

## STATE OF MINNESOTA

## EIGHTY-SECOND SESSION — 2002

## SEVENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, FEBRUARY 26, 2002

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

Prayer was offered by the Reverend Lonnie E. Titus, House Chaplain.

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	Dibble	Hilstrom	Leighton	Osskopp	Smith
Abrams	Dorman	Hilty	Lenczewski	Osthoff	Solberg
Anderson, B.	Dorn	Holberg	Leppik	Otremba	Stanek
Anderson, I.	Eastlund	Holsten	Lieder	Ozment	Stang
Bakk	Entenza	Howes	Lindner	Paulsen	Swapinski
Bernardy	Erhardt	Huntley	Lipman	Pawlenty	Swenson
Biernat	Erickson	Jacobson	Mahoney	Paymar	Sykora
Bishop	Evans	Jaros	Mares	Pelowski	Thompson
Blaine	Finseth	Jennings	Mariani	Penas	Tingelstad
Boudreau	Folliard	Johnson, J.	Marko	Peterson	Tuma
Bradley	Fuller	Johnson, R.	Marquart	Pugh	Vandever
Buesgens	Gerlach	Johnson, S.	McElroy	Rhodes	Wagenius
Carlson	Gleason	Juhnke	McGuire	Rifenberg	Walker
Cassell	Goodno	Kalis	Milbert	Rukavina	Walz
Clark, J.	Goodwin	Kelliher	Molnau	Ruth	Westerberg
Clark, K.	Gray	Kielkucki	Mulder	Schumacher	Westrom
Daggett	Greiling	Knoblach	Mullery	Seagren	Wilkin
Davids	Gunther	Koskinen	Murphy	Seifert	Winter
Davnie	Haas	Krinkie	Ness	Sertich	Wolf
Dawkins	Hackbarth	Kubly	Nornes	Skoe	Workman
Dehler	Harder	Kuisle	Olson	Skoglund	Spk. Sviggum
Dempsey	Hausman	Larson	Opatz	Slawik	

A quorum was present.

Kahn and Wasiluk were excused.

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

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.

### PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

February 25, 2002

The Honorable Steve Sviggum  
Speaker of the House of Representatives  
463 State Office Building  
Saint Paul, Minnesota 55155

Dear Speaker Sviggum:

I have vetoed and am returning Chapter No. 220, House File No. 351, a bill relating to the omnibus budget and appropriations.

I am vetoing this bill because it does little to address the basic problem that the recession has caused: there is less money coming in than going out, both in the current budget and the next. Legislative leaders have assured me that more fixes are forthcoming, but I have no reason to believe that they will be able to bridge their differences and produce a responsible budget package.

The solution sitting before me relies heavily on one-time funds to plug the deficit in FY 2002-03 and wishes away inflation in FY 2004-05. Although this bill is a first step, without a more comprehensive package that balances revenues and expenditures and replenishes the state's reserves, the state's credit rating will be at risk and state programs will be in jeopardy.

Some legislators have recognized the critical need for a more stable and complete funding package. They are right to insist on a budget deal that relies less on one-time money and avoids disruptive budget cuts in the future. We cannot pretend that pain deferred is pain avoided.

I appreciate the speed and attention that legislators have given to putting this bill together. H. F. No. 351, however, fails to meet even the legislature's own goal for balancing state revenues and expenditures. The degree to which this bill leans on the use of one-time reserves is simply irresponsible. Not only does it use all available reserves, it lacks any plan to restore them and already acknowledges that there will be a big gap between state revenues and state obligations next year.

The pain of state budget shortfalls should be dealt with equitably, as well as quickly. My budget recommended significant cuts to state operations because I believed that it was fair to spread the pain of a budget shortfall to all. My plan also recognized that the same partners that benefit from state funding – namely cities, counties and schools – should also share in solving the budget deficit. Instead, H. F. No. 351 places the great majority of the responsibility for resolving the deficit onto state government.

On top of these reductions for state operations, the bill cuts an additional \$75 million from state operations by imposing a \$40 million hiring freeze and a \$35 million cut in professional and technical contracts. These provisions are unacceptably vague. Each potential employee not hired and each contract not signed means that some work currently done by a state agency will go undone. We might even agree on some of those service and program reductions, but the bill doesn't specify what they are. The unspecified cuts place state agencies in the impossible role of having to manage their operations, without hiring people, without signing contracts, yet pretending they can meet the same expectations as today.

The specific budget cuts to agency operations combined with these non-specific budget "plugs" are likely to lead to the following consequences. Cuts to prison funding will put employees and the public at risk. We will be less able to prevent and respond to future disease outbreaks and protect our food supply. Even our ability to track down people who don't pay their taxes will be diminished, further worsening the state's deficit by another \$21 million.

I've heard claims that this bill removes automatic spending growth, apparently by removing inflation in the numbers used to plan the next budget. Removing estimated inflation from our state forecast simply lowers our financial management standards but it doesn't mean that inflation won't happen. What it does mean is that those who put together the next budget will have to make budget cuts or raise taxes just to maintain current service levels. The result is that H. F. No. 351 ensures risk and instability to the very cities, counties, and schools that the legislature is trying to protect.

Balancing the state's budget and managing it responsibly is a difficult task. Yet this is the kind of challenge that each of us agreed to take on when we took the oath of office. Minnesota is part of an elite circle of states that has held itself to the highest financial standards. I am proud of that record, as each Minnesotan should be. I am also committed to maintaining that record, even through these difficult times.

My concern about managing the risk of current budget deficits should not be interpreted as a lack of concern for quality K-12 education or local government services. Rather, the issue is whether we are putting these very services in greater peril by leaving a deficit for future years just so that we can push off tough decisions to a more convenient time.

Though this bill, by itself, fails to meet this test, I remain dedicated to working with the legislature until a balanced agreement is reached.

For these reasons, I am vetoing this bill.

Sincerely,

JESSE VENTURA  
Governor

#### MOTION TO OVERRIDE VETO

Bishop moved that H. F. No. 351, Chapter No. 220, be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

## CALL OF THE HOUSE

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

Abeler	Dibble	Hilstrom	Leighton	Osskopp	Smith
Abrams	Dorman	Hilty	Lenczewski	Osthoff	Solberg
Anderson, B.	Dorn	Holberg	Leppik	Otremba	Stanek
Anderson, I.	Eastlund	Holsten	Lieder	Ozment	Stang
Bakk	Entenza	Howes	Lindner	Paulsen	Swapinski
Bernardy	Erhardt	Huntley	Lipman	Pawlenty	Swenson
Biernat	Erickson	Jacobson	Mahoney	Paymar	Sykora
Bishop	Evans	Jaros	Mares	Pelowski	Thompson
Blaine	Finseth	Jennings	Mariani	Penas	Tingelstad
Boudreau	Folliard	Johnson, J.	Marko	Peterson	Tuma
Bradley	Fuller	Johnson, R.	Marquart	Pugh	Vandeveer
Buesgens	Gerlach	Johnson, S.	McElroy	Rhodes	Wagenius
Carlson	Gleason	Juhnke	McGuire	Rifenberg	Walker
Cassell	Goodno	Kalis	Milbert	Rukavina	Walz
Clark, J.	Goodwin	Kelliher	Molnau	Ruth	Westerberg
Clark, K.	Gray	Kielkucki	Mulder	Schumacher	Westrom
Daggett	Greiling	Knoblach	Mullery	Seagren	Wilkin
Davids	Gunther	Koskinen	Murphy	Seifert	Winter
Davnie	Haas	Krinkie	Ness	Sertich	Wolf
Dawkins	Hackbarth	Kubly	Nornes	Skoe	Workman
Dehler	Harder	Kuisle	Olson	Skoglund	Spk. Sviggum
Dempsey	Hausman	Larson	Opatz	Slawik	

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

The question recurred on the Bishop motion to reconsider and repass H. F. No. 351, Chapter No. 220, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called.

There were 87 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Abeler	Dempsey	Holberg	Lenczewski	Pawlenty	Swenson
Abrams	Dorman	Holsten	Leppik	Pelowski	Sykora
Anderson, B.	Dorn	Howes	Lieder	Penas	Tingelstad
Anderson, I.	Eastlund	Jacobson	Lindner	Rhodes	Tuma
Bakk	Erhardt	Jaros	Lipman	Rifenberg	Vandeveer
Bishop	Erickson	Johnson, J.	Mares	Rukavina	Walz
Blaine	Finseth	Johnson, R.	Marquart	Ruth	Westerberg
Boudreau	Fuller	Juhnke	McElroy	Seagren	Westrom
Bradley	Gerlach	Kalis	Molnau	Seifert	Wilkin
Buesgens	Goodno	Kielkucki	Ness	Sertich	Wolf
Cassell	Goodwin	Knoblach	Nornes	Skoe	Workman
Clark, J.	Gunther	Krinkie	Osskopp	Smith	Spk. Sviggum
Daggett	Haas	Kubly	Osthoff	Solberg	
Davids	Hackbarth	Kuisle	Ozment	Stanek	
Dehler	Harder	Larson	Paulsen	Stang	

Those who voted in the negative were:

Bernardy	Evans	Huntley	Marko	Otremba	Thompson
Biernat	Folliard	Jennings	McGuire	Paymar	Wagenius
Carlson	Gleason	Johnson, S.	Milbert	Peterson	Walker
Clark, K.	Gray	Kelliher	Mulder	Pugh	Winter
Davnie	Greiling	Koskinen	Mullery	Schumacher	
Dawkins	Hausman	Leighton	Murphy	Skoglund	
Dibble	Hilstrom	Mahoney	Olson	Slawik	
Entenza	Hilty	Mariani	Opatz	Swapinski	

Not having received the constitutionally required two-thirds vote, the bill was not reconsidered and repassed, the objections of the Governor notwithstanding.

#### MOTION TO FIX TIME TO CONVENE

Pawlenty moved that when the House adjourns today it adjourn until 3:00 p.m., Wednesday, February 27, 2002.

A roll call was requested and properly seconded.

The question was taken on the Pawlenty motion and the roll was called.

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

There were 115 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Abeler	Dibble	Holberg	Leppik	Otremba	Stang
Abrams	Dorman	Holsten	Lieder	Ozment	Swapinski
Anderson, B.	Dorn	Howes	Lindner	Paulsen	Swenson
Anderson, I.	Eastlund	Huntley	Lipman	Pawlenty	Sykora
Bakk	Erhardt	Jacobson	Mahoney	Paymar	Tingelstad
Bishop	Erickson	Jaros	Mares	Pelowski	Tuma
Blaine	Finseth	Jennings	Mariani	Penas	Vandever
Boudreau	Folliard	Johnson, J.	Marko	Pugh	Walz
Bradley	Fuller	Johnson, R.	Marquart	Rhodes	Westerberg
Buesgens	Gerlach	Kalis	McElroy	Rifenberg	Westrom
Carlson	Goodno	Kelliher	Milbert	Rukavina	Wilkin
Cassell	Goodwin	Kielkucki	Molnau	Ruth	Winter
Clark, J.	Gray	Knoblach	Mulder	Seagren	Wolf
Clark, K.	Gunther	Koskinen	Murphy	Seifert	Workman
Daggett	Haas	Krinkie	Ness	Sertich	Spk. Sviggum
Davids	Hackbarth	Kubly	Nornes	Skoe	
Davnie	Harder	Kuisle	Olson	Skoglund	
Dawkins	Hausman	Larson	Opatz	Smith	
Dehler	Hilstrom	Leighton	Osskopp	Solberg	
Dempsey	Hilty	Lenczewski	Osthoff	Stanek	

Those who voted in the negative were:

Bernardy	Evans	Johnson, S.	Mullery	Slawik
Biernat	Gleason	Juhnke	Peterson	Thompson
Entenza	Greiling	McGuire	Schumacher	Walker

The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Tuma from the Committee on Crime Prevention to which was referred:

H. F. No. 2232, A bill for an act relating to school buses; authorizing the commissioner of public safety to cancel the school bus driver's endorsement of a person who has been convicted of a gross misdemeanor or of multiple violations that show evidence of a risk to public safety; proposing coding for new law in Minnesota Statutes, chapter 171.

Reported the same back with the following amendments:

Page 1, line 13, delete everything after "has"

Page 1, line 14, delete everything before "been"

Page 1, line 15, delete "violations" and insert "offenses" and after "law" insert ", or of a single gross misdemeanor offense,"

Amend the title as follows:

Page 1, line 5, delete "gross misdemeanor or of multiple" and insert "violation or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rhodes from the Committee on Governmental Operations and Veterans Affairs Policy to which was referred:

H. F. No. 2252, A bill for an act relating to local government; providing for the appointment of supervisors for the Hennepin county soil and water conservation district; providing for the transition from an elected to an appointed board; amending Minnesota Statutes 2000, sections 103C.311, by adding a subdivision; 103C.315, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [383B.82] [SOIL AND WATER CONSERVATION DISTRICT; APPOINTMENT OF SUPERVISORS.]

Subdivision 1. [SUPERVISORS APPOINTED BY COUNTY BOARD.] Notwithstanding the provisions of sections 103C.305, 103C.311, and 103C.315, the board of commissioners of Hennepin county may appoint the board of supervisors of the Hennepin soil and water conservation district as specified in this section.

Subd. 2. [STATE BOARD.] For purposes of this section, "state board" means the Minnesota board of water and soil resources.

Subd. 3. [SUPERVISOR DISTRICTS.] (a) The Hennepin county board of commissioners shall, subject to the approval of the Minnesota board of water and soil resources, divide the county into five districts. After establishing the boundaries of the five districts, the chair of the Hennepin county board of commissioners shall promptly file with the state board a certified copy of the resolution establishing the districts.

(b) The boundaries of the districts may be amended by the county board of commissioners, subject to the approval of the state board. The boundaries of the districts shall be reviewed by the county board of commissioners and submitted to the state board for approval at least once every ten years.

Subd. 4. [APPOINTMENT OF BOARD OF SUPERVISORS.] (a) The district board shall consist of five supervisors with one supervisor appointed to represent each district.

(b) The term of office for a district supervisor shall be four years. The terms of office for the supervisors shall be staggered. When a vacancy in the office of supervisor occurs before the expiration of the term of office, the county board shall appoint a replacement to serve the remainder of the term.

(c) When filling vacancies on the board of supervisors, the Hennepin county board of commissioners shall publish a notice of all vacancies on the district board and solicit applications pursuant to the Hennepin county open appointments policy. The application period shall end not less than 30 days from the date the vacancy is first published.

(d) To be eligible to serve as a supervisor for a district, a person must be an eligible voter residing in such district and be knowledgeable of soil and water conservation issues.

Subd. 5. [TRANSITION RULE.] The appointment of supervisors under subdivision 4 begins after the expiration of the terms of the supervisors in office on January 1, 2002, or to fill any vacancies occurring before that time.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following approval by the Hennepin county board of commissioners and the board of supervisors of the Hennepin county soil and water conservation district and after compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to local government; providing for the appointment of supervisors for the Hennepin county soil and water conservation district; providing for the transition from an elected to an appointed board; proposing coding for new law in Minnesota Statutes, chapter 383B."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Policy.

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 2525, A bill for an act relating to employment; requiring that employers allow unpaid leave for employees to perform volunteer firefighter duties; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Rhodes from the Committee on Governmental Operations and Veterans Affairs Policy to which was referred:

H. F. No. 2587, A bill for an act relating to state government; providing a process for community ownership of the Minnesota Twins; proposing coding for new law as Minnesota Statutes, chapter 4B.

Reported the same back with the following amendments:

Page 2, line 23, after "franchise" insert "Class B shares must not be marketed to pension funds, or to individuals for purpose of holding the shares in individual retirement accounts or other retirement savings accounts"

With the recommendation that when so amended the bill pass.

The report was adopted.

Seagren from the Committee on K-12 Education Finance to which was referred:

H. F. No. 2835, A bill for an act relating to education; authorizing the Minnesota commission on national and community service to create and delegate duties to a private, nonprofit corporation; amending Minnesota Statutes 2000, section 124D.385, subdivision 3, by adding a subdivision.

Reported the same back with the following amendments:

Page 3, after line 11, insert:

"Sec. 3. [APPROPRIATION TRANSFER.]

The unspent and unencumbered portion of the appropriation in Laws 2001, First Special Session chapter 6, article 2, section 77, subdivision 22, is transferred from the commissioner of children, families, and learning to the administrative entity approved by the Corporation for National and Community Service to carry out the National and Community Service Trust Act. In the presentation of the governor's proposed budget for fiscal years 2004 and 2005, the amount appropriated in Laws 2001, First Special Session chapter 6, article 2, section 77, subdivision 22, adjusted for any changes enacted in 2002, must be shown as part of the base budget. However, any proposed future appropriation for this purpose must be shown as a pass-through grant to the commission or to the nonprofit corporation created by the commission to carry out the National and Community Service Trust Act.

**[EFFECTIVE DATE.]** This section is effective the day after the commission certifies to the commissioner of finance that it has created a nonprofit corporation under section 2, that the corporation has been approved by the Corporation for National and Community Service to carry out the National and Community Service Trust Act, and that the commission has delegated duties to administer Minnesota Statutes, sections 124D.37 to 124D.45, to the corporation.



Page 3, line 12, delete "4" and insert "3"

Page 3, delete lines 13 to 18

Page 3, line 19, delete everything before the comma and insert:

"On the effective date of section 3"

Page 3, line 22, before "section" insert "Minnesota Statutes,"

Page 3, line 23, before "section" insert "Minnesota Statutes,"

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "transferring certain appropriations;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 2840, A bill for an act relating to crimes; providing that certain license revocation hearings do not give rise to an estoppel on any issues in criminal prosecutions; providing for jurisdiction over persons found to have caused a delinquent act or charged by a juvenile petition; making it child endangerment to permit a child to be present when a person possesses certain chemical substances used to manufacture controlled substances; prescribing penalties for persons who escape from electronic monitoring; amending Minnesota Statutes 2000, sections 169A.53, subdivision 3; 260B.193, subdivision 5; 609.378, subdivision 1; 609.485, subdivisions 3, 4; 634.20.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 2932, A bill for an act relating to foster care; requiring disclosure of an individual's communicable disease to a foster care provider; amending Minnesota Statutes 2001 Supplement, section 260C.212, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 245A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2987, A bill for an act relating to Cook county; authorizing the county to convey the Mineral Center cemetery to the Grand Portage Reservation.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Dauids from the Committee on Commerce, Jobs and Economic Development to which was referred:

H. F. No. 2988, A bill for an act relating to insurance; regulating certain licenses, fees, and coverages; amending Minnesota Statutes 2000, sections 62A.25, subdivision 2; 62A.31, subdivision 1h; 62E.14, subdivisions 4, 5, 6; 62L.02, subdivision 13a; 62L.03, subdivisions 1, 5; 62Q.185; 79A.04, subdivision 9; Minnesota Statutes 2001 Supplement, sections 60A.14, subdivision 1; 60K.56, subdivisions 6, 8, 9; 62M.03, subdivision 2; Laws 2001, chapter 117, article 1, section 29.

Reported the same back with the following amendments:

Page 3, line 10, after "one-half" insert "of the"

Page 4, after line 20, insert:

"Sec. 5. Minnesota Statutes 2000, section 61A.092, subdivision 6, is amended to read:

Subd. 6. [APPLICATION.] This section applies to a policy, certificate of insurance, or similar evidence of coverage issued to a Minnesota resident or issued to provide coverage to a Minnesota resident. This section does not apply to: (1) a certificate of insurance or similar evidence of coverage that meets the conditions of section 61A.093, subdivision 2; or (2) a group life insurance policy that contains a provision permitting the certificate holder, upon termination or layoff from employment, to retain the coverage provided under the group policy by paying premiums directly to the insurer, provided that the employer shall give the employee notice of the employee's and each related certificate holder's right to continue the insurance by paying premiums directly to the insurer. The insurer may reserve the right to increase premium rates after the first 18 months of continued coverage provided for under clause (2). A related certificate holder is an insured spouse or dependent child of the employee. Upon termination of this group policy or at the option of the insured who has continued coverage under clause (2), each covered employee, spouse, and dependent child is entitled to have issued to them a life conversion policy as prescribed in section 61A.09, subdivision 1, paragraph (h)."

Page 4, line 23, before "Every" insert "(a)"

Page 4, line 30, after the period, insert:

"(b) The coverage limitations on reconstructive surgery in paragraph (a) do not apply to reconstructive breast surgery following mastectomies. In such cases, coverage for reconstructive surgery must be provided if the mastectomy is medically necessary as determined by the attending physician.

(c)"

Page 5, line 16, delete everything after the period

Page 5, delete lines 17 to 19

Page 6, after line 18, insert:

"Sec. 8. Minnesota Statutes 2000, section 62E.11, subdivision 6, is amended to read:

Subd. 6. [MEMBER ASSESSMENTS.] The association shall make an annual determination of each contributing member's liability, if any, and may make an annual fiscal year end assessment if necessary. The association may also, subject to the approval of the commissioner, provide for interim assessments against the contributing members whose aggregate assessments comprised a minimum of 90 percent of the most recent prior annual assessment, in the event that the association deems that methodology to be the most administratively efficient and cost effective means of assessment, and as may be necessary to assure the financial capability of the association in meeting the incurred or estimated claims expenses of the state plan and operating and administrative expenses of the association

until the association's next annual fiscal year end assessment. Payment of an assessment shall be due within 30 days of receipt by a contributing member of a written notice of a fiscal year end or interim assessment. Failure by a contributing member to tender to the association the assessment within 30 days shall be grounds for termination of the contributing member's membership. A contributing member which ceases to do accident and health insurance business within the state shall remain liable for assessments through the calendar year during which accident and health insurance business ceased. The association may decline to levy an assessment against a contributing member if the assessment, as determined herein, would not exceed ten dollars."

Page 8, delete section 10 and insert:

"Sec. 12. Minnesota Statutes 2000, section 62J.51, subdivision 19, is amended to read:

Subd. 19. [UNIFORM DENTAL BILLING FORM.] "Uniform dental billing form" means the ~~1990~~ most current version uniform dental claim form developed by the American Dental Association.

Sec. 13. Minnesota Statutes 2000, section 62J.535, is amended by adding a subdivision to read:

Subd. 1a. [ELECTRONIC CLAIM TRANSACTIONS.] Group purchasers, including government programs, not defined as covered entities under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections, that voluntarily agree with providers to accept electronic claim transactions, must accept them in the ANSI X12N 837 standard electronic format as established by federal law. Nothing in this section requires acceptance of electronic claim transactions by entities not covered under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections. Notwithstanding the above, nothing in this section or other state law prohibits group purchasers not defined as covered entities under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections, from requiring, as authorized by Minnesota law or rule, additional information associated with a claim submitted by a provider.

Sec. 14. Minnesota Statutes 2000, section 62J.535, is amended by adding a subdivision to read:

Subd. 1b. [PAPER CLAIM TRANSACTIONS.] All group purchasers that accept paper claim transactions must accept, and health care providers submitting paper claim transactions must submit, such transactions with use of the applicable medical and nonmedical data code sets specified in the federal electronic claim transaction standards adopted under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections. The paper claim transaction must also be conducted using the uniform billing forms as specified in section 62J.52 and the identifiers specified in section 62J.54, on and after the compliance date required by law. Notwithstanding the above, nothing in this section or other state law prohibits group purchasers not defined as covered entities under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections, from requiring, as authorized by Minnesota law or rule, additional information associated with a claim submitted by a provider.

Sec. 15. Minnesota Statutes 2000, section 62J.535, subdivision 2, is amended to read:

Subd. 2. [COMPLIANCE.] ~~(a)~~ Subdivision 1a is effective concurrent with the date of required compliance for covered entities established under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time; for uniform electronic billing standards, all health care providers must conform to the uniform billing standards developed under subdivision 1.

(b) Notwithstanding paragraph (a), the requirements for the uniform remittance advice report shall be effective 12 months after the date of the required compliance of the standards for the electronic remittance advice transaction are effective under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time.

Sec. 16. Minnesota Statutes 2000, section 62J.581, is amended to read:

62J.581 [STANDARDS FOR MINNESOTA UNIFORM HEALTH CARE REIMBURSEMENT DOCUMENTS.]

Subdivision 1. [MINNESOTA UNIFORM REMITTANCE ADVICE REPORT.] (a) All group purchasers ~~and payers~~ shall provide a uniform remittance advice report to health care providers when a claim is adjudicated. The uniform remittance advice report shall comply with the standards prescribed in this section.

(b) Notwithstanding paragraph (a), this section does not apply to group purchasers not included as covered entities under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections.

Subd. 2. [MINNESOTA UNIFORM EXPLANATION OF BENEFITS DOCUMENT.] (a) All group purchasers ~~and payers~~ shall provide a uniform explanation of benefits document to health care patients when ~~a claim is adjudicated~~ an explanation of benefits document is provided as otherwise required or permitted by law. The uniform explanation of benefits document shall comply with the standards prescribed in this section.

(b) Notwithstanding paragraph (a), this section does not apply to group purchasers not included as covered entities under United States Code, title 42, sections 1320d to 1320d-8, as amended from time to time, and the regulations promulgated under those sections.

Subd. 3. [SCOPE.] For purposes of sections 62J.50 to 62J.61, the uniform remittance advice report and the uniform explanation of benefits document format specified in subdivision 4 shall apply to all health care services delivered by a health care provider or health care provider organization in Minnesota, regardless of the location of the payer. Health care services not paid on an individual claims basis, such as capitated payments, are not included in this section. A health plan company is excluded from the requirements in subdivisions 1 and 2 if they comply with section 62A.01, subdivisions 2 and 3.

Subd. 4. [SPECIFICATIONS.] The uniform remittance advice report and the uniform explanation of benefits document shall be provided by use of a paper document conforming to the specifications in this section or by use of the ANSI X12N 835 standard electronic format as established under United States Code, title 42, sections 1320d to 1320d-8, and as amended from time to time for the remittance advice. The commissioner, after consulting with the administrative uniformity committee, shall specify the data elements and definitions for the uniform remittance advice report and the uniform explanation of benefits document. The commissioner and the administrative uniformity committee must consult with the Minnesota Dental Association and Delta Dental Plan of Minnesota before requiring under this section the use of a paper document for the uniform explanation of benefits document or the uniform remittance advice report for dental care services.

Subd. 5. [EFFECTIVE DATE.] The requirements in subdivisions 1 and 2 are effective ~~12 months after the date of required compliance with the standards for the electronic remittance advice transaction under United States Code, title 42, sections 1320d to 1320d-8, and as amended from time to time~~ October 16, 2004. The requirements in subdivisions 1 and 2 apply regardless of when the health care service was provided to the patient."

Page 8, line 31, delete everything after "for" and insert "12 months from the date the group changes to one."

Page 8, delete line 32

Page 10, lines 24 to 26, reinstate the stricken language

Page 10, line 26, before the period, insert ", except as provided in subdivision 1, paragraphs (b) and (c)"

Page 12, after line 30, insert:

"Sec. 21. Minnesota Statutes 2000, section 62Q.68, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] For purposes of sections 62Q.68 to 62Q.72, the terms defined in this section have the meanings given them. For purposes of sections 62Q.69 and 62Q.70, the term "health plan company" does not include an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01 or a nonprofit health service plan corporation regulated under chapter 62C that only provides dental coverage or vision coverage. For purposes of sections 62Q.69 through 62Q.73, the term "health plan company" does not include the comprehensive health association created under chapter 62E.

Sec. 22. [62Q.731] [EXTERNAL REVIEW OF ADVERSE DETERMINATION FROM COMPREHENSIVE HEALTH ASSOCIATION.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Enrollee" means an eligible person as defined in section 62E.02, subdivision 13, and who meets the eligibility criteria established in section 62E.14.

(c) "Board" means the board of directors of the comprehensive health association, as described in section 62E.10, subdivision 2.

Subd. 2. [APPEAL TO EXTERNAL REVIEW ENTITY.] If an enrollee receives an adverse determination as a result of the comprehensive health association's internal appeal process, by which an established enrollee appeal committee renders an adverse determination, the enrollee then has the option of:

(1) appealing the adverse determination to the external review entity under section 62Q.73, which shall constitute a final determination subject to the conditions specified in section 62Q.73; or

(2) appealing to the commissioner of commerce from an adverse determination as provided by the operating rules of the comprehensive health association, in which case the commissioner has the option of making a determination regarding the appeal, or submitting the appeal to the external review entity retained under section 62Q.73.

Sec. 23. Minnesota Statutes 2000, section 79.251, subdivision 1, is amended to read:

Subdivision 1. [~~ASSIGNED RISK PLAN REVIEW BOARD~~ GENERAL DUTIES OF COMMISSIONER.] (1) ~~An assigned risk plan review board is created for the purposes of review of the operation of section 79.252 and this section. The board commissioner shall have all the usual powers and authorities necessary for the discharge of its duties under this section and may contract with individuals in discharge of those duties.~~

~~(2) The board shall consist of six members to be appointed by the commissioner of commerce. Three members shall be insureds holding policies or contracts of coverage issued pursuant to subdivision 4. Two members shall be insurers licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b). The commissioner shall be the sixth member and shall vote.~~

~~Initial appointments shall be made by September 1, 1981, and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members other than the commissioner shall be as provided in section 15.059.~~

~~(3) The assigned risk plan review board commissioner shall audit the reserves established (a) for individual cases arising under policies and contracts of coverage issued under subdivision 4 and (b) for the total book of business issued under subdivision 4.~~

~~(4)~~ (2) The ~~assigned risk plan review board~~ commissioner shall monitor the operations of section 79.252 and this section and shall periodically make recommendations to ~~the commissioner, and to the governor and legislature~~ when appropriate, for improvement in the operation of those sections.

~~(5)~~ (3) All insurers and self-insurance administrators issuing policies or contracts under subdivision 4 shall pay to the commissioner a .25 percent assessment on premiums for policies and contracts of coverage issued under subdivision 4 for the purpose of defraying the costs of ~~the assigned risk plan review board~~ performing the duties under clauses (1) and (2). Proceeds of the assessment shall be deposited in the state treasury and credited to the general fund.

~~(6)~~ (4) The assigned risk plan ~~and the assigned risk plan review board~~ shall not be deemed a state agency.

Sec. 24. Minnesota Statutes 2000, section 79.252, subdivision 3, is amended to read:

Subd. 3. [COVERAGE.] (a) Policies and contracts of coverage issued pursuant to section 79.251, subdivision 4, shall contain the usual and customary provisions of workers' compensation insurance policies, and shall be deemed to meet the mandatory workers' compensation insurance requirements of section 176.181, subdivision 2.

(b) Policies issued by the assigned risk plan pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." ~~The assigned risk plan review board~~ commissioner may apply for and obtain any licensure required in any other state to issue that coverage."

Page 14, after line 13, insert:

"Sec. 27. [INTENT OF AMENDMENTS.]

The legislature intends the amendments in sections 23 and 24 to be technical clarifications necessitated by the expiration of the assigned risk plan review board on June 30, 1997, according to the terms of Minnesota Statutes, section 15.059.

Sec. 28. [REVISOR INSTRUCTION.]

The revisor of statutes is instructed to amend the headnote of Minnesota Statutes, section 62J.535, to read "Uniform Billing Requirements for Claim Transactions."

Sec. 29. [REPEALER.]

Minnesota Statutes 2000, section 62J.535, subdivision 1, is repealed.

Sec. 30. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment."

Reorder the sections in sequence

Delete the title and insert:

"A bill for an act relating to insurance; regulating certain licenses, fees, and coverages; providing for health care administrative simplification; making certain technical changes; amending Minnesota Statutes 2000, sections 61A.092, subdivision 6; 62A.25, subdivision 2; 62A.31, subdivision 1h; 62E.11, subdivision 6; 62E.14, subdivisions 4, 5, 6; 62J.51, subdivision 19; 62J.535, subdivision 2, by adding subdivisions; 62J.581; 62L.03, subdivisions 1, 5; 62Q.185; 62Q.68, subdivision 1; 79.251, subdivision 1; 79.252, subdivision 3; 79A.04,

subdivision 9; Minnesota Statutes 2001 Supplement, sections 60A.14, subdivision 1; 60K.56, subdivisions 6, 8, 9; 62M.03, subdivision 2; Laws 2001, chapter 117, article 1, section 29; proposing coding for new law in Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 2000, section 62J.535, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tuma from the Committee on Crime Prevention to which was referred:

H. F. No. 3080, A bill for an act relating to the metropolitan council; extending pension coverage to part-time metropolitan transit police officers; clarifying the jurisdiction of the metropolitan transit police; removing a restriction on the employment of metropolitan transit police officers on a part-time basis; authorizing metropolitan transit police officers to apply for and execute search warrants; amending Minnesota Statutes 2000, sections 353.64, subdivision 7a; 473.407, subdivisions 1, 2, 3, 4; 626.05, subdivision 2; Minnesota Statutes 2001 Supplement, sections 626.11; 626.13; repealing Minnesota Statutes 2000, section 473.407, subdivision 4a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 84.029, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT, DEVELOPMENT, MAINTENANCE AND OPERATION.] In addition to other lawful authority, the commissioner of natural resources may establish, develop, maintain, and operate recreational areas, including but not limited to trails and canoe routes, for the use and enjoyment of the public on any state-owned or leased land under the commissioner's jurisdiction. ~~Each employee of the department of natural resources, while engaged in employment in connection with such recreational areas, has and possesses the authority and power of a peace officer when so designated by the commissioner.~~

Sec. 2. Minnesota Statutes 2000, section 84A.55, subdivision 8, is amended to read:

Subd. 8. [POLICING.] The commissioner may police the game preserves, areas, and projects as necessary to carry out this section. ~~Persons assigned to the policing have the powers of police officers while so engaged.~~

Sec. 3. Minnesota Statutes 2000, section 473.407, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] The council may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (h), known as the metropolitan transit police, to police its transit property and routes, to carry out investigations, and to make arrests under sections 629.30 and 629.34. The jurisdiction of the law enforcement agency is limited to offenses relating to council transit property, equipment, employees, and passengers.

Sec. 4. Minnesota Statutes 2000, section 473.407, subdivision 2, is amended to read:

Subd. 2. [~~LIMITATIONS ARRESTS AND SUBSEQUENT INVESTIGATIONS.~~] The initial processing of a person arrested by the transit police for an offense within the agency's jurisdiction is the responsibility of the transit police unless otherwise directed by the law enforcement agency with primary jurisdiction. A subsequent investigation is the responsibility of the law enforcement agency of the jurisdiction in which the crime was committed unless the law enforcement agency authorizes the transit police to assume the subsequent investigation. ~~The transit police are not authorized to apply for a search warrant as prescribed in section 626.05. At the request~~

of the primary jurisdiction, the transit police may assist in a subsequent investigation being carried out by the primary jurisdiction. Persons arrested for violations which the transit police determine are not within the agency's jurisdiction must be referred to the appropriate local law enforcement agency for further investigation or disposition.

Sec. 5. Minnesota Statutes 2000, section 473.407, subdivision 3, is amended to read:

Subd. 3. [~~POLICIES POLICY FOR NOTICE OF INVESTIGATIONS.~~] ~~Before the council begins to operate its law enforcement agency within a city or county with an existing law enforcement agency, the transit police shall develop, in conjunction with the law enforcement agencies, written policies that describe how the issues of joint jurisdiction will be resolved. The policies must also address the operation of emergency vehicles by transit police responding to transit emergencies. These policies must be filed with the board of peace officer standards and training by August 1, 1993. Revisions of any of these policies must be filed with the board within ten days of the effective date of the revision. The transit police must develop a policy for notifying the law enforcement agency with primary jurisdiction when it has initiated surveillance or investigation of any person within the jurisdiction of that agency. The council shall train all of its peace officers regarding the application of these policies~~ this policy.

Sec. 6. Minnesota Statutes 2000, section 626.05, subdivision 2, is amended to read:

Subd. 2. [PEACE OFFICER.] The term "peace officer," as used in sections 626.04 to 626.17, means a person who is licensed as a peace officer in accordance with section 626.84, subdivision 1, and who serves as a sheriff, deputy sheriff, police officer, constable, conservation officer, agent of the bureau of criminal apprehension, agent of the division of alcohol and gambling enforcement, University of Minnesota peace officer, metropolitan transit police officer, or state patrol trooper as authorized by section 299D.03.

Sec. 7. Minnesota Statutes 2001 Supplement, section 626.11, is amended to read:

626.11 [ISSUANCE OF WARRANT.]

If the judge is satisfied of the existence of the grounds of the application, or that there is probable cause to believe their existence, the judge must issue a signed search warrant, naming the judge's judicial office, to a peace officer having jurisdiction in the area where the place to be searched is located, to an agent of the bureau of criminal apprehension, to an officer of the metropolitan transit police, or to an agent of the division of alcohol and gambling enforcement who is a licensed peace officer as defined in section 626.84, subdivision 1, paragraph (c). The warrant shall direct the officer or agent to search the person or place named for the property or things specified, and to retain the property or things in the officer's or agent's custody subject to order of the court issuing the warrant.

Sec. 8. Minnesota Statutes 2001 Supplement, section 626.13, is amended to read:

626.13 [SERVICE; PERSONS MAKING.]

A search warrant may in all cases be served anywhere within the issuing judge's jurisdiction by any of the officers mentioned in its directions, but by no other person, except in aid of the officer on the officer's requiring it, the officer being present and acting in its execution. If the warrant is to be served by an agent of the bureau of criminal apprehension, an agent of the division of alcohol and gambling enforcement, a state patrol trooper, a metropolitan transit police officer, or a conservation officer, the agent, state patrol trooper, police officer, or conservation officer shall notify the chief of police of an organized full-time police department of the municipality or, if there is no such local chief of police, the sheriff or a deputy sheriff of the county in which service is to be made prior to execution.

Sec. 9. [APPLICATION.]

Sections 3 to 5 and the repeal in section 10 of Minnesota Statutes 2000, section 473.407, subdivision 4a, apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.



Sec. 10. [REPEALER.]

Minnesota Statutes 2000, sections 85.04; and 473.407, subdivision 4a, are repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public safety; clarifying the jurisdiction of the metropolitan transit police; removing an exception to a restriction on the employment of metropolitan transit police officers on a part-time basis; authorizing metropolitan transit police officers to apply for and execute search warrants; removing certain authority of natural resources department employees to act as peace officers or police officers; amending Minnesota Statutes 2000, sections 84.029, subdivision 1; 84A.55, subdivision 8; 473.407, subdivisions 1, 2, 3; 626.05, subdivision 2; Minnesota Statutes 2001 Supplement, sections 626.11; 626.13; repealing Minnesota Statutes 2000, sections 85.04; 473.407, subdivision 4a."

With the recommendation that when so amended the bill pass.

The report was adopted.

Seagren from the Committee on K-12 Education Finance to which was referred:

H. F. No. 3118, A bill for an act relating to education; providing an additional method for school districts to form and sponsor a charter school; amending Minnesota Statutes 2000, section 124D.10, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 6, after the period, insert "Immunity provisions of subdivision 25 shall be applicable to these review and comment activities."

With the recommendation that when so amended the bill pass.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3169, A bill for an act relating to housing; specifying certain discretionary municipal subdivision authority; amending Minnesota Statutes 2000, section 462.358, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 462.358, is amended by adding a subdivision to read:

Subd. 11. [AFFORDABLE HOUSING.] For the purposes of this subdivision, a "development application" means subdivision, planned unit development, site plan, or other similar type action. If a municipality, in approving a development application that provides all or a portion of the units for persons and families of low and moderate

income, so proposes, the applicant may request that provisions authorized by clauses (1) to (3) will apply to housing for persons of low and moderate income, subject to agreement between the municipality and the applicant:

- (1) establishing sales prices or rents for housing affordable to low- and moderate-income households;
- (2) establishing maximum income limits for initial and subsequent purchasers or renters of the affordable units; and
- (3) establishing means, including, but not limited to, land trusts, equity sharing, or similar activities, to maintain the long-term affordability of the affordable units.

Clauses (1) to (3) shall not apply for more than 20 years from the date of initial occupancy.

Sec. 2. [462.3612] [HOUSING FISCAL IMPACT NOTES.]

Subdivision 1. [DEFINITION.] "Housing fiscal impact" means increased or decreased costs that a housing development would incur as a result of an official control adopted or amended by a municipality after August 1, 2002, that adds to or changes the regulation of the location, height, width, bulk, type of foundation, number of stories, size of buildings and other structures, percentage of the lot occupied, size of yards and other open spaces, density and distribution of population, uses of buildings, or design of residential housing.

Subd. 2. [CONDITIONS; CONTENTS.] (a) When there is the potential for a housing fiscal impact resulting from the adoption or amendment of an official control, the responsible municipality must prepare a housing fiscal impact note prior to the public hearing on the proposed adoption or amendment of an official control.

(b) The housing fiscal impact note shall:

- (1) estimate in dollar amounts the increase or decrease in the costs as a result of the municipal proposed action;
- (2) specify long-range implications of the proposed action;
- (3) describe appropriate alternatives to the proposed action; and
- (4) discuss the rationale for the proposed change."

Delete the title and insert:

"A bill for an act relating to housing; specifying certain discretionary municipal subdivision authority; providing for housing fiscal impact notes; amending Minnesota Statutes 2000, section 462.358, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce, Jobs and Economic Development.

The report was adopted.

Tuma from the Committee on Crime Prevention to which was referred:

H. F. No. 3190, A bill for an act relating to corrections; requiring the juvenile court to send data relating to juvenile petitions to the statewide supervision system; amending Minnesota Statutes 2000, sections 260B.171, subdivision 2; 299C.09; 299C.147, subdivisions 3, 4; Minnesota Statutes 2001 Supplement, section 299C.147, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3202, A bill for an act relating to the city of Delano; increasing its public utilities commission from three to five members.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 3205, A bill for an act relating to contracts; regulating public works contracts; proposing coding for new law in Minnesota Statutes, chapter 15.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Tuma from the Committee on Crime Prevention to which was referred:

H. F. No. 3226, A bill for an act relating to traffic regulations; allowing motorcyclist to run red light under certain circumstances; amending Minnesota Statutes 2000, section 169.06, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 9, delete "EXCEPTION FOR" and insert "AFFIRMATIVE DEFENSE RELATING TO"

Page 1, line 10, after the headnote, insert "(a)" and delete everything after "motorcycle" and insert "who violates subdivision 4 by entering or crossing an intersection controlled by a traffic-control signal against a red light has an affirmative defense to that charge if the person establishes all of the following conditions:"

Page 1, delete lines 11 and 12

Page 1, line 20, after "vehicle" insert "or person"

Page 1, after line 22, insert:

"(b) The affirmative defense in this subdivision applies only to a violation for entering or crossing an intersection controlled by a traffic-control signal against a red light and does not provide a defense to any other civil or criminal action."

Amend the title as follows:

Page 1, line 2, delete "allowing motorcyclist" and insert "establishing an affirmative defense for motorcyclists who"

Page 1, line 3, delete "to" and delete "light" and insert "lights"

With the recommendation that when so amended the bill pass.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3282, A bill for an act relating to local government; allowing a city to establish cartways; amending Minnesota Statutes 2000, section 415.01.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation Policy.

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 3296, A bill for an act relating to state employment; shifting social security administrative duties from the department of employee relations to the public employees retirement association; classifying data on employee's dependents as private; amending Minnesota Statutes 2000, sections 13.43, subdivision 4; 355.01, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wolf from the Committee on Regulated Industries to which was referred:

H. F. No. 3340, A bill for an act relating to energy; requiring prevailing wage to be paid on certain energy projects; proposing coding for new law in Minnesota Statutes, chapter 177.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Commerce, Jobs and Economic Development.

The report was adopted.

Tuma from the Committee on Crime Prevention to which was referred:

H. F. No. 3404, A bill for an act relating to motor vehicles; requiring security interest on vehicle subject to DWI-related forfeiture to be perfected in order to protect interest of secured party; amending Minnesota Statutes 2001 Supplement, section 169A.63, subdivision 7.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 2001 Supplement, section 169A.63, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense or to require a test under section 169A.51 (chemical tests for intoxication).

(c) "Designated license revocation" includes a license revocation under section 169A.52 (license revocation for test failure or refusal) or a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52; within ten years of the first of two or more qualified prior impaired driving incidents.

(d) "Designated offense" includes:

(1) a violation of section 169A.20 (driving while impaired) under the circumstances described in section 169A.24 (first-degree driving while impaired) or 169A.25 (second-degree driving while impaired); or

(2) a violation of section 169A.20 or an ordinance in conformity with it:

(i) by a person whose driver's license or driving privileges have been canceled as inimical to public safety under section 171.04, subdivision 1, clause (10); or

(ii) by a person who is subject to a restriction on the person's driver's license under section 171.09 (commissioner's license restrictions), which provides that the person may not use or consume any amount of alcohol or a controlled substance.

(e) "Motor vehicle" and "vehicle" do not include a vehicle which is stolen or taken in violation of the law.

(f) "Owner" means ~~the registered owner of the motor vehicle according to records of the department of public safety and includes a person legally entitled to possession, use, and control of a motor vehicle, including a lessee of a motor vehicle if the lease agreement has a term of 180 days or more. There is a rebuttable assumption that a person registered as the owner of a motor vehicle according to the records of the department of public safety is the legal owner. For purposes of this section, if a motor vehicle is owned jointly by two or more people, each owner's interest extends to the whole of the vehicle and is not subject to apportionment.~~

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense or a designee. If a state agency initiated the forfeiture, and the attorney responsible for prosecuting the designated offense declines to pursue forfeiture, the attorney general's office or its designee may initiate forfeiture under this section."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "subdivision" and insert "subdivisions 1,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Davids from the Committee on Commerce, Jobs and Economic Development to which was referred:

H. F. No. 3464, A bill for an act relating to commerce; creating a small business category under the Money Transmitter Act; modifying regulations; amending Minnesota Statutes 2001 Supplement, sections 53B.05, subdivision 1; 53B.08, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 10, after the headnote, insert "Each licensee engaging in money transmission at six or fewer locations in the state, either directly or through authorized delegates, must have a net worth of at least \$50,000."

Page 1, line 14, after "state" insert ", either directly"

Page 1, line 15, after "delegates" insert a comma

With the recommendation that when so amended the bill pass.

The report was adopted.

Rhodes from the Committee on Governmental Operations and Veterans Affairs Policy to which was referred:

H. F. No. 3598, A bill for an act relating to licensed gambling distributors; regulating sale of certain gambling devices; amending Minnesota Statutes 2000, section 299L.07, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 2232, 2525, 2587, 2835, 2840, 2932, 2987, 2988, 3080, 3118, 3190, 3202, 3205, 3226, 3296, 3404, 3464 and 3598 were read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Stanek introduced:

H. F. No. 3634, A bill for an act relating to capital improvements; for grants to local governments in the metropolitan area for public safety radio communications capital improvements; authorizing issuance of bonds; appropriating money.

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

Stanek introduced:

H. F. No. 3635, A bill for an act relating to child advocacy centers; establishing grants for child advocacy centers that provide certain core functions; appropriating money.

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

Sertich introduced:

H. F. No. 3636, A bill for an act relating to local government; extending the possible time for payment of certain certificates of indebtedness and capital notes issued by statutory cities; amending Minnesota Statutes 2000, section 412.301.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Sertich introduced:

H. F. No. 3637, A bill for an act relating to municipalities; extending the terms for which certain certificates of indebtedness may be issued; amending Minnesota Statutes 2000, section 412.301.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Mares introduced:

H. F. No. 3638, A bill for an act relating to education; working to improve students' access to needed services.

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

Goodno introduced:

H. F. No. 3639, A bill for an act relating to taxation; authorizing the city of Moorhead to impose a tax levy for payment of certain obligations to which tax increments are pledged.

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

Opatz introduced:

H. F. No. 3640, A bill for an act relating to appropriations; authorizing state bonds; appropriating money for a grant for parks and trails to the St. Cloud area regional parks and trails coordinating board.

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

Huntley, Swapinski and Jaros introduced:

H. F. No. 3641, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for the construction of a visitor's center in Duluth; appropriating money.

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

### **CONSENT CALENDAR**

Pawlenty moved that the Consent Calendar be continued. The motion prevailed.

### **MOTIONS AND RESOLUTIONS**

Tuma moved that the names of Osthoff and Ozment be added as authors on H. F. No. 2617. The motion prevailed.

Paymar moved that his name be stricken as an author on H. F. No. 2752. The motion prevailed.

Schumacher moved that her name be stricken as an author on H. F. No. 3007. The motion prevailed.

Evans moved that the name of Bernardy be added as an author on H. F. No. 3126. The motion prevailed.

Clark, J., moved that the name of Paymar be shown as chief author on H. F. No. 3563. The motion prevailed.

Kielkucki moved that the name of Erickson be added as an author on H. F. No. 3624. The motion prevailed.

Mares moved that H. F. No. 2513 be recalled from the Committee on Capital Investment and be re-referred to the Committee on Taxes. The motion prevailed.

Mulder moved that H. F. No. 3031 be recalled from the Committee on Health and Human Services Policy and be re-referred to the Committee on Civil Law. The motion prevailed.

Goodno moved that H. F. No. 3236 be recalled from the Committee on Health and Human Services Finance and be re-referred to the Committee on Health and Human Services Policy. The motion prevailed.

#### ADJOURNMENT

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Wednesday, February 27, 2002.

EDWARD A. BURDICK, Chief Clerk, House of Representatives