

STATE OF MINNESOTA

EIGHTY-SECOND SESSION — 2001

THIRTIETH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 4, 2001

The House of Representatives convened at 3:00 p.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	Dorman	Holberg	Lenczewski	Ozment	Stang
Abrams	Eastlund	Holsten	Leppik	Paulsen	Swapinski
Anderson, B.	Entenza	Howes	Lieder	Pawlenty	Swenson
Anderson, I.	Erhardt	Huntley	Lindner	Paymar	Sykora
Bakk	Erickson	Jacobson	Lipman	Pelowski	Thompson
Bernardy	Evans	Jaros	Mahoney	Penas	Tingelstad
Biernat	Finseth	Jennings	Mares	Peterson	Tuma
Bishop	Folliard	Johnson, J.	Marko	Pugh	Vandever
Boudreau	Fuller	Johnson, R.	Marquart	Rhodes	Wagenius
Bradley	Gerlach	Johnson, S.	McElroy	Rifenberg	Walker
Buesgens	Gleason	Juhnke	McGuire	Rukavina	Walz
Carlson	Goodno	Kahn	Milbert	Ruth	Wasiluk
Cassell	Goodwin	Kalis	Molnau	Schumacher	Wenzel
Clark, J.	Gray	Kelliher	Mulder	Seagren	Westerberg
Clark, K.	Greiling	Kielkucki	Mullery	Seifert	Westrom
Daggett	Gunther	Knoblach	Murphy	Sertich	Wilkin
Davids	Haas	Koskinen	Ness	Skoe	Winter
Davnie	Hackbarth	Krinkie	Nornes	Skoglund	Wolf
Dawkins	Harder	Kubly	Olson	Slawik	Workman
Dehler	Hausman	Kuisle	Opatz	Smith	Spk. Sviggum
Dempsey	Hilstrom	Larson	Osskopp	Solberg	
Dibble	Hilty	Leighton	Osthoff	Stanek	

A quorum was present.

Dorn, Luther and Otremba were excused.

Mariani was excused until 4:20 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 991 and H. F. No. 1046, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Clark, J., moved that S. F. No. 991 be substituted for H. F. No. 1046 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1404 and H. F. No. 1657, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Haas moved that S. F. No. 1404 be substituted for H. F. No. 1657 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1435 and H. F. No. 1455, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Osskopp moved that S. F. No. 1435 be substituted for H. F. No. 1455 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1502 and H. F. No. 1638, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Skoglund moved that S. F. No. 1502 be substituted for H. F. No. 1638 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable Don Samuelson
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2001 Session of the State Legislature has been received from the Office of the Governor and is 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 2001</i>	<i>Date Filed 2001</i>
433		11	12:43 p.m. March 21	March 21

Sincerely,

MARY KIFFMEYER
Secretary of State

REPORTS OF STANDING COMMITTEES

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

H. F. No. 58, A bill for an act relating to alcoholic beverages; prescribing standards for identification of beer kegs; requiring retailers of beer to maintain records of sale of beer kegs and to record the identification number of each beer keg sold; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 340A.

Reported the same back with the following amendments:

Page 2, line 10, after the period, insert "The identification label or tag must be kept on file with the retailer for not less than 90 days from the date of return."

Page 2, line 13, before "tag" insert "label or"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Crime Prevention.

The report was adopted.

McElroy from the Committee on Jobs and Economic Development Finance to which was referred:

H. F. No. 62, A bill for an act relating to tornado relief; providing disaster relief and other assistance for counties designated a major disaster area due to the July 25, 2000, tornado; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on K-12 Education Finance.

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 322, A bill for an act relating to health; modifying the Minnesota Utilization Review Act; modifying definition of practice of medicine; amending Minnesota Statutes 2000, sections 62M.09, subdivisions 3, 6, and by adding a subdivision; 62M.10, subdivision 7; and 147.081, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 62M.06, subdivision 3, is amended to read:

Subd. 3. [STANDARD APPEAL.] The utilization review organization must establish procedures for appeals to be made either in writing or by telephone.

(a) A utilization review organization shall notify in writing the enrollee, attending health care professional, and claims administrator of its determination on the appeal within 30 days upon receipt of the notice of appeal. If the utilization review organization cannot make a determination within 30 days due to circumstances outside the control of the utilization review organization, the utilization review organization may take up to 14 additional days to notify the enrollee, attending health care professional, and claims administrator of its determination. If the utilization review organization takes any additional days beyond the initial 30-day period to make its determination, it must inform the enrollee, attending health care professional, and claims administrator, in advance, of the extension and the reasons for the extension.

(b) The documentation required by the utilization review organization may include copies of part or all of the medical record and a written statement from the attending health care professional.

(c) Prior to upholding the initial determination not to certify for clinical reasons, the utilization review organization shall conduct a review of the documentation by a physician who did not make the initial determination not to certify.

(d) The process established by a utilization review organization may include defining a period within which an appeal must be filed to be considered. The time period must be communicated to the enrollee and attending health care professional when the initial determination is made.

(e) An attending health care professional or enrollee who has been unsuccessful in an attempt to reverse a determination not to certify shall, consistent with section 72A.285, be provided the following:

- (1) a complete summary of the review findings;
- (2) qualifications of the reviewers, including any license, certification, or specialty designation; and
- (3) the relationship between the enrollee's diagnosis and the review criteria used as the basis for the decision, including the specific rationale for the reviewer's decision.

(f) In cases of appeal to reverse a determination not to certify for clinical reasons, the utilization review organization must, ~~upon request of the attending health care professional,~~ ensure that a physician of the utilization review organization's choice in the same or a similar ~~general~~ specialty as typically manages the medical condition, procedure, or treatment under discussion is reasonably available to review the case.

(g) If the initial determination is not reversed on appeal, the utilization review organization must include in its notification the right to submit the appeal to the external review process described in section 62Q.73 and the procedure for initiating the external process.

Sec. 2. Minnesota Statutes 2000, section 62M.09, subdivision 3, is amended to read:

Subd. 3. [PHYSICIAN REVIEWER INVOLVEMENT.] (a) A physician must review all cases in which the utilization review organization has concluded that a determination not to certify for clinical reasons is appropriate.

(b) The physician conducting the review must be licensed in this state. This paragraph does not apply to reviews conducted in connection with policies issued by a health plan company that is assessed less than three percent of the total amount assessed by the Minnesota comprehensive health association.

(c) The physician should be reasonably available by telephone to discuss the determination with the attending health care professional.

(d) This subdivision does not apply to outpatient mental health or substance abuse services governed by subdivision 3a.

Sec. 3. Minnesota Statutes 2000, section 62M.09, subdivision 3a, is amended to read:

Subd. 3a. [MENTAL HEALTH AND SUBSTANCE ABUSE REVIEWS.] (a) A peer of the treating mental health or substance abuse provider or a physician must review requests for outpatient services in which the utilization review organization has concluded that a determination not to certify a mental health or substance abuse service for clinical reasons is appropriate, provided that any final determination not to certify treatment is made by a psychiatrist certified by the American Board of Psychiatry and Neurology and ~~appropriately licensed in the state in which the psychiatrist resides~~ currently practicing in the field of mental health or substance abuse treatment. Notwithstanding the notification requirements of section 62M.05, a utilization review organization that has made an initial decision to certify in accordance with the requirements of section 62M.05 may elect to provide notification of a determination to continue coverage through facsimile or mail.

(b) The psychiatrist making a final determination not to certify treatment must be appropriately licensed in this state. This paragraph does not apply to determinations made in connection with policies issued by a health plan company that is assessed less than three percent of the total amount assessed by the Minnesota comprehensive health association.

