programs; and
- (5) other related factors determined by the commissioner.

(b) The commissioner may provide ongoing funding to a designated organization for a child care resource and referral program that continues to meet state standards.

Sec. 6. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 6a. [LOCAL MATCH REQUIREMENT.] A local match of 25 percent is required.

Sec. 7. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 7. [CHILD CARE RESOURCE AND REFERRAL PROGRAMS.] Within each region, a child care resource and referral program must:

- (1) maintain one database of all existing child care resources and services and one database of family referrals;
- (2) provide a child care referral service for families;
- (3) develop resources to meet the child care service needs of families;
- (4) increase the capacity to provide culturally responsive child care services;
- (5) coordinate professional development opportunities for child care and school-age care providers;
- (6) administer and award child care services grants;
- (7) administer and provide loans for child development education and training; and
- (8) cooperate with the Minnesota Child Care Resource and Referral Network and its member programs to develop effective child care services and child care resources.

Sec. 8. Minnesota Statutes 1998, section 119B.20, subdivision 7, is amended to read:

Subd. 7. [FACILITY IMPROVEMENT EXPENSES.] "Facility improvement expenses" means funds for building the cost of improvements, equipment, appropriate technology and software, toys, and supplies needed to establish, expand, or improve a licensed child care facility or a child care program under the jurisdiction of a local district school board of education.

Sec. 9. Minnesota Statutes 1998, section 119B.20, subdivision 8, is amended to read:

Subd. 8. [INTERIM FINANCING.] "Interim financing" means funds to carry out such funding for up to 18 months:

- (1) for activities as that are necessary for family day care homes, group family day care homes, and child care centers to receive and maintain state child care licensing; and
- (2) to expand an existing child care program or to improve program quality; and
- (3) to provide operating funds operate for a period of six consecutive months after a family day care home, group family day care home, or child care center facility becomes licensed or satisfies standards of the state board of education. Interim financing may not exceed a period of 18 months.

Sec. 10. Minnesota Statutes 1998, section 119B.20, subdivision 12, is amended to read:

Subd. 12. [TRAINING PROGRAM.] "Training program" means child development courses offered by an accredited post-secondary institution or similar training approved by a county board or the department of children, families, and learning commissioner. To qualify as a training program under this section, a course of study must teach A training program must be a course of study that teaches specific skills that to meet licensing requirements or requirements of the state board of education.

Sec. 11. Minnesota Statutes 1998, section 119B.20, is amended by adding a subdivision to read:

Subd. 13. [REGION.] "Region" means a region designated by the governor under section 462.385.

Sec. 12. Minnesota Statutes 1998, section 119B.21, subdivision 1, is amended to read:

~~Subdivision 1. [GRANTS ESTABLISHED DISTRIBUTION OF GRANT FUNDS.]~~ (a) The commissioner shall award grants to develop child care services, including child care service development grants for start-up and facility improvement expenses, interim financing, staff training expenses, and grants for child care resource and referral programs. Child care service development grants may include family child care technical assistance awards up to \$1,000. distribute funds to the child care resource and referral programs designated under section 119B.19, subdivision 1a, for child care services grants under subdivision 5 and family child care technical assistance grants under subdivision 10.

(b) Up to ten percent of funds appropriated for grants under this section may be used by the commissioner for statewide child care development initiatives, training initiatives, collaboration programs, and research and data collection. The commissioner shall develop eligibility guidelines and a grant application form, inform county social service agencies about the availability of child care services grants, and set a date by which applications must be received by the commissioner process to distribute funds under this paragraph. Child care resource and referral programs may apply for funding under this paragraph.

Sec. 13. Minnesota Statutes 1998, section 119B.21, subdivision 2, is amended to read:

~~Subd. 2. [DISTRIBUTION OF BASIS FOR DISTRIBUTING GRANT FUNDS.]~~ (a) At least 90 percent of funds appropriated for grants under this section may be distributed by the commissioner shall allocate grant money appropriated to child care resource and referral programs under section 119B.19, subdivision 1a, for child care service development among the development regions designated by the governor under section 462.385, considering services grants and family child care technical assistance grants based on the following factors for each economic development region:

- (1) the number of children under 13 years of age needing child care in the ~~service area~~ region;
- (2) the ~~geographic area~~ region served by the agency program;
- (3) the ratio of children under 13 years of age needing child care to the number of licensed spaces in the ~~service area~~ region;
- (4) the number of licensed child care providers and ~~extended day~~ school-age child care programs in the ~~service area~~ region; and
- (5) other related factors determined by the commissioner.

(b) Out of the amount allocated for each economic development region, the commissioner shall Child care resource and referral programs must award child care services grants and child care technical assistance grants based on the recommendation of the child care regional advisory proposal review committees under subdivision 3. In addition, the commissioner shall award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses.

(c) Any funds unobligated may be used by the commissioner to award grants to proposals that received funding recommendations by the regional advisory committees but were not awarded due to insufficient funds.

(d) The commissioner may ~~allocate grants distribute funds~~ under this section for a two-year period and may carry forward funds from the first year as necessary.

Sec. 14. Minnesota Statutes 1998, section 119B.21, subdivision 3, is amended to read:

Subd. 3. [~~CHILD CARE REGIONAL ADVISORY PROPOSAL REVIEW COMMITTEES.~~] (a) Child care regional advisory proposal review committees shall must establish regional priorities and review and make recommendations to the commissioner on applications for family child care technical assistance awards grants and service development child care services grants under this section. The commissioner and make funding recommendations to the child care resource and referral program designated under section 119B.19, subdivision 1a. Within each region, the committee must allocate available funding between child care services grants and child care technical assistance grants. The committee must also allocate funding for child care services grants for facility financing purposes and provider training purposes. The child care regional proposal review committees must complete their reviews and forward their recommendations to the child care resource and referral program by the date specified by the commissioner.

(b) A child care resource and referral program shall appoint establish a process to select members of the child care regional advisory committees in each governor's economic development region proposal review committee. People appointed under this subdivision Members must represent the following constituent groups: family child care providers, group child care center providers, parent users school-age care providers, parents who use child care services, health services, social services, public schools, Head Start, employers, and other citizens with demonstrated interest in child care issues. Members of the advisory task force proposal review committee with a direct financial interest in a pending grant proposal may not provide a recommendation or participate in the ranking of that grant proposal.

(c) The child care resource and referral program may reimburse committee members may be reimbursed for their actual travel, child care, and child care provider substitute expenses for up to six committee meetings per year. The child care regional advisory committees shall complete their reviews and forward their recommendations to the commissioner by the date specified by the commissioner. The program may also pay a stipend to parent representatives for participating in up to six meetings per year.

Sec. 15. Minnesota Statutes 1998, section 119B.21, subdivision 5, is amended to read:

Subd. 5. [~~PURPOSES FOR WHICH A CHILD CARE SERVICES GRANT MAY BE AWARDED SERVICES GRANTS.~~] The commissioner A child care resource and referral program designated under section 119B.19, subdivision 1a, may award child care services grants for:

(1) child care service development grants for the following purposes:

(i) ~~for creating new licensed day child care facilities and expanding existing facilities, including, but not limited to, supplies, equipment, facility renovation, and remodeling;~~

(ii) ~~for (2) improving licensed day child care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling;~~

(iii) ~~for supportive child (3) staff training and development services including, but not limited to, in-service training, curriculum development, accreditation, certification, consulting specialist, resource centers, and program and resource materials;~~

(iv) ~~for carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training;~~

(v) ~~for (4) interim financing;~~

(vi) ~~family child care technical assistance awards; and~~

(vii) ~~for (5) capacity building through the purchase of appropriate technology and software, and staff training to create, enhance, and maintain financial systems for facilities;~~

- ~~(2) child care resource and referral program services identified in section 119B.19, subdivision 3; or~~
- ~~(3) targeted recruitment initiatives to expand and build capacity of the child care system to create, enhance, and maintain business management systems;~~
- (6) emergency assistance for child care programs;
- (7) new programs or projects for the creation, expansion, or improvement of programs that serve ethnic immigrant and refugee communities; and
- (8) targeted recruitment initiatives to expand and build the capacity of the child care system and to improve the quality of care provided by legal nonlicensed child care providers.

Sec. 16. Minnesota Statutes 1998, section 119B.21, subdivision 8, is amended to read:

Subd. 8. [ELIGIBLE GRANT RECIPIENTS.] ~~Eligible recipients of A child care resource and referral program designated under section 119B.19, subdivision 1a, may award child care services grants are to:~~

- ~~(1) licensed providers of child care, or those;~~
- ~~(2) providers in the process of being licensed, resource and referral programs, or;~~
- ~~(3) corporations or public agencies; that develop or provide child care services;~~
- ~~(4) school-age care programs; or~~
- ~~(5) any combination thereof of clauses (1) to (4).~~

Unlicensed providers are only eligible for grants under subdivision 5, clause (7).

Sec. 17. Minnesota Statutes 1998, section 119B.21, subdivision 9, is amended to read:

Subd. 9. [GRANT MATCH REQUIREMENTS.] ~~A recipient of a child care grants services grant for facility improvements, interim financing, resource and referral, and or staff training and development require must provide a 25 percent local match by the grant applicant. A local match is not required for a family child care technical assistance award.~~

Sec. 18. Minnesota Statutes 1998, section 119B.21, subdivision 10, is amended to read:

Subd. 10. [FAMILY CHILD CARE TECHNICAL ASSISTANCE AWARDS GRANTS.] ~~(a) A child care resource and referral organization designated under section 119B.19, subdivision 1a, may award technical assistance awards for child care service development must be used by the family child care provider grantee grants of up to \$1,000. These grants may be used for:~~

- ~~(1) facility improvements, including, but not limited to, improvements to meet licensing requirements;~~
- ~~(2) improvements to expand the a child care facility; or program;~~
- ~~(3) toys and equipment;~~
- ~~(4) technology and software to create, enhance, and maintain business management systems;~~
- ~~(5) start-up costs, interim financing, or;~~

(6) staff training and development; and

(7) other uses approved by the commissioner.

(b) A child care resource and referral program may award family child care technical assistance grants to:

(1) licensed family child care providers; or

(2) child care providers in the process of becoming licensed.

(c) A local match is not required for a family child care technical assistance grant.

Sec. 19. Minnesota Statutes 1998, section 119B.21, subdivision 11, is amended to read:

Subd. 11. [STATEWIDE ADVISORY TASK FORCE.] The commissioner may convene a statewide advisory task force ~~which shall to~~ advise the commissioner on statewide grants or other child care issues. The following ~~constituent~~ groups must be represented: family child care providers, child care center programs, school-age care providers, parent users parents who use child care services, health services, social services, Head Start, public schools, employers, and other citizens with demonstrated interest in child care issues. ~~Each regional grant review committee formed under subdivision 3, shall appoint a representative to the advisory task force.~~ Additional members may be appointed by the commissioner. ~~The commissioner may convene meetings of the task force as needed. Terms of office and removal from office are governed by the appointing body.~~ The commissioner may compensate members for their travel, child care, and child care provider substitute expenses for attending task force meetings ~~of the task force.~~ The commissioner may also pay a stipend to parent representatives for participating in task force meetings.

Sec. 20. Minnesota Statutes 1998, section 119B.23, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] ~~In addition to the commissioner's authority to make child care services grants,~~ The county board is authorized to provide child care services; or to make grants from the community social service fund, special tax revenue, or its general fund, or other sources to any municipality, ~~or corporation, or combination thereof,~~ for the cost of providing technical assistance ~~and or~~ child care services. The county board is also authorized to contract for services with any licensed day child care facility, ~~as the board deems necessary or proper~~ to carry out the purposes of this section.

The county board may also make grants to or contract with any municipality, licensed child care facility, ~~or resource and referral program organization designated under section 119B.19, subdivision 1a,~~ or corporation ~~or combination thereof,~~ for any of the following purposes:

(1) creating new licensed day child care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(2) improving licensed day child care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. ~~In awarding grants for training, counties must give, with priority to for training grants for~~ child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) providing supportive child development services, including, but not limited to, in-service training, curriculum development, consulting specialists, resource centers, and program and resource materials;

(4) carrying out programs, including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) providing interim financing; ~~and or~~

(6) carrying out the resource and referral program services identified in section 119B.19, subdivision 3 7.

## Sec. 21. [REVISOR INSTRUCTION.]

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<u>A</u>	<u>B</u>
<u>119B.01, subd. 1</u>	<u>119B.011, subd. 1</u>
<u>119B.01, subd. 2</u>	<u>119B.011, subd. 3</u>
<u>119B.01, subd. 3</u>	<u>119B.011, subd. 7</u>
<u>119B.01, subd. 4</u>	<u>119B.011, subd. 4</u>
<u>119B.01, subd. 5</u>	<u>119B.011, subd. 8</u>
<u>119B.01, subd. 6</u>	<u>119B.011, subd. 5</u>
<u>119B.01, subd. 7</u>	<u>119B.011, subd. 9</u>
<u>119B.01, subd. 7a</u>	<u>119B.011, subd. 10</u>
<u>119B.01, subd. 8</u>	<u>119B.011, subd. 11</u>
<u>119B.01, subd. 9</u>	<u>119B.011, subd. 12</u>
<u>119B.01, subd. 10</u>	<u>119B.011, subd. 13</u>
<u>119B.01, subd. 11</u>	<u>119B.011, subd. 14</u>
<u>119B.01, subd. 12</u>	<u>119B.011, subd. 17</u>
<u>119B.01, subd. 12a</u>	<u>119B.011, subd. 18</u>
<u>119B.01, subd. 13</u>	<u>119B.011, subd. 20</u>
<u>119B.01, subd. 14</u>	<u>119B.011, subd. 19</u>
<u>119B.01, subd. 15</u>	<u>119B.011, subd. 2</u>
<u>119B.01, subd. 16</u>	<u>119B.011, subd. 24</u>
<u>119B.01, subd. 17</u>	<u>119B.011, subd. 6</u>
<u>119B.01, subd. 18</u>	<u>119B.011, subd. 16</u>
<u>119B.18, subd. 3</u>	<u>119B.211</u>
<u>119B.20, subd. 7</u>	<u>119B.189, subd. 1</u>
<u>119B.20, subd. 8</u>	<u>119B.189, subd. 2</u>
<u>119B.20, subd. 12</u>	<u>119B.189, subd. 4</u>
<u>119B.20, subd. 13</u>	<u>119B.201, subd. 3</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (a)</u>	<u>para. (c)</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (b)</u>	<u>para. (d)</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (d)</u>	<u>para. (e)</u>
<u>119B.21, subd. 5</u>	<u>119B.21, subd. 5,</u>
	<u>para. (a)</u>
<u>119B.21, subd. 8</u>	<u>119B.21, subd. 5,</u>
	<u>para. (b)</u>
<u>119B.21, subd. 9</u>	<u>119B.21, subd. 5,</u>
	<u>para. (c)</u>

## Sec. 22. [REPEALER.]

Minnesota Statutes 1998, sections 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; and 119B.22, are repealed."

Delete the title and insert:

"A bill for an act relating to education; family and early childhood education; providing for children and family support programs, community and systems change, prevention and intervention, self-sufficiency and lifelong learning, and resources and referral programs; appropriating money; amending Minnesota Statutes 1998, sections 13.46, subdivision 2; 16B.405, subdivision 2; 119A.45; 119B.01, subdivisions 1, 2, 10, 12, 12a, 13, 16, 17,

and by adding subdivisions; 119B.02, subdivision 1, and by adding subdivisions; 119B.03, subdivisions 1, 2, 3, 4, 6, and 9; 119B.04, subdivision 1; 119B.05, subdivision 1; 119B.06, subdivision 1; 119B.061; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.10, subdivision 1; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13; 119B.14; 119B.15; 119B.18, subdivision 3; 119B.19, subdivision 1, and by adding subdivisions; 119B.20, subdivisions 7, 8, 12, and by adding a subdivision; 119B.21, subdivisions 1, 2, 3, 5, 8, 9, 10, and 11; 119B.23, subdivision 1; 119B.24; 119B.25, subdivision 3; 121A.19; 122A.26, by adding a subdivision; 124D.13, subdivision 6; 124D.135, subdivisions 1 and 3; 124D.19, subdivision 11; 124D.20, subdivision 5; 124D.22; 124D.23, by adding a subdivision; 124D.33, subdivisions 3 and 4; 124D.52, by adding subdivisions; 124D.53, subdivision 3, and by adding a subdivision; 124D.54, subdivision 1; 125A.35, subdivision 5; 171.29, subdivision 2; 256.01, subdivision 4; 256.045, subdivisions 6, 7, and by adding a subdivision; 256.046, subdivision 1; 256.741, subdivision 4; 256.98, subdivisions 1, 7, and 8; 256.983, subdivisions 3 and 4; and 466.01, subdivision 1; Laws 1997, chapter 162, article 2, section 28, subdivision 6; Laws 1997, First Special Session chapter 4, article 1, section 61, subdivisions 2 and 3, as amended; Laws 1998, First Special Session chapter 1, article 1, sections 10, 11, and 12; proposing coding for new law in Minnesota Statutes, chapters 119B; and 124D; repealing Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; 119B.22; 124D.14; and 124D.53, subdivision 6."

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

House Conferees: BARBARA SYKORA, BUD NORNES, RICHARD MULDER, JIM ABELER AND MARY JO MCGUIRE.

Senate Conferees: PAT PIPER, BECKY LOUREY, LINDA I. HIGGINS, CLAIRE A. ROBLING AND ARLENE J. LESEWSKI.

The Speaker called Abrams to the Chair.

Sykora moved that the report of the Conference Committee on H. F. No. 1467 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1467, A bill for an act relating to education; family and early childhood education; providing for children and family support programs, community and systems change, prevention and intervention, and self-sufficiency and lifelong learning; appropriating money; amending Minnesota Statutes 1998, sections 13.46, subdivision 2; 16B.405, subdivision 2; 119A.31, subdivision 1, and by adding a subdivision; 119B.01, subdivisions 1, 2, 10, 12, 12a, 13, 16, 17, and by adding subdivisions; 119B.02, subdivision 1, and by adding subdivisions; 119B.03, subdivisions 1, 2, 3, 4, 6, and 9; 119B.04, subdivision 1; 119B.05, subdivision 1; 119B.06, subdivision 1; 119B.061; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.10, subdivision 1; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13; 119B.14; 119B.15; 119B.18, subdivision 3; 119B.19, subdivision 1, and by adding subdivisions; 119B.20, subdivisions 7, 8, 12, and by adding a subdivision; 119B.21, subdivisions 1, 2, 3, 5, 8, 9, 10, and 11; 119B.23, subdivision 1; 119B.24; 119B.25, subdivision 3; 121A.19; 122A.26, by adding a subdivision; 124D.13, subdivision 2; 124D.135, subdivisions 1 and 3; 124D.19, subdivision 11; 124D.20, subdivision 5; 124D.22; 124D.23, by adding a subdivision; 124D.33, subdivision 3; 124D.52, subdivision 2, and by adding subdivisions; 124D.53, subdivision 3, and by adding a subdivision; 124D.54, subdivision 1; 125A.35, subdivision 5; 171.29, subdivision 2; 256.01, subdivision 4; 256.045, subdivisions 6, 7, and by adding a subdivision; 256.046, subdivision 1; 256.98, subdivisions 1, 7, and 8; 256.983, subdivisions 3 and 4; and 466.01, subdivision 1; Laws 1997, First Special Session chapter 4, article 1, section 61, subdivisions 2 and 3, as amended; Laws 1998, First Special Session chapter 1, article 1, sections 10 and 11; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; 119B.22; 124D.14; and 124D.53, subdivision 6.

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.

Molnau moved that those not voting be excused from voting. The motion did not prevail.

Molnau moved that those not voting be excused from voting. The motion did not prevail.

There were 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

#### CALL OF THE HOUSE LIFTED

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1235

A bill for an act relating to agriculture; exempting livestock production facilities from the ambient hydrogen sulfide standards on days manure is being removed from barns or manure storage facilities; amending Minnesota Statutes 1998, section 116.0713.

May 13, 1999

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. 1235, 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. 1235 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 116.07, is amended by adding a subdivision to read:

Subd. 7d. [EXCLUSION.] In regulating livestock or animal feedlots under subdivisions 7 to 7c, a county or the commissioner must not include manure runoff containment areas that are less than 6,000 cubic feet in the definition of an open air clay, earthen, or flexible membrane lined swine waste lagoon.

Sec. 2. 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 1,000 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 such farm or parcel, the air quality standards shall 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, trespassers, 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.

Sec. 3. Minnesota Statutes 1998, section 116.072, is amended by adding a subdivision 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) For serious feedlot law violations for which an administrative penalty order is issued under this section, the penalty may be forgiven if:

(1) the abated penalty is used 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. 4. [116D.041] [ANIMAL FEEDLOTS; DISCRETIONARY ENVIRONMENTAL ASSESSMENT WORKSHEETS.]

The responsible governmental unit may require that an environmental assessment worksheet be prepared for the construction or expansion of any animal feedlot if the responsible governmental unit has material evidence that the proposed animal feedlot may have the potential for significant adverse environmental effects.

Sec. 5. [116D.042] [ANIMAL FEEDLOTS; CONNECTED ACTIONS.]

Provisions of environmental review rules regarding connected actions do not apply to animal feedlots.

Sec. 6. [REPORT ON AMBIENT AIR QUALITY STANDARDS EXEMPTION.]

By February 15, 2001, the commissioner of the pollution control agency shall report on the use of the exemption to the ambient air quality standards under Minnesota Statutes, section 116.0713, paragraph (b), to the chairs of the senate and house policy committees with jurisdiction over agriculture and the environment. The report must include any recommendations for changes to the exemption.

Sec. 7. [REPEALER.]

Laws 1998, chapter 401, section 54, is repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; modifying provisions relating to manure runoff, odor standards, administrative penalty orders, and environmental assessment worksheets; providing an exception to environmental review rules; requiring a report; amending Minnesota Statutes 1998, sections 116.07, by adding a subdivision; 116.0713; and 116.072, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116D; repealing Laws 1998, chapter 401, section 54."

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

House Conferees: HOWARD SWENSON, ELAINE HARDER AND ROD SKOE.

Senate Conferees: STEVE DILLE, DENNIS R. FREDERICKSON AND STEVE L. MURPHY.

## CALL OF THE HOUSE

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

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

Molnau 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.

Swenson moved that the report of the Conference Committee on H. F. No. 1235 be adopted and that the bill be repassed as amended by the Conference Committee.

Winter moved that the House refuse to adopt the Conference Committee report on H. F. No. 1235, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

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

The Speaker called Boudreau to the Chair.

The question was taken on the Winter motion and the roll was called. There were 63 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Carlson	Chaudhary	Dorn	Gleason	Greiling
Bakk	Carruthers	Clark, K.	Entenza	Gray	Hasskamp
Biernat	Cassell	Dawkins	Folliard	Greenfield	Hausman

Hilty	Kelliher	Mahoney	Orfield	Rest	Tunheim
Huntley	Koskinen	Mariani	Osthoff	Rukavina	Wagenius
Jaros	Kubly	Marko	Otremba	Schumacher	Wejcman
Jennings	Larson, D.	McCollum	Ozment	Skoglund	Wenzel
Johnson	Leighton	McGuire	Paymar	Solberg	Winter
Juhnke	Lenczewski	Milbert	Pelowski	Tomassoni	
Kahn	Lieder	Mullery	Peterson	Trimble	
Kalis	Luther	Murphy	Pugh	Tuma	

Those who voted in the negative were:

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

The motion did not prevail.

The Speaker resumed the Chair.

The question recurred on the Swenson motion that the report of the Conference Committee on H. F. No. 1235 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1235, A bill for an act relating to agriculture; exempting livestock production facilities from the ambient hydrogen sulfide standards on days manure is being removed from barns or manure storage facilities; amending Minnesota Statutes 1998, section 116.0713.

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.

Molnau moved that those not voting be excused from voting. The motion prevailed.

There were 73 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Abeler	Bradley	Davids	Erickson	Gunther	Holberg
Abrams	Broecker	Dehler	Finseth	Haake	Holsten
Anderson, B.	Buesgens	Dempsey	Fuller	Haas	Howes
Bishop	Clark, J.	Dorman	Gerlach	Hackbarth	Jennings
Boudreau	Daggett	Erhardt	Goodno	Harder	Kielkucki

Knoblach	Molnau	Pawlenty	Seifert, M.	Tingelstad	Wolf
Krinkie	Mulder	Reuter	Skoe	Tunheim	Workman
Kuisle	Ness	Rhodes	Smith	Van Dellen	Spk. Sviggum
Larsen, P.	Nornes	Rifenberg	Stanek	Vandev eer	
Leppik	Olson	Rostberg	Stang	Westerberg	
Lindner	Osskopp	Schumacher	Storm	Westfall	
Mares	Ozment	Seagren	Swenson	Westrom	
McElroy	Paulsen	Seifert, J.	Sykora	Wilkin	

Those who voted in the negative were:

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

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 14

A bill for an act relating to education; providing that a person convicted of child abuse or sexual abuse is ineligible to be licensed as a teacher; providing for reconsideration in cases of reversal by a court; amending Minnesota Statutes 1998, sections 122A.20, subdivision 1; 122A.40, subdivisions 5 and 13; 122A.41, subdivision 6; and 631.40, by adding a subdivision.

May 13, 1999

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. 14, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 14 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 122A.20, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS FOR REVOCATION, SUSPENSION, OR DENIAL.] (a) The board of teaching or the state board of education, whichever has jurisdiction over a teacher's licensure, may, on the written complaint of the school board employing a teacher, a teacher organization, or any other interested person, refuse to issue, refuse to renew, suspend, or revoke a teacher's license to teach for any of the following causes:

(1) Immoral character or conduct;

- (2) Failure, without justifiable cause, to teach for the term of the teacher's contract;
- (3) Gross inefficiency or willful neglect of duty; or
- (4) Failure to meet licensure requirements; or
- (5) Fraud or misrepresentation in obtaining a license.

The written complaint must specify the nature and character of the charges.

(b) The board of teaching or the state board of education, whichever has jurisdiction over a teacher's licensure, shall refuse to issue, refuse to renew, or automatically revoke a teacher's license to teach without the right to a hearing upon receiving a certified copy of a conviction showing that the teacher has been convicted of child abuse, as defined in section 609.185, or sexual abuse under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, or under a similar law of another state or the United States. The board shall send notice of this licensing action to the district in which the teacher is currently employed.

(c) A person whose license to teach has been revoked, not issued, or not renewed under paragraph (b), may petition the board to reconsider the licensing action if the person's conviction for child abuse or sexual abuse is reversed by a final decision of the court of appeals or the supreme court or if the person has received a pardon for the offense. The petitioner shall attach a certified copy of the appellate court's final decision or the pardon to the petition. Upon receiving the petition and its attachment, the board shall schedule and hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing action. If the board finds that the petitioner is not disqualified from teaching under paragraph (a), clause (1), it shall reverse its previous licensing action.

(d) For purposes of this subdivision, the board of teaching is delegated the authority to suspend or revoke coaching licenses under the jurisdiction of the state board of education.

Sec. 2. Minnesota Statutes 1998, section 122A.40, subdivision 5, is amended to read:

Subd. 5. [PROBATIONARY PERIOD.] (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and after completion thereof, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period. Evaluation must occur at least three times each year for a teacher performing services on 120 or more school days, at least two times each year for a teacher performing services on 60 to 119 school days, and at least one time each year for a teacher performing services on fewer than 60 school days. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before June 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

Sec. 3. Minnesota Statutes 1998, section 122A.40, subdivision 13, is amended to read:

Subd. 13. [IMMEDIATE DISCHARGE.] (a) Except as otherwise provided in paragraph (b), a board may discharge a continuing-contract teacher, effective immediately, upon any of the following grounds:

- (a) Immoral conduct, insubordination, or conviction of a felony;
- (b) Conduct unbecoming a teacher which requires the immediate removal of the teacher from classroom or other duties;
- (c) Failure without justifiable cause to teach without first securing the written release of the school board;
- (d) Gross inefficiency which the teacher has failed to correct after reasonable written notice;
- (e) Willful neglect of duty; or
- (f) Continuing physical or mental disability subsequent to a 12 months leave of absence and inability to qualify for reinstatement in accordance with subdivision 12.

For purposes of this ~~subdivision~~ paragraph, conduct unbecoming a teacher includes an unfair discriminatory practice described in section 363.03, subdivision 5.

Prior to discharging a teacher under this paragraph, the board must notify the teacher in writing and state its ground for the proposed discharge in reasonable detail. Within ten days after receipt of this notification the teacher may make a written request for a hearing before the board and it shall be granted before final action is taken. The board may, however, suspend a teacher with pay pending the conclusion of such hearing and determination of the issues raised in the hearing after charges have been filed which constitute ground for discharge.

(b) A board must discharge a continuing-contract teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

Sec. 4. Minnesota Statutes 1998, section 122A.41, subdivision 6, is amended to read:

Subd. 6. [GROUNDS FOR DISCHARGE OR DEMOTION.] (a) Except as otherwise provided in paragraph (b), causes for the discharge or demotion of a teacher either during or after the probationary period must be:

- (1) Immoral character, conduct unbecoming a teacher, or insubordination;
- (2) Failure without justifiable cause to teach without first securing the written release of the school board having the care, management, or control of the school in which the teacher is employed;
- (3) Inefficiency in teaching or in the management of a school;
- (4) Affliction with active tuberculosis or other communicable disease must be considered as cause for removal or suspension while the teacher is suffering from such disability; or
- (5) Discontinuance of position or lack of pupils.

For purposes of this ~~subdivision~~ paragraph, conduct unbecoming a teacher includes an unfair discriminatory practice described in section 363.03, subdivision 5.

(b) A probationary or continuing-contract teacher must be discharged immediately upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.



Sec. 5. Minnesota Statutes 1998, section 631.40, is amended by adding a subdivision to read:

Subd. 4. [LICENSED TEACHERS.] When a person is convicted of child abuse, as defined in section 609.185, or sexual abuse under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, the court shall determine whether the person is licensed to teach under chapter 122A. If the offender is a licensed teacher, the court administrator shall send a certified copy of the conviction to the board of teaching or the state board of education, whichever has jurisdiction over the teacher's license, within ten days after the conviction.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment and apply to licensing actions occurring on or after that date."

Delete the title and insert:

"A bill for an act relating to education; providing that a person convicted of child abuse or sexual abuse is ineligible to be licensed as a teacher; providing for reconsideration in cases of reversal by a court or issuance of a pardon; amending Minnesota Statutes 1998, sections 122A.20, subdivision 1; 122A.40, subdivisions 5 and 13; 122A.41, subdivision 6; and 631.40, by adding a subdivision."

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

House Conferees: DOUG FULLER, ANDY WESTERBERG AND MATT ENTENZA.

Senate Conferees: THOMAS M. NEUVILLE, LINDA SCHEID AND SANDRA L. PAPPAS.

Fuller moved that the report of the Conference Committee on H. F. No. 14 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 14, A bill for an act relating to education; providing that a person convicted of child abuse or sexual abuse is ineligible to be licensed as a teacher; providing for reconsideration in cases of reversal by a court; amending Minnesota Statutes 1998, sections 122A.20, subdivision 1; 122A.40, subdivisions 5 and 13; 122A.41, subdivision 6; and 631.40, 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.

Molnau moved that those not voting be excused from voting. The motion prevailed.

There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Bradley	Clark, K.	Entenza	Goodno	Harder
Abrams	Broecker	Daggett	Erhardt	Gray	Hasskamp
Anderson, B.	Buesgens	Davids	Erickson	Greenfield	Hausman
Anderson, I.	Carlson	Dawkins	Finseth	Greiling	Hilty
Bakk	Carruthers	Dehler	Folliard	Gunther	Holberg
Biernat	Cassell	Dempsey	Fuller	Haake	Holsten
Bishop	Chaudhary	Dorman	Gerlach	Haas	Howes
Boudreau	Clark, J.	Dorn	Gleason	Hackbarth	Huntley

Jaros	Larson, D.	Milbert	Paymar	Skoe	Van Dellen
Jennings	Leighton	Molnau	Pelowski	Skoglund	Vandever
Johnson	Lenczewski	Mulder	Peterson	Smith	Wagenius
Juhnke	Leppik	Mullery	Pugh	Solberg	Wejcman
Kahn	Lieder	Murphy	Rest	Stanek	Wenzel
Kalis	Lindner	Ness	Reuter	Stang	Westerberg
Kelliher	Luther	Nornes	Rhodes	Storm	Westfall
Kielucki	Mahoney	Olson	Rifenberg	Swenson	Westrom
Knoblach	Mares	Osskopp	Rostberg	Sykora	Wilkin
Koskinen	Mariani	Osthoff	Rukavina	Tingelstad	Winter
Krinkie	Marko	Otremba	Schumacher	Tomassoni	Wolf
Kubly	McCollum	Ozment	Seagren	Trimble	Workman
Kuisle	McElroy	Paulsen	Seifert, J.	Tuma	Spk. Sviggum
Larsen, P.	McGuire	Pawlenty	Seifert, M.	Tunheim	

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1079

A bill for an act relating to alcoholic beverages; authorizing acceptance of certain coupons by retailers of alcoholic beverages; authorizing issuance of on-sale and temporary on-sale intoxicating liquor licenses in Minneapolis, St. Paul, Detroit Lakes, Eden Prairie, International Falls, Marshall, Proctor, and Stillwater; providing for duration of on-sale intoxicating liquor licenses for seasonal tour boats; amending Minnesota Statutes 1998, sections 340A.404, subdivisions 2, 8, and by adding a subdivision; 340A.412, subdivision 4; and 340A.5071; repealing Laws 1998, chapter 364, section 13.

May 13, 1999

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. 1079, 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. 1079 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 340A.404, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PROVISION; CITY OF MINNEAPOLIS.] (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theatre, the Cricket Theatre, the Orpheum Theatre, and the State Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theatres and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

(c) The city of Minneapolis may issue an on-sale intoxicating liquor license to Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540 Park Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(d) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Association of University Women, Minneapolis branch, for use on the premises owned by the American Association of University Women, Minneapolis branch, at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provisions relating to zoning or school or church distances.

(e) The city of Minneapolis may issue an on-sale wine license and an on-sale 3.2 percent malt liquor license to a restaurant located at 5000 Penn Avenue South, and an on-sale wine license and an on-sale malt liquor license to a restaurant located at 1931 Nicollet Avenue South, notwithstanding any law or local ordinance or charter provision.

(f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue South, and to the Theatre de la Jeune Lune, notwithstanding any law or local ordinance or charter provision. The license authorizes sales on all days of the week.

(g) The city of Minneapolis may issue an on-sale intoxicating liquor license to University Gateway Corporation, a Minnesota nonprofit corporation, for use by a restaurant or catering operator at the building owned and operated by the University Gateway Corporation on the University of Minnesota campus, notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

Sec. 2. Minnesota Statutes 1998, section 340A.404, is amended by adding a subdivision to read:

Subd. 2b. [SPECIAL PROVISION; CITY OF ST. PAUL.] The city of St. Paul may issue an on-sale intoxicating liquor license to the Fitzgerald Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The license authorizes sales on all days of the week to holders of tickets for performances presented by the theatre and to members of the nonprofit corporation holding the license and to their guests.

Sec. 3. Minnesota Statutes 1998, section 340A.404, subdivision 4a, is amended to read:

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

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

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

(3) to the board of regents of the University of Minnesota for events at Northrup Auditorium.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount comparable to the fee for comparable licenses issued in surrounding cities.

Sec. 4. Minnesota Statutes 1998, section 340A.404, subdivision 8, is amended to read:

Subd. 8. [LAKE SUPERIOR, ST. CROIX RIVER, AND MISSISSIPPI RIVER TOUR BOATS.] (a) The commissioner may issue an on-sale intoxicating liquor license to a person regularly engaged, on an annual or seasonal basis, in the business of offering tours by boat on Lake Superior and adjacent bays, the St. Croix river, and the Mississippi river. The license shall authorize the sale of intoxicating liquor between May 1 and

~~October~~ November 1 for consumption on the boat while underway or attached to a dock or other mooring. No license may be issued unless each boat used in the tour business regularly sells meals in the place where intoxicating liquor is sold.

(b) All sales of intoxicating liquor made on a boat while it is attached to a dock or other mooring are subject to any restrictions on the sale of liquor prescribed by the governing body of the city where the boat is attached, or of a county when it is attached outside a city. A governing body may prohibit liquor sales within its jurisdiction but may not require an additional license, or require a fee or occupation tax, for the sales.

Sec. 5. Minnesota Statutes 1998, section 340A.412, subdivision 4, is amended to read:

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

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

(2) within the capitol or on the capitol grounds, except as provided under Laws 1983, chapter 259, section 9, or section 13, paragraph (b), of this act;

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

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

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

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

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

(8) within 1,500 feet of a state university, except that:

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

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

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

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

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

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

Sec. 6. Minnesota Statutes 1998, section 340A.417, is amended to read:

340A.417 [SHIPMENTS INTO MINNESOTA.]

(a) Notwithstanding section 297G.07, subdivision 2, or any provision of this chapter, a winery licensed in a state which affords Minnesota wineries an equal reciprocal shipping privilege, or a winery located in Minnesota, may ship, for personal use and not for resale, not more than two cases of wine, containing a maximum of nine liters per case, in any calendar year to any resident of Minnesota age 21 or over. Delivery of a shipment under this section may not be deemed a sale in this state.

(b) The shipping container of any wine sent under this section must be clearly ~~labeled to indicate that the package cannot be delivered to a person under the age of 21 years~~ marked "Alcoholic Beverages: adult signature (over 21 years of age) required."

(c) No person may (1) advertise shipments authorized under this section, (2) by advertisement or otherwise, solicit shipments authorized by this section, or (3) accept orders for shipments authorized by this section by use of the Internet. No shipper located outside Minnesota may advertise interstate reciprocal wine shipments in Minnesota.

(d) It is not the intent of this section to impair the distribution of wine through distributors or importing distributors, but only to permit shipments of wine for personal use.

(e) No criminal penalty may be imposed on a person for a violation of this section other than a violation described in paragraph (f) or (g). Whenever it appears to the commissioner that any person has engaged in any act or practice constituting a violation of this section, and the violation is not within two years of any previous violation of this section, the commissioner shall issue and cause to be served upon the person an order requiring the person to cease and desist from violating this section. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. Unless otherwise agreed between the parties, a hearing shall be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days after the receipt of the administrative law judge's report and subsequent exceptions and argument, the commissioner shall issue an order vacating the cease and desist order, modifying it, or making it permanent as the facts require. If no hearing is requested within 30 days of the service of the order, the order becomes final and remains in effect until modified or vacated by the commissioner. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(f) Any person who violates this section within two years of a violation for which a cease and desist order was issued under paragraph (e), is guilty of a misdemeanor.

(g) Any person who commits a third or subsequent violation of this section, including a violation for which a cease and desist order was issued under paragraph (c), within any subsequent two-year period is guilty of a gross misdemeanor.

Sec. 7. Minnesota Statutes 1998, section 340A.503, subdivision 6, is amended to read:

Subd. 6. [PROOF OF AGE; DEFENSE.] (a) Proof of age for purchasing or consuming alcoholic beverages may be established only by one of the following:

(1) a valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, and including the photograph and date of birth of the licensed person;

(2) a valid military identification card issued by the United States Department of Defense; ~~or~~

(3) a valid passport issued by the United States; or

(4) in the case of a foreign national, from a nation other than Canada, by a valid passport.

(b) In a prosecution under subdivision 2, clause (1), it is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon representations of proof of age authorized in paragraph (a) in selling, bartering, furnishing, or giving the alcoholic beverage.

Sec. 8. [CITY OF DETROIT LAKES; LICENSE AUTHORIZED.]

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

Sec. 9. [CITY OF EDEN PRAIRIE; LIQUOR LICENSES.]

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

Sec. 10. [INTERNATIONAL FALLS; TEMPORARY ON-SALE LICENSE.]

Notwithstanding any other law to the contrary, the International Falls city council may issue a temporary license for the on-sale of intoxicating liquor to the all class reunion committee of International Falls High School in connection with the all class reunion to be held June 29 to July 4, 2000. The license may authorize the on-sale of intoxicating liquor for the period of June 29 to July 4, 2000, on premises designated by the International Falls city council. The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full-year on-sale intoxicating liquor license issued by any municipality. The license is subject to the terms, including a license fee, imposed by the city council. The license is subject to all laws and ordinances governing the sale of intoxicating liquor except Minnesota Statutes, sections 340A.409; 340A.504, subdivision 3, paragraph (d); and 624.701, subdivision 1.

Sec. 11. [CITY OF MARSHALL; LIQUOR LICENSES.]

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

Sec. 12. [CITY OF PROCTOR; LIQUOR LICENSE.]

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

## Sec. 13. [CITY OF ST. PAUL; LICENSES AUTHORIZED.]

(a) The city of St. Paul may issue temporary intoxicating liquor licenses under Minnesota Statutes, section 340A.404, subdivision 10, to Macalester college for the Macalester Scottish fair, Springfest, and for the annual alumni reunion weekend without regard to the limitation in Minnesota Statutes, section 340A.410, subdivision 10, paragraph (b).

(b) Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, the city of St. Paul may issue a temporary on-sale intoxicating liquor license to Twin Cities Marathon, Inc. The license may authorize only the sale of intoxicating malt liquor and 3.2 percent malt liquor on the grounds of the state capitol on the day of the Twin Cities Marathon. The intoxicating malt liquor and 3.2 percent malt liquor must be produced by a Minnesota brewery. All provisions of Minnesota Statutes, section 340A.404, subdivision 10, not inconsistent with this section, apply to the license authorized by this section.

## Sec. 14. [CITY OF STILLWATER; LIQUOR LICENSES.]

Notwithstanding any other law, the city of Stillwater may issue two on-sale intoxicating liquor licenses in addition to the number authorized by law. The licenses may not be issued for any location in the downtown central business district of Stillwater. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the licenses authorized by this section.

## Sec. 15. [CITY OF BEMIDJI; LIQUOR LICENSE.]

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

## Sec. 16. [MINNEAPOLIS CONVENTION CENTER; TEMPORARY LICENSES.]

Temporary on-sale intoxicating liquor licenses issued under Minnesota Statutes, section 340A.404, subdivision 10, for events held at the Minneapolis Convention Center are not subject to Minnesota Statutes, section 340A.410, subdivision 10.

## Sec. 17. [REPEALER.]

Laws 1998, chapter 364, section 13, is repealed.

## Sec. 18. [EFFECTIVE DATES.]

Section 1 is effective on approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021.

Sections 2 and 13 are effective upon approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021.

Sections 3, 4, 5, 16, and 17 are effective the day following final enactment.

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

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

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

Section 11 is effective upon approval by the Marshall city council and compliance with Minnesota Statutes, section 645.021.

Section 12 is effective upon approval by the Proctor city council and compliance with Minnesota Statutes, section 645.021.

Section 14 is effective on approval by the Stillwater city council and compliance with Minnesota Statutes, section 645.021.

Section 15 is effective upon approval by the Bemidji city council and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; authorizing the city of Minneapolis to issue on-sale licenses; authorizing the city of St. Paul to issue an on-sale license; authorizing the commissioner of public safety to issue an additional on-sale license; extending the tour boat liquor license season; authorizing St. Paul to issue a temporary license for the sale of beer on the grounds of the state capitol in connection with the Twin Cities Marathon; modifying wine shipment requirements; allowing use of passports for proof of age; authorizing the city of International Falls to issue a temporary on-sale liquor license; authorizing the city of St. Paul to issue temporary intoxicating liquor licenses to Macalester college; authorizing the cities of Proctor, Marshall, Detroit Lakes, Eden Prairie, Bemidji, and Stillwater to issue additional on-sale licenses; exempting temporary on-sale intoxicating liquor licenses at the Minneapolis Convention Center from certain restrictions; amending Minnesota Statutes 1998, sections 340A.404, subdivisions 2, 4a, 8, and by adding a subdivision; 340A.412, subdivision 4; 340A.417; and 340A.503, subdivision 6; repealing Laws 1998, chapter 364, section 13."

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

House Conferees: ERIK PAULSEN, GREGORY M. DAVIDS AND KRIS HASSKAMP.

Senate Conferees: SAM G. SOLON, CAL LARSON AND JAMES P. METZEN.

Paulsen moved that the report of the Conference Committee on H. F. No. 1079 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1079, A bill for an act relating to alcoholic beverages; authorizing acceptance of certain coupons by retailers of alcoholic beverages; authorizing issuance of on-sale and temporary on-sale intoxicating liquor licenses in Minneapolis, St. Paul, Detroit Lakes, Eden Prairie, International Falls, Marshall, Proctor, and Stillwater; providing for duration of on-sale intoxicating liquor licenses for seasonal tour boats; amending Minnesota Statutes 1998, sections 340A.404, subdivisions 2, 8, and by adding a subdivision; 340A.412, subdivision 4; and 340A.5071; repealing Laws 1998, chapter 364, section 13.

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.



Tuma moved that those not voting be excused from voting. The motion prevailed.

There were 122 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abeler	Osthoff	Skoglund	Workman
--------	---------	----------	---------

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

#### CALL OF THE HOUSE LIFTED

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

There being no objection, the order of business reverted to Messages from the Senate.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1721, A bill for an act relating to public employees; ratifying certain labor agreements and compensation plans; providing for transfer of vacation and sick leave for certain employees; modifying per diem provision for special mediators; modifying procedures for the listing of arbitrators; exempting epidemiologists from a salary cap;

making technical changes; amending Minnesota Statutes 1998, sections 3.096; 43A.17, subdivision 4; 179.02, subdivision 2; 179A.03, subdivision 14; 179A.04, subdivision 3; 179A.10, subdivision 1; and 179A.16, subdivision 2; repealing Minnesota Statutes 1998, section 43A.17, subdivision 12.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Flynn, Stumpf and Kiscaden.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Molnau moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1721. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1762, A bill for an act relating to transportation; modifying state contract requirements; allowing department of transportation to contract for land surveying; clarifying requirements for notaries and filing corrections to maps and plats relating to highways; providing for transfer of certain revolving loan accounts to transportation revolving loan fund; correcting trunk highway route description; modifying filing requirements for highway route location orders; increasing dollar amount for contracts negotiated by commissioner of transportation for highway construction or maintenance work; modifying provisions for estimates and agency costs relating to county state-aid highway and municipal state-aid street funds; authorizing commissioner of transportation to determine dates for seasonal load restrictions; modifying provision requiring certification for disbursement from state transportation fund; requiring commissioner of transportation to be responsible for design, construction, and operation of commuter rail; establishing design approval process for commuter rail; creating commuter rail corridor coordinating committee; changing period of hours of service exemption for drivers transporting sugar beets; authorizing commissioner to convey excess rail bank corridor land to state agency or political subdivision; modifying provisions governing state grants for local airports; limiting powers and duties of counties with respect to light rail and commuter rail transit planning; modifying deadlines for metropolitan transit performance evaluation reports by metropolitan council; establishing priority order for light rail transit construction; requiring metropolitan council to develop regional master plan for transit; making technical corrections; appropriating money; amending Minnesota Statutes 1998, sections 16C.05, subdivision 2; 16C.09; 160.085, subdivisions 1 and 1a; 161.04, subdivision 3, and by adding a subdivision; 161.115, subdivision 164; 161.16, subdivision 2; 161.32, subdivision 2; 162.06, subdivisions 1, 2, and 6; 162.12, subdivisions 1, 2, and 5; 169.87, subdivision 2; 174.02, by adding a subdivision; 174.50, subdivision 5; 221.0314, subdivision 9a; 222.63, subdivision 4; 360.0151, subdivision 2; 360.032, subdivision 1a; 360.305, subdivision 4; 398A.04, subdivision 2; 446A.085, subdivisions 3 and 6; 473.1466; 473.399; 473.3993, subdivision 3; and 473.3994, subdivisions 3, 4, and 10; Laws 1998, chapter 404, section 17, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1998, sections 169.832, subdivision 13; 473.3994, subdivision 12; and 473.3998.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Flynn, Murphy and Johnson, D. E.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Workman moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1762. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1288.

PATRICK E. FLAHAVEN, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 1288, A bill for an act relating to natural resources; exempting trappers from blaze orange requirements; providing that for certain turkey license applicants qualifying land may be noncontiguous; increasing hunting and fishing license fees; appropriating money; amending Minnesota Statutes 1998, sections 97A.435, subdivision 4; 97A.475, subdivisions 2, 3, 6, 7, 8, 11, 12, 13, and 20; 97A.485, subdivision 12; and 97B.071.

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

### **CALENDAR FOR THE DAY**

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

### **MOTIONS AND RESOLUTIONS**

Seifert, J., moved that the name of Skoglund be added as an author on H. F. No. 2441. The motion prevailed.

Skoglund moved that the name of Larson, D., be added as an author on H. F. No. 2448. The motion prevailed.

Haake moved that H. F. No. 849, now on the General Register, be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

### **ANNOUNCEMENTS BY THE SPEAKER**

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1721:

Molnau, Leppik and Pelowski.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1762:

Workman; Clark, J., and Marko.

## ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 9:30 a.m., Saturday, May 15, 1999. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:30 a.m., Saturday, May 15, 1999.

EDWARD A. BURDICK, Chief Clerk, House of Representatives