Sec. 4. Minnesota Statutes 2000, section 62M.09, subdivision 6, is amended to read:

Subd. 6. [PHYSICIAN CONSULTANTS.] A utilization review organization must use physician consultants in the appeal process described in section 62M.06, subdivision 3. ~~The physician consultants should include, as needed and available, specialists who are~~ must be board-certified, ~~or board-eligible and working towards certification, in a specialty board approved by the American Board of Medical Specialists or the American Board of Osteopathy.~~

Sec. 5. Minnesota Statutes 2000, section 62M.09, is amended by adding a subdivision to read:

Subd. 9. [ANNUAL REPORT.] A utilization review organization shall file an annual report with the commissioner of commerce that includes:

(1) per 1,000 claims, the number and rate of claims denied based on medical necessity for each procedure or service; and

(2) the number and rate of denials overturned on appeal.

Sec. 6. Minnesota Statutes 2000, section 62M.10, subdivision 7, is amended to read:

Subd. 7. [AVAILABILITY OF CRITERIA.] Upon request, a utilization review organization shall provide to an enrollee ~~or to a, a provider, and the commissioner of commerce~~ the criteria used ~~for a specific procedure~~ to determine the medical necessity, appropriateness, and efficacy of ~~that a procedure or~~ service and identify the database, professional treatment guideline, or other basis for the criteria."

Delete the title and insert:

"A bill for an act relating to health; modifying the Minnesota Utilization Review Act; amending Minnesota Statutes 2000, sections 62M.06, subdivision 3; 62M.09, subdivisions 3, 3a, 6, by adding a subdivision; 62M.10, subdivision 7."

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.

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

H. F. No. 404, A bill for an act relating to nonprofit corporations; specifying voting rights and meeting notice requirements for nonprofit corporations that are neighborhood organizations; amending Minnesota Statutes 2000, sections 317A.435, by adding a subdivision; and 317A.441.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 317A.435, is amended by adding a subdivision to read:

Subd. 4. [NEIGHBORHOOD ORGANIZATIONS.] (a) A neighborhood organization must elect directors annually. Notwithstanding the provisions of subdivisions 1 and 2, notice of a meeting to elect directors and any other meeting at which articles or bylaws are proposed to be amended must be given as specified by this subdivision. The articles or bylaws of a neighborhood organization may provide for electing directors by petition, if notice of the petition process is given as provided by this subdivision.

(b) At least ten but not more than 30 days before a meeting of the members of the neighborhood organization is to be held, notice of the date, time, and place of the meeting or the date and process applicable to petitions and any other information required by this chapter must be:

(1) posted at public buildings located within the geographic boundaries of the neighborhood organization; and

(2) published in the community newspaper having the largest circulation within the geographic boundaries of the neighborhood organization or in a neighborhood organization newsletter that is distributed to all occupied buildings in the neighborhood; or

(3) provided in a written notice delivered to all households within the geographic boundaries of the neighborhood organization.

(c) For purposes of this subdivision, "neighborhood organization" means a nonprofit corporation under this chapter that represents a defined geographic area and has been accepted by a political subdivision as the basic planning unit for the area.

Sec. 2. Minnesota Statutes 2000, section 317A.437, is amended by adding a subdivision to read:

Subd. 3. [NEIGHBORHOOD ORGANIZATIONS.] The provisions of this section do not apply to a neighborhood organization as defined in section 317A.435, subdivision 4.

Sec. 3. Minnesota Statutes 2000, section 317A.439, is amended by adding a subdivision to read:

Subd. 6. [NEIGHBORHOOD ORGANIZATIONS.] A neighborhood organization as defined in section 317A.435, subdivision 4, is not required to prepare a membership list under this section.

Sec. 4. Minnesota Statutes 2000, section 317A.441, is amended to read:

317A.441 [RIGHT TO VOTE.]

(a) Unless the articles or bylaws provide otherwise, each member with voting rights is entitled to one vote on each matter voted on by the members. If a membership stands of record in the names of two or more persons, their acts with respect to voting have the following effect:

(1) if only one votes, the act binds all; and

(2) if more than one votes, the vote must be divided on a pro rata basis.

(b) In the case of a neighborhood organization, members with voting rights are, at a minimum, individuals who, at a meeting of the neighborhood organization, can produce:

(1) a Minnesota driver's license, Minnesota identification card, or some form of residency verification that indicates the individual resides within the geographic boundaries of the neighborhood organization; or

(2) proof of ownership or lease of a business or property or proof of being employed by a nonprofit organization, business, or government entity located within the geographic boundaries of the neighborhood, if such members are authorized by the bylaws of the neighborhood organization.

(c) An individual who resides within the geographic boundaries of a neighborhood organization or meets membership criteria under paragraph (b), clause (2), but lacks the documentation required by paragraph (b), clause (1), may vote at a meeting of the neighborhood organization if a member who has the required documentation vouches for the individual.

(d) A neighborhood organization through its articles or bylaws may permit voting at its meetings by individuals in addition to those described in paragraph (b) or (c).

(e) For purposes of this section, "neighborhood organization" means a nonprofit corporation under this chapter that represents a defined geographic area and has been accepted by a political subdivision as the basic planning unit for the area.

Sec. 5. [APPLICATION.]

By August 1, 2002, neighborhood organizations must amend their bylaws to conform to the provisions of this act."

Delete the title and insert:

"A bill for an act relating to nonprofit corporations; regulating neighborhood organizations; providing for the election of directors, and specifying voting rights and meeting notice requirements; amending Minnesota Statutes 2000, sections 317A.435, by adding a subdivision; 317A.437, by adding a subdivision; 317A.439, by adding a subdivision; 317A.441."

With the recommendation that when so amended the bill pass.

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 429, A bill for an act relating to telecommunications; authorizing state agencies to allow commercial wireless equipment to be placed on state-owned lands, buildings, and other structures; appropriating money; amending Minnesota Statutes 2000, section 174.70, subdivisions 2, 3; Laws 1999, chapter 238, article 1, section 2, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

The report was adopted.

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

H. F. No. 441, A bill for an act relating to the job skills partnership board; changing the membership of the board; imposing term limits; amending Minnesota Statutes 2000, section 116L.03, subdivisions 2, 3, and 5.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Jobs and Economic Development Finance without further recommendation.

The report was adopted.

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

H. F. No. 564, A bill for an act relating to housing; establishing a pilot program to improve neighborhoods by providing deferred low-interest loans; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [EXTERIOR HOME IMPROVEMENTS PILOT PROJECT.]

Subdivision 1. [PRIORITY FOR COMMUNITY REHABILITATION PROGRAM FUNDS.] In funding proposals with money appropriated to the community rehabilitation fund program under Minnesota Statutes, section 462A.206,

the agency shall give priority to no more than three proposals for pilot projects encouraging homeowners to make improvements to the exteriors of deteriorating properties in targeted neighborhoods. Priority shall be given to proposals meeting the following criteria:

(1) the funds will be used to discount the interest rate on the community fix-up fund program for home improvement loans provided through the agency;

(2) matching funds are provided from either a local unit of government or a private philanthropic, religious, or charitable organization; and

(3) the discounted interest rate loans will be targeted to households based on need, as determined by the community.

Subd. 2. [REPORT TO AGENCY.] Communities receiving funds under a proposal in subdivision 1 shall report to the agency on the outcomes of the pilot project, including the number of households served, the cost per household, the changes in property values, if any, in the targeted neighborhood, and improvements, if any, made in the targeted neighborhoods without government subsidy during the same time period as the pilot project."

Delete the title and insert:

"A bill for an act relating to housing; directing housing finance agency how to fund proposals with money appropriated for community rehabilitation; requiring communities to report to the agency."

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

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 595, A bill for an act relating to railroads; authorizing local units of government to establish "quiet zones," subject to federal law and regulation, in which audible locomotive warning devices are regulated or prohibited; proposing coding for new law in Minnesota Statutes, chapter 219.

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

The report was adopted.

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

H. F. No. 694, A bill for an act relating to insurance; no-fault auto; regulating income loss benefits to senior citizens; amending Minnesota Statutes 2000, section 65B.491.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 65B.491, is amended to read:

65B.491 [SENIOR CITIZENS.]

~~After August 1, 1987, no A plan of reparation security issued to or renewed with a person who has attained the age of 65 years may must provide coverage for wage disability and income loss reimbursement that benefits under section 65B.44, subdivision 3, unless the insured will not reasonably be expected to be able to receive elects not to~~

have this coverage. It is the responsibility of the person issuing or renewing the plan to inquire as to ~~the applicability of this section~~ whether the insured wishes to have this coverage. The reparation obligor may satisfy this responsibility by sending an inquiry by first class mail, not less than 30 days prior to each renewal period after the insured has attained the age of 65. This inquiry sent by mail must contain a notice of the discount for not having disability and income loss coverage, a preaddressed postage paid reply form, and instructions to reply only if the insured does not wish to have this coverage in the next renewal period. If the insured responds that the insured does wish to have this coverage, or if the reparation obligor does not receive a response from the insured within 15 days of the date of mailing to the insured, disability and income loss coverage must continue to be provided under section 65B.44, subdivision 3. The rate for any plan for which coverage has been excluded or reduced pursuant to this section must be reduced accordingly. This section does apply to self-insurance.

Sec. 2. [REVISOR INSTRUCTION.]

The revisor of statutes shall recode Minnesota Statutes 2000, section 65B.491, as section 65B.44, subdivision 3a."

With the recommendation that when so amended the bill pass.

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 706, A bill for an act relating to health; establishing eligibility for medical assistance for certain persons needing treatment for breast or cervical cancer; appropriating money; amending Minnesota Statutes 2000, section 256B.055, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 256B.057, is amended by adding a subdivision to read:

Subd. 10. [CERTAIN PERSONS NEEDING TREATMENT FOR BREAST OR CERVICAL CANCER.] (a) Medical assistance may be paid for a person who:

(1) has been screened for breast or cervical cancer under the Centers for Disease Control and Prevention's national breast and cervical cancer early detection program established under United States Code, title 42, sections 300k et seq.;

(2) according to the person's treating health professional, needs treatment, including diagnostic services necessary to determine the extent and proper course of treatment, for breast or cervical cancer, including precancerous conditions and early stage cancer;

(3) meets the income eligibility guidelines for the Minnesota breast and cervical cancer control program;

(4) is under age 65;

(5) is not otherwise eligible for medical assistance under United States Code, title 42, section 1396(a)(10)(A)(i); and

(6) is not otherwise covered under creditable coverage, as defined under United States Code, title 42, section 300gg(c).

(b) Medical assistance provided for an eligible person under this subdivision shall be limited to services provided during the period that the person receives treatment for breast or cervical cancer.

(c) A person meeting the criteria in paragraph (a) is eligible for medical assistance without meeting the eligibility criteria relating to income and assets in section 256B.056, subdivisions 1a to 5b.

Sec. 2. [256B.0637] [PRESUMPTIVE ELIGIBILITY FOR CERTAIN PERSONS NEEDING TREATMENT FOR BREAST OR CERVICAL CANCER.]

Medical assistance is available during a presumptive eligibility period for persons who meet the criteria in section 256B.057, subdivision 10. For purposes of this section, the presumptive eligibility period begins on the date on which an entity designated by the commissioner determines, based on preliminary information, that the person meets the criteria in section 256B.057, subdivision 10. The presumptive eligibility period ends on the day on which a determination is made as to the person's eligibility, except that if an application is not submitted by the last day of the month following the month during which the determination based on preliminary information is made, the presumptive eligibility period ends on that last day of the month.

Sec. 3. Minnesota Statutes 2000, section 256B.69, subdivision 4, is amended to read:

Subd. 4. [LIMITATION OF CHOICE.] The commissioner shall develop criteria to determine when limitation of choice may be implemented in the experimental counties. The criteria shall ensure that all eligible individuals in the county have continuing access to the full range of medical assistance services as specified in subdivision 6. The commissioner shall exempt the following persons from participation in the project, in addition to those who do not meet the criteria for limitation of choice:

- (1) persons eligible for medical assistance according to section 256B.055, subdivision 1;
- (2) persons eligible for medical assistance due to blindness or disability as determined by the social security administration or the state medical review team, unless:
 - (i) they are 65 years of age or older; or
 - (ii) they reside in Itasca county or they reside in a county in which the commissioner conducts a pilot project under a waiver granted pursuant to section 1115 of the Social Security Act;
- (3) recipients who currently have private coverage through a health maintenance organization;
- (4) recipients who are eligible for medical assistance by spending down excess income for medical expenses other than the nursing facility per diem expense;
- (5) recipients who receive benefits under the Refugee Assistance Program, established under United States Code, title 8, section 1522(e);
- (6) children who are both determined to be severely emotionally disturbed and receiving case management services according to section 256B.0625, subdivision 20; ~~and~~
- (7) adults who are both determined to be seriously and persistently mentally ill and received case management services according to section 256B.0625, subdivision 20; and
- (8) persons eligible for medical assistance according to section 256B.057, subdivision 10.

Children under age 21 who are in foster placement may enroll in the project on an elective basis. Individuals excluded under clauses (6) and (7) may choose to enroll on an elective basis. The commissioner may allow persons with a one-month spenddown who are otherwise eligible to enroll to voluntarily enroll or remain enrolled, if they

elect to prepay their monthly spenddown to the state. ~~Beginning on or after July 1, 1997,~~ The commissioner may require those individuals to enroll in the prepaid medical assistance program who otherwise would have been excluded under clauses (1) ~~and~~ (3), ~~and~~ (8), and under Minnesota Rules, part 9500.1452, subpart 2, items H, K, and L. Before limitation of choice is implemented, eligible individuals shall be notified and after notification, shall be allowed to choose only among demonstration providers. The commissioner may assign an individual with private coverage through a health maintenance organization, to the same health maintenance organization for medical assistance coverage, if the health maintenance organization is under contract for medical assistance in the individual's county of residence. After initially choosing a provider, the recipient is allowed to change that choice only at specified times as allowed by the commissioner. If a demonstration provider ends participation in the project for any reason, a recipient enrolled with that provider must select a new provider but may change providers without cause once more within the first 60 days after enrollment with the second provider.

Sec. 4. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of human services for the 2002 fiscal year for administrative costs associated with implementing Minnesota Statutes, section 256B.057, subdivision 10."

Delete the title and insert:

"A bill for an act relating to health; establishing eligibility for medical assistance for certain persons needing treatment for breast or cervical cancer; appropriating money; amending Minnesota Statutes 2000, sections 256B.057, by adding a subdivision; 256B.69, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256B."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

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

H. F. No. 812, A bill for an act relating to mental health; establishing duties for reducing and preventing suicides; establishing requirements for discharge plans and transition services for offenders with mental illness; providing coverage requirements for health plans; providing for a calculation to regional treatment centers based on population size; adjusting payment rates for certain mental health providers; establishing coverage requirements for mental health services and treatment; adding certain services covered under case management, community support, and day treatment services; requiring studies; defining certain mental health provisions; establishing team case management services and continuing care benefit program; covering certain transportation costs; adding provisions to the prepaid health plan; requiring development of a payment system; appropriating money; amending Minnesota Statutes 2000, sections 245.462, subdivisions 3, 6, 8, 18, 20, and by adding subdivisions; 245.466, subdivision 2; 245.470, by adding a subdivision; 245.4711, by adding a subdivision; 245.4871, subdivisions 10, 17, 27, 29, and by adding subdivisions; 245.4875, subdivision 2; 245.4876, subdivision 1, and by adding subdivisions; 245.488, by adding a subdivision; 245.4885, subdivision 1; 246.54; 256.969, subdivision 3a, and by adding a subdivision; 256B.0625, subdivision 17, and by adding subdivisions; 256B.69, by adding subdivisions; 260C.201, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62Q; 145; 244; 245; 246; 256B; and 299A.

Reported the same back with the following amendments:

Page 37, line 31, delete "health plan."

Page 37, line 32, after the period, insert "The court may order the child's health plan company to provide mental health services to the child."

Page 37, line 33, before the period, insert "company"

Pages 42 and 43, delete article 5

Page 43, line 15, delete "6" and insert "5"

Page 43, line 35, delete "a" and insert "an antipsychotic, antimania, or antimentia"

Page 44, line 7, after "plan" insert "company, which has received the certification from the health care provider,"

Page 44, after line 13, insert:

"Subd. 3. [CONTINUING CARE.] Individuals receiving a prescribed drug to treat a diagnosed mental illness or emotional disturbance, may continue to receive the prescribed drug, without the imposition of a special deductible, co-payment, coinsurance, or other special payment requirements, when a health plan's drug formulary changes or an enrollee changes health plans and the medication has been shown to effectively treat the patient's condition. In order to be eligible for this continuing care benefit, the patient must have been treated with the drug for 60 days prior to a change in a health plan's drug formulary or a change in the enrollee's health plan."

Page 44, line 28, before the period, insert "for care in the most appropriate, least restrictive environment"

Page 44, line 32, after "and" insert "shall be financially liable for"

Page 44, line 33, after the first "the" insert "court-ordered"

Page 44, line 35, before the period, insert "or another provider as required by rule or statute" and after "This" insert "court-ordered" and after "a" insert "separate"

Page 44, line 36, before the period, insert "under its utilization procedures"

Page 45, line 4, delete "7" and insert "6"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary Finance.

The report was adopted.

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

H. F. No. 891, A bill for an act relating to lake improvement districts; changing the percent of property owners necessary to petition for creation and termination of a district and for holding a referendum on creation; amending Minnesota Statutes 2000, sections 103B.521, subdivision 1; and 103B.581, subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 2000, section 103B.545, subdivision 2, is amended to read:

Subd. 2. [ELECTION.] The county board or joint county authority shall conduct a special election in July or August after receiving the referendum petition. The special election must be held within the proposed lake improvement district, with provisions made for absentee voting pursuant to chapter 203B, or by mail using the procedures in section 204B.46. The county auditor shall administer the special election."

Page 2, line 23, delete "1 and 2" and insert "1 to 3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "103B.545, subdivision 2;"

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes without further recommendation.

The report was adopted.

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

H. F. No. 966, A bill for an act relating to elections; increasing the penalty for certain voters who vote in the wrong precinct; changing certain recount requirements and procedures; changing provisions for meeting of presidential electors; amending Minnesota Statutes 2000, sections 201.016, subdivision 1a; 204C.35; 204C.36, subdivisions 1 and 3; 208.06; 208.08; and 209.065.

Reported the same back with the following amendments:

Page 2, line 8, delete "felony" and insert "gross misdemeanor"

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. 992, A bill for an act relating to crimes; defining the level of negligence required for the crime of causing negligent fires; amending Minnesota Statutes 2000, section 609.576, subdivision 1.

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. 1025, A bill for an act relating to state government; requiring members of the state board of investment to disclose certain arrangements; amending Minnesota Statutes 2000, section 11A.075.

Reported the same back with the following amendments:

Page 2, delete lines 14 to 16

With the recommendation that when so amended the bill pass.

The report was adopted.

Holsten from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 1071, A bill for an act relating to natural resources; adding to and deleting from state parks and state recreation areas; redescribing a state park boundary and administration; modifying administration of certain boathouse lot leases in Soudan underground mine state park; amending Minnesota Statutes 2000, section 85.012, subdivision 17; Laws 2000, chapter 486, section 4.

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. 1118, A bill for an act relating to transportation; providing for design-build method of state transportation project delivery; proposing coding for new law in Minnesota Statutes, chapter 161.

Reported the same back with the following amendments:

Pages 7 to 9, delete section 8 and insert:

"Sec. 8. [161.3208] [REPLACING TEAM MEMBERS.]

Persons identified in a response to a request for qualifications or a request for proposals may not be replaced without the written approval of the commissioner. The commissioner may revoke an awarded contract if persons identified in a response to an RFQ or RFP are replaced without the commissioner's written approval. To qualify for the commissioner's approval, the written request must document that the proposed replacement person will be equal to or better than that described in the response to the request for qualifications or request for proposal. The commissioner shall use the criteria specified in the request for qualifications or request for proposals to evaluate the request.

Sec. 9. [161.3209] [DESIGN-BUILD AWARD.]

Subdivision 1. [AWARD; COMPUTATION; ANNOUNCEMENT.] Except as provided in subdivision 2, a design-build contract must be awarded as follows:

(a) The technical review committee shall score the technical proposals using the selection criteria in the request for proposals (RFP). The technical review committee shall then submit a technical proposal score for each design-builder to the commissioner. The technical review committee shall reject any proposal it deems nonresponsive.

(b) The commissioner shall announce the technical proposal score for each design-builder and shall publicly open the sealed price proposals and shall divide each design-builder's price by the technical score that the technical review committee has given to it to obtain an adjusted score. The design-builder selected must be that responsive and responsible design-builder whose adjusted score is the lowest.

(c) If a time factor is included with the selection criteria in the request for proposals package, the commissioner may also adjust the bids using a value of the time factor established by the commissioner. The value of the time factor must be expressed as a value per day. The adjustment must be based on the total time value. The total time value is the design-builder's total number of days to complete the project multiplied by the factor. The time-adjusted price is the total time value plus the bid amount. This adjustment must be used for selection purposes only, and must not affect the department of transportation's liquidated damages schedule or incentive or disincentive program. An adjusted score must then be obtained by dividing each design-builder's time-adjusted price by the score given by the technical review team. The commissioner shall select the responsive and responsible design-builder whose adjusted score is the lowest.

(d) Unless all proposals are rejected, the commissioner shall award the contract to the responsive and responsible design-builder with the lowest adjusted score. The commissioner shall reserve the right to reject all proposals.

Subd. 2. [ALTERNATIVE PROCESS FOR CERTAIN CONTRACTS.] (a) The commissioner may elect to use the process in paragraph (b) for a design-build contract for a project with an estimated project cost of less than \$5,000,000.

(b) The commissioner shall give the lowest cost proposal the full number of price points defined in the request for proposals. The commissioner shall award each of the other proposals a percentage of the price points based on a ratio of the lowest price divided by the responder's price. The commissioner shall add the technical score and price score and award the contract to the responder with the highest total score.

Subd. 3. [STIPULATED FEE.] The commissioner shall award a stipulated fee of not less than two-tenths of one percent of the department's estimated cost of design and construction to each short-listed, responsible proposer who provides a short-listed but unsuccessful proposal. If the commissioner does not award a contract, all responsive proposers must receive the stipulated fee. If the commissioner cancels the contract before reviewing the technical proposals, the commissioner shall award each design-builder on the short list a stipulated fee of not less than two-tenths of one percent of the commissioner's estimated cost of design and construction. The commissioner shall pay the stipulated fee to each proposer within 90 days after the award of the contract or the decision not to award a contract. In consideration for paying the stipulated fee, the commissioner may use any ideas or information contained in the proposals in connection with any contract awarded for the project or in connection with a subsequent procurement, without any obligation to pay any additional compensation to the unsuccessful proposers. Notwithstanding the other provisions of this paragraph, an unsuccessful short-list proposer may elect to waive the stipulated fee. If an unsuccessful short-list proposer elects to waive the stipulated fee, the commissioner may not use ideas and information contained in that proposer's proposal.

Subd. 4. [LOW-BID, DESIGN-BUILD PROCESS.] (a) The commissioner may also use low-bid, design-build procedures to award a design-build contract where the scope of the work can be clearly defined.

(b) Low-bid, design-build projects may require an RFQ and short-listing, and must require an RFP.

(c) Submitted proposals under this subdivision must include separately a technical proposal and a price proposal. The low-bid, design-build procedures must follow a two-step process, as follows:

(1) The first step is the review of the technical proposal by the technical review committee as provided in section 161.3206, subdivision 2. The technical review committee shall open the technical proposal first and shall determine if it complies with the requirements of the RFP and is responsive. The technical review committee may not perform any ranking or scoring of the technical proposals.

(2) The second step is the determination of the low bidder based on the price proposal. The commissioner may not open the price proposal until the review of the technical proposal is complete.

(d) The contract award under low-bid, design-build procedures must be made to the proposer whose sealed bid is responsive to the technical requirements as determined by the technical review committee and is also the lowest bid.

(e) For transportation projects using low-bid, design-build procedures, any engineering consultant that completes the design for the low-bid, design-build project must have previously been approved by the department.

(f) A stipulated fee may not be paid for unsuccessful bids on low-bid, design-build projects.

Subd. 5. [REJECTION OF BIDS.] The commissioner may reject all bids under this section.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 1146, A bill for an act relating to the environment; creating design, construction, and use requirements for salt distribution stockpiles; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 1, line 8, before "After" insert "(a) Except as provided in paragraph (b)."

Page 1, line 13, after "techniques" insert "at the time of construction"

Page 1, line 20, delete "69" and insert "50"

Page 1, line 22, delete "downward" and insert "downwind"

Page 2, after line 2, insert:

"(b) By September 1, 2003, a town must comply with the requirements in paragraph (a)."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

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

H. F. No. 1155, A bill for an act relating to insurance; requiring an affirmative provider consent to participate in a network under a category of coverage; requiring disclosure of changes in a provider's contract; amending Minnesota Statutes 2000, section 62Q.74, subdivisions 2, 3, and 4; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Reported the same back with the following amendments:

Page 3, after line 21, insert:

"Sec. 5. [62Q.746] [ACCESS TO CERTAIN INFORMATION REGARDING PROVIDERS.]

Upon request of the commissioner, a health plan company licensed under chapters 62C and 62D, must provide the following information:

(1) a detailed description of all of the health plan company's methods and procedures, standards, qualifications, criteria, and credentialing requirements for designating the providers who are eligible to participate in the health plan company's provider network, including any limitations on the numbers of providers to be included in the network;

(2) the number of full-time equivalent physicians, by specialty, nonphysician providers, and allied health providers used to provide services; and

(3) data that is broken down by type of provider, reflecting actual utilization of practitioners and allied professionals by enrollees of the health plan company."

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. 1218, A bill for an act relating to the metropolitan radio board; extending the expiration date for the board to 2005; amending Laws 1995, chapter 195, article 1, section 18, as amended.

Reported the same back with the following amendments:

Page 1, delete lines 11 to 18 and insert:

"The metropolitan radio board is abolished effective July 1, ~~2002~~ 2003. Effective July 1, ~~2002~~ 2003, the board's duties and responsibilities are transferred to the metropolitan council or an appropriate state agency, as provided by law, based on the reports submitted by the metropolitan council under section 7, subdivision 3, of this article. The designated agency is the successor to all the property, interests, obligations, and rules of the metropolitan radio board. By February 1, 2002, the board shall submit to the legislature a report and plan for the board's transition from its current status. The report shall include financial projections on future capital and operating costs, including sources and uses of funds, and a recommendation on whether to transfer its duties and responsibilities to a specific state agency, to remain an independent agency, or to become an association of local units of government working jointly with state agencies. If the recommendation is to become an independent agency, the board shall submit recommendations on changing its size, its name, and the makeup of its geographical and functional representation."

Amend the title as follows:

Page 1, line 2, delete "extending"

Page 1, line 3, delete everything before the semicolon and insert "abolishing the board; providing for the transfer of its duties and responsibilities; requiring the submission to the legislature of a report and plan on the board's transition"

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. 1250, A bill for an act relating to data practices; classifying certificates of discharge from military service filed with the county recorder as private data; amending Minnesota Statutes 2000, sections 13.785, by adding a subdivision; and 386.20, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 17, delete "but are" and insert "Upon the death of the subject of the data, the certificate becomes private data on a decedent under section 13.10 and is"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mares from the Committee on Education Policy to which was referred:

H. F. No. 1265, A bill for an act relating to education; providing for a state board for charter schools; appropriating money; amending Minnesota Statutes 2000, sections 124D.10, subdivisions 1, 3, 4, 6, 8, 10, 14, 15, 16, 17, 19, 23, 25, and by adding a subdivision; and 124D.11, subdivision 6.

Reported the same back with the following amendments:

Page 2, delete lines 19 to 21 and insert:

"(4) administer state and federal start-up aid."

Page 6, line 28, reinstate the stricken language

Page 6, line 29, reinstate the stricken language and before "state" insert a comma

Pages 8 and 9, delete section 10

Page 10, line 33, reinstate the stricken language and insert "or"

Pages 11 and 12, delete section 15

Page 12, line 20, delete "16" and insert "14"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "16,"

Page 1, line 6, delete everything after "subdivision" and insert a period

Page 1, delete line 7

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs Policy.

The report was adopted.

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

H. F. No. 1314, A bill for an act relating to transportation; making seat belt violation by a minor a primary offense; amending Minnesota Statutes 2000, section 169.686, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 1, delete "paragraph (a)" and insert "this section"

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 2000, section 169.686, subdivision 2, is amended to read:

Subd. 2. [SEAT BELT EXEMPTIONS.] This section shall not apply to:

- (1) a person driving a passenger vehicle in reverse;
- (2) a person riding in a seat in which all the seating positions equipped with safety belts are occupied by other persons;
- (3) a person who is in possession of a written certificate from a licensed physician verifying that because of medical unfitness or physical disability the person is unable to wear a seat belt;
- (4) a person who is actually engaged in work that requires the person to alight from and reenter a ~~passenger~~ vehicle at frequent intervals and who, while engaged in that work, does not drive or travel in that vehicle at a speed exceeding 25 miles per hour;
- (5) a rural mail carrier of the United States Postal Service while in the performance of duties;
- (6) a person driving or riding in a passenger vehicle manufactured before January 1, 1965; and
- (7) a person driving or riding in a pickup truck, as defined in section 168.011, subdivision 29, while engaged in normal farming work or activity."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "subdivision" and insert "subdivisions" and before the period, insert ", 2"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary Finance.

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1337, A bill for an act relating to insurance; creating a purchasing alliance stop-loss fund account; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:

Page 1, line 6, delete "[43A.50]" and insert "[256.956]"

Page 1, line 9, delete "employee"

Page 1, line 10, delete "relations" and insert "human services"

Page 1, line 25, before the semicolon, insert "or is a sole proprietor or farmer"

Page 2, line 28, delete "any claims" and insert "the portion of the claim that exceeds \$30,000 but not of the portion that exceeds \$100,000"

Page 2, line 29, delete everything before "in"

Page 3, line 1, before the period, insert "in that calendar year"

Page 4, lines 7 and 10, delete "purchase" and insert "purchasing"

Page 4, line 17, before "\$......" insert "(a)"

Page 4, line 18, delete "employee"

Page 4, line 19, delete "relations" and insert "human services"

Page 4, after line 20, insert:

"(b) \$200,000 is appropriated for the biennium beginning July 1, 2001, from the health care access fund to the commissioner of health for grants to organizations developing health care purchasing alliances established under Minnesota Statutes, chapter 62T.

Of this amount, \$50,000 in the first year of the biennium is for a grant to the University of Minnesota-Crookston to support the northwest purchasing alliance, \$50,000 in the first year of the biennium is for a grant to the southwest regional development commission to support the southwest purchasing alliance, and \$50,000 in each year of the biennium is for a grant to the Brainerd Lakes Area Chamber of Commerce Education Association to support the north central purchasing alliance. The state grants provided under this section must be matched on a one-to-one basis by nonstate funds."

Amend the title as follows:

Page 1, line 4, delete "43A" and insert "256"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

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

H. F. No. 1338, A bill for an act relating to insurance; regulating insurers, agents, coverages and benefits, costs, claims, investments, and notifications and disclosures; prescribing powers and duties of the commissioner; eliminating the regulation of nonprofit legal services plans; amending Minnesota Statutes 2000, sections 60A.06, subdivision 3; 60A.08, subdivision 13; 60A.11, subdivision 10; 60A.129, subdivision 2; 60A.14, subdivision 1; 60A.16, subdivision 1; 60A.23, subdivision 8; 60K.14, subdivision 2; 61A.072, by adding subdivisions; 61A.08; 61A.09, subdivision 1; 62A.021, subdivision 3; 62A.023; 62A.04, subdivision 2; 62A.105, subdivision 2; 62A.17, subdivision 1; 62A.20, subdivision 1; 62A.21, subdivision 2a; 62A.30, subdivision 2; 62A.302; 62A.3093; 62A.31,

subdivisions 1a, 1i, and 3; 62A.65, subdivision 8; 62E.04, subdivision 4; 62E.06, subdivision 1; 62J.60, subdivision 3; 62L.05, subdivisions 1 and 2; 62M.01, subdivision 2; 62M.02, subdivisions 6, 12, 21, and by adding a subdivision; 62M.05, subdivision 5; 62Q.01, subdivision 6; 62Q.68, subdivision 1; 62Q.72, subdivision 1; 62Q.73, subdivision 3; 65A.01, subdivision 3b; 65A.29, subdivision 7; 65A.30; 65B.04, subdivision 3; 65B.06, subdivisions 1 and 4; 65B.16; 65B.19, subdivision 2; 65B.44, subdivision 3; 65B.49, subdivision 5a; 67A.20, by adding a subdivision; 70A.07; 72A.125, subdivision 3; 72A.201, subdivision 3; 72C.06, subdivision 2; 79A.02, subdivision 1; 79A.03, subdivision 7; and 471.617, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 2000, sections 13.7191, subdivision 11; 60A.111; 62G.01; 62G.02; 62G.03; 62G.04; 62G.05; 62G.06; 62G.07; 62G.08; 62G.09; 62G.10; 62G.11; 62G.12; 62G.13; 62G.14; 62G.15; 62G.16; 62G.17; 62G.18; 62G.19; 62G.20; 62G.21; 62G.22; 62G.23; 62G.24; and 62G.25.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 60A.06, subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON COMBINATION POLICIES.] (a) Unless specifically authorized by subdivision 1, clause (4), it is unlawful to combine in one policy coverage permitted by subdivision 1, clauses (4) and (5)(a). This subdivision does not prohibit the simultaneous sale of these products, but the sale must involve two separate and distinct policies.

(b) This subdivision does not apply to group policies.

(c) This subdivision does not apply to policies permitted by subdivision 1, clause (4), that contain benefits providing acceleration of life, endowment, or annuity benefits in advance of the time they would otherwise be payable, or to long-term care policies as defined in section 62A.46, subdivision 2, or chapter 62S.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2000, section 60A.08, subdivision 13, is amended to read:

Subd. 13. [REDUCTION OF LIMITS BY COSTS OF DEFENSE PROHIBITED.] (a) No insurer shall issue or renew a policy of liability insurance in this state that reduces the limits of liability stated in the policy by the costs of legal defense.

(b) This subdivision does not apply to:

(1) professional liability insurance with annual aggregate limits of liability ~~greater than~~ of at least \$100,000, including directors' and officers' and errors and omissions liability insurance;

(2) environmental impairment liability insurance;

(3) insurance policies issued to large commercial risks; or

(4) coverages that the commissioner determines to be appropriate which will be published in the manner prescribed for surplus lines insurance in section 60A.201, subdivision 4.

(c) For purposes of this subdivision, "large commercial risks" means an insured whose gross annual revenues in the fiscal year preceding issuance of the policy were at least \$10,000,000.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2000, section 60A.11, subdivision 10, is amended to read:

Subd. 10. [DEFINITIONS.] The following terms have the meaning assigned in this subdivision for purposes of this section ~~and section 60A.11~~:

(a) "Adequate evidence" means a written confirmation, advice, or other verification issued by a depository, issuer, or custodian bank which shows that the investment is held for the company;

(b) "Adequate security" means a letter of credit qualifying under subdivision 11, paragraph (f), cash, or the pledge of an investment authorized by any subdivision of this section;

(c) "Admitted assets," for purposes of computing percentage limitations on particular types of investments, means the assets as shown by the company's annual statement, required by section 60A.13, as of the December 31 immediately preceding the date the company acquires the investment;

(d) "Clearing corporation" means The Depository Trust Company or any other clearing agency registered with the securities and exchange commission pursuant to the Securities Exchange Act of 1934, section 17A, Euro-clear Clearance System Limited and CEDEL S.A., and, with the approval of the commissioner, any other clearing corporation as defined in section 336.8-102;

(e) "Control" has the meaning assigned to that term in, and must be determined in accordance with, section 60D.15, subdivision 4;

(f) "Custodian bank" means a bank or trust company or a branch of a bank or trust company that is acting as custodian and is supervised and examined by state or federal authority having supervision over the bank or trust company or with respect to a company's foreign investments only by the regulatory authority having supervision over banks or trust companies in the jurisdiction in which the bank, trust company, or branch is located, and any banking institutions qualifying as an "Eligible Foreign Custodian" under the Code of Federal Regulations, section 270.17f-5, adopted under section 17(f) of the Investment Company Act of 1940, and specifically including Euro-clear Clearance System Limited and CEDEL S.A., acting as custodians;

(g) "Evergreen clause" means a provision that automatically renews a letter of credit for a time certain if the issuer of the letter of credit fails to affirmatively signify its intention to nonrenew upon expiration;

(h) "Government obligations" means direct obligations for the payment of money, or obligations for the payment of money to the extent guaranteed as to the payment of principal and interest by any governmental issuer where the obligations are payable from ad valorem taxes or guaranteed by the full faith, credit, and taxing power of the issuer and are not secured solely by special assessments for local improvements;

(i) "Noninvestment grade obligations" means obligations which, at the time of acquisition, were rated below Baa/BBB or the equivalent by a securities rating agency or which, at the time of acquisition, were not in one of the two highest categories established by the securities valuation office of the National Association of Insurance Commissioners;

(j) "Issuer" means the corporation, business trust, governmental unit, partnership, association, individual, or other entity which issues or on behalf of which is issued any form of obligation;

(k) "Licensed real estate appraiser" means a person who develops and communicates real estate appraisals and who holds a current, valid license under chapter 82B or a substantially similar licensing requirement in another jurisdiction;

(l) "Member bank" means a national bank, state bank or trust company which is a member of the Federal Reserve System;

(m) "National securities exchange" means an exchange registered under section 6 of the Securities Exchange Act of 1934 or an exchange regulated under the laws of the Dominion of Canada;

(n) "NASDAQ" means the reporting system for securities meeting the definition of National Market System security as provided under Part I to Schedule D of the National Association of Securities Dealers Incorporated bylaws;

(o) "Obligations" include bonds, notes, debentures, transportation equipment certificates, repurchase agreements, bank certificates of deposit, time deposits, bankers' acceptances, and other obligations for the payment of money not in default as to payments of principal and interest on the date of investment, whether constituting general obligations of the issuer or payable only out of certain revenues or certain funds pledged or otherwise dedicated for payment. Leases are considered obligations if the lease is assigned for the benefit of the company and is nonterminable by the lessee or lessees thereunder upon foreclosure of any lien upon the leased property, and rental payments are sufficient to amortize the investment over the primary lease term;

(p) "Qualified assets" means the sum of (1) all investments qualified in accordance with this section other than investments in affiliates and subsidiaries, (2) investments in obligations of affiliates as defined in section 60D.15, subdivision 2, secured by real or personal property sufficient to qualify the investment under subdivision 19 or 23, (3) qualified investments in subsidiaries, as defined in section 60D.15, subdivision 9, on a consolidated basis with the insurance company without allowance for goodwill or other intangible value, and (4) cash on hand and on deposit, agent's balances or uncollected premiums not due more than 90 days, assets held pursuant to section 60A.12, subdivision 2, investment income due and accrued, funds due or on deposit or recoverable on loss payments under contracts of reinsurance entered into pursuant to section 60A.09, premium bills and notes receivable, federal income taxes recoverable, and equities and deposits in pools and associations;

(q) "Qualified net earnings" means that the net earnings of the issuer after elimination of extraordinary nonrecurring items of income and expense and before income taxes and fixed charges over the five immediately preceding completed fiscal years, or its period of existence if less than five years, has averaged not less than 1-1/4 times its average annual fixed charges applicable to the period;

(r) "Required liabilities" means the sum of (1) total liabilities as required to be reported in the company's most recent annual report to the commissioner of commerce of this state, (2) for companies operating under the stock plan, the minimum paid-up capital and surplus required to be maintained pursuant to section 60A.07, subdivision 5a, (3) for companies operating under the mutual or reciprocal plan, the minimum amount of surplus required to be maintained pursuant to section 60A.07, subdivision 5b, and (4) the amount, if any, by which the company's loss and loss adjustment expense reserves exceed 350 percent of its surplus as it pertains to policyholders as of the same date. The commissioner may waive the requirement in clause (4) unless the company's written premiums exceed 300 percent of its surplus as it pertains to policyholders as of the same date. In addition to the required amounts pursuant to clauses (1) to (4), the commissioner may require that the amount of any apparent reserve deficiency that may be revealed by one to five year loss and loss adjustment expense development analysis for the five years reported in the company's most recent annual statement to the commissioner be added to required liabilities;

(s) "Revenue obligations" means obligations for the payment of money by a governmental issuer where the obligations are payable from revenues, earnings, or special assessments on properties benefited by local improvements of the issuer which are specifically pledged therefor;

(t) "Security" has the meaning given in section 5 of the Security Act of 1933 and specifically includes, but is not limited to, stocks, stock equivalents, warrants, rights, options, obligations, American Depository Receipts (ADR's), repurchase agreements, and reverse repurchase agreements; and

(u) "Unrestricted surplus" means the amount by which qualified assets exceed 110 percent of required liabilities.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2000, section 60A.129, subdivision 2, is amended to read:

Subd. 2. [LOSS RESERVE CERTIFICATION.] (a) Each domestic company engaged in providing the types of coverage described in section 60A.06, subdivision 1, clause (1), (2), (3), (5)(b), (6), (8), (9), (10), (11), (12), (13), or (14), must have its loss reserves certified by a qualified actuary. The company must file the certification with the commissioner within 30 days of completion of the certification, but not later than June 1. The actuary providing the certification ~~must not~~ may be an employee of the company but the commissioner may still require an independent actuarial certification as described in subdivision 1. This subdivision does not apply to township mutual companies, or to other domestic insurers having less than \$1,000,000 of premiums written in any year and fewer than 1,000 policyholders. The commissioner may allow an exception to the stand alone certification where it can be demonstrated that a company in a group has a pooling or 100 percent reinsurance agreement used in a group which substantially affects the solvency and integrity of the reserves of the company, or where it is only the parent company of a group which is licensed to do business in Minnesota. If these circumstances exist, the company may file a written request with the commissioner for an exception. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following statement: "~~The loss reserves and loss expense reserves have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices~~ In my opinion, the reserves described in this certification are consistent with reserves computed in accordance with standards and principles established by the Actuarial Standards Board and are fairly stated."

(b) Each foreign company engaged in providing the types of coverage described in section 60A.06, subdivision 1, clause (1), (2), (3), (5)(b), (6), (8), (9), (10), (11), (12), (13), or (14), required by this section to file an annual audited financial report, whose total net earned premium for Schedule P, Part 1A to Part 1H plus Part 1R, (Schedule P, Part 1A to Part 1H plus Part 1R, Column 4, current year premiums earned, from the company's most currently filed annual statement) is equal to one-third or more of the company's total net earned premium (Underwriting and Investment Exhibit, Part 2, Column 4, total line, of the annual statement) must have a reserve certification by a qualified actuary at least every three years. In the year that the certification is due, the company must file the certification with the commissioner within 30 days of completion of the certification, but not later than June 1. The actuary providing the certification must not be an employee of the company. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following statement: "The loss reserves and loss expense reserves have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices and are fairly stated."

(c) Each company providing life and/or health insurance coverages described in section 60A.06, subdivision 1, clause (4) or (5)(a), required by this section to file an audited annual financial report, whose premiums and annuity considerations (net of reinsurance) from accident and health equal one-third or more of the company's total premiums and annuity considerations (net of reinsurance), as reported in the summary of operations, must have its aggregate reserve for accident and health policies and liability for policy and contract claims for accident and health certified by a qualified actuary at least once every three years. The actuary providing the certification must not be an employee of the company. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following statement: "The policy and contract claims reserves for accident and health have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices and are fairly stated."

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 5. Minnesota Statutes 2000, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

(1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

- (2) for filing annual statements, \$15;
 - (3) for each annual certificate of authority, \$15;
 - (4) for filing bylaws \$25 and amendments thereto, \$10.
- (b) by other domestic and foreign companies including fraternal and reciprocal exchanges:
- (1) for filing certified copy of certificate of articles of incorporation, \$100;
 - (2) for filing annual statement, \$225;
 - (3) for filing certified copy of amendment to certificate or articles of incorporation, \$100;
 - (4) for filing bylaws, \$75 or amendments thereto, \$75;
 - (5) for each company's certificate of authority, \$575, annually.
- (c) the following general fees apply:
- (1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$25;
 - (2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;
 - (3) for license to procure insurance in unadmitted foreign companies, \$575;
 - (4) for valuing the policies of life insurance companies, one cent per \$1,000 of insurance so valued, provided that the fee shall not exceed \$13,000 per year for any company. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;
 - (5) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;
 - (6) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 and all other insurers shall remit \$3;
 - (7) for filing forms and rates, \$75 per filing, to be paid on a quarterly basis in response to an invoice. Billing and payment may be made electronically;
 - (8) for annual renewal of surplus lines insurer license, \$300.

The commissioner shall adopt rules to define filings that are subject to a fee.

[EFFECTIVE DATE.] This section is effective July 1, 2001.

Sec. 6. Minnesota Statutes 2000, section 60A.16, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] (1) [DOMESTIC INSURANCE CORPORATIONS.] Any two or more domestic insurance corporations, formed for any of the purposes for which stock, mutual, or stock and mutual insurance corporations, or reciprocal or interinsurance contract exchanges might be formed under the laws of this state, may be

- (a) merged into one of such domestic insurance corporations, or
- (b) consolidated into a new insurance corporation to be formed under the laws of this state.

(2) [DOMESTIC AND FOREIGN INSURANCE CORPORATIONS.] Any such domestic insurance corporations and any foreign insurance corporations formed to carry on any insurance business for the conduct of which an insurance corporation might be organized under the laws of this state, may be

- (a) merged into one of such domestic insurance corporations, or
- (b) merged into one of such foreign insurance corporations, or
- (c) consolidated into a new insurance corporation to be formed under the laws of this state, or
- (d) consolidated into a new insurance corporation to be formed under the laws of the government under which one of such foreign insurance corporations was formed, provided that each of such foreign insurance corporations is authorized by the laws of the government under which it was formed to effect such merger or consolidation.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2000, section 60A.23, subdivision 8, is amended to read:

Subd. 8. [SELF-INSURANCE OR INSURANCE PLAN ADMINISTRATORS WHO ARE VENDORS OF RISK MANAGEMENT SERVICES.] (1) [SCOPE.] This subdivision applies to any vendor of risk management services and to any entity which administers, for compensation, a self-insurance or insurance plan. This subdivision does not apply (a) to an insurance company authorized to transact insurance in this state, as defined by section 60A.06, subdivision 1, clauses (4) and (5); (b) to a service plan corporation, as defined by section 62C.02, subdivision 6; (c) to a health maintenance organization, as defined by section 62D.02, subdivision 4; (d) to an employer directly operating a self-insurance plan for its employees' benefits; (e) to an entity which administers a program of health benefits established pursuant to a collective bargaining agreement between an employer, or group or association of employers, and a union or unions; or (f) to an entity which administers a self-insurance or insurance plan if a licensed Minnesota insurer is providing insurance to the plan and if the licensed insurer has appointed the entity administering the plan as one of its licensed agents within this state.

(2) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given them.

(a) "Administering a self-insurance or insurance plan" means (i) processing, reviewing or paying claims, (ii) establishing or operating funds and accounts, or (iii) otherwise providing necessary administrative services in connection with the operation of a self-insurance or insurance plan.

(b) "Employer" means an employer, as defined by section 62E.02, subdivision 2.

(c) "Entity" means any association, corporation, partnership, sole proprietorship, trust, or other business entity engaged in or transacting business in this state.

(d) "Self-insurance or insurance plan" means a plan providing life, medical or hospital care, accident, sickness or disability insurance for the benefit of employees or members of an association, or a plan providing liability coverage for any other risk or hazard, which is or is not directly insured or provided by a licensed insurer, service plan corporation, or health maintenance organization.

(e) "Vendor of risk management services" means an entity providing for compensation actuarial, financial management, accounting, legal or other services for the purpose of designing and establishing a self-insurance or insurance plan for an employer.

(3) [LICENSE.] No vendor of risk management services or entity administering a self-insurance or insurance plan may transact this business in this state unless it is licensed to do so by the commissioner. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license may be granted only when the commissioner is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner may issue a license subject to restrictions or limitations upon the authorization, including the type of services which may be supplied or the activities which may be engaged in. The license fee is \$1,000 for the initial application and \$1,000 for each two-year renewal. All licenses are for a period of two years.

(4) [REGULATORY RESTRICTIONS; POWERS OF THE COMMISSIONER.] To assure that self-insurance or insurance plans are financially solvent, are administered in a fair and equitable fashion, and are processing claims and paying benefits in a prompt, fair, and honest manner, vendors of risk management services and entities administering insurance or self-insurance plans are subject to the supervision and examination by the commissioner. Vendors of risk management services, entities administering insurance or self-insurance plans, and insurance or self-insurance plans established or operated by them are subject to the trade practice requirements of sections 72A.19 to 72A.30. In lieu of an unlimited guarantee from a parent corporation for a vendor of risk management services or an entity administering insurance or self-insurance plans, the commissioner may accept a surety bond in a form satisfactory to the commissioner in an amount equal to 120 percent of the total amount of claims handled by the applicant in the prior year. If at any time the total amount of claims handled during a year exceeds the amount upon which the bond was calculated, the administrator shall immediately notify the commissioner. The commissioner may require that the bond be increased accordingly.

No contract entered into after July 1, 2001, between a licensed vendor of risk management services and a group authorized to self-insure for workers' compensation liabilities under section 79A.03, subdivision 6, may take effect until it has been filed with the commissioner, and either (i) the commissioner has approved it, or (ii) 60 days have elapsed and the commissioner has not disapproved it as misleading or violative of public policy.

(5) [RULEMAKING AUTHORITY.] To carry out the purposes of this subdivision, the commissioner may adopt rules pursuant to sections 14.001 to 14.69. These rules may:

- (a) establish reporting requirements for administrators of insurance or self-insurance plans;
- (b) establish standards and guidelines to assure the adequacy of financing, reinsuring, and administration of insurance or self-insurance plans;
- (c) establish bonding requirements or other provisions assuring the financial integrity of entities administering insurance or self-insurance plans; or
- (d) establish other reasonable requirements to further the purposes of this subdivision.

[EFFECTIVE DATE.] This section is effective July 1, 2001.

Sec. 8. Minnesota Statutes 2000, section 61A.072, is amended by adding a subdivision to read:

Subd. 6. [ACCELERATED BENEFITS.] (a) "Accelerated benefits" covered under this section are benefits payable under the life insurance contract:

(1) to a policyholder or certificate holder, during the lifetime of the insured, in anticipation of death upon the occurrence of a specified life-threatening or catastrophic condition as defined by the policy or rider;

(2) that reduce the death benefit otherwise payable under the life insurance contract; and

(3) that are payable upon the occurrence of a single qualifying event that results in the payment of a benefit amount fixed at the time of acceleration.

(b) "Qualifying event" means one or more of the following:

(1) a medical condition that would result in a drastically limited life span as specified in the contract;

(2) a medical condition that has required or requires extraordinary medical intervention, such as, but not limited to, major organ transplant or continuous artificial life support without which the insured would die; or

(3) a condition that requires continuous confinement in an eligible institution as defined in the contract if the insured is expected to remain there for the rest of the insured's life.

[EFFECTIVE DATE.] This section is effective July 1, 2001.

Sec. 9. Minnesota Statutes 2000, section 62A.17, subdivision 1, is amended to read:

Subdivision 1. [CONTINUATION OF COVERAGE.] Every group insurance policy, group subscriber contract, and health care plan included within the provisions of section 62A.16, except policies, contracts, or health care plans covering employees of an agency of the federal government, shall contain a provision which permits every covered employee who is voluntarily or involuntarily terminated or laid off from employment, if the policy, contract, or health care plan remains in force for active employees of the employer, to elect to continue the coverage for the employee and dependents.

An employee shall be considered to be laid off from employment if there is a reduction in hours to the point where the employee is no longer eligible under the policy, contract, or health care plan. Termination shall not include discharge for gross misconduct.

Upon request by the terminated or laid off employee, a health carrier must provide the information necessary to enable the employee to elect continuation of coverage.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 10. Minnesota Statutes 2000, section 62A.20, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] Every policy of accident and health insurance providing coverage of hospital or medical expense on either an expense-incurred basis or other than an expense-incurred basis, which in addition to covering the insured also provides coverage to the spouse and dependent children of the insured shall contain:

(1) a provision which ~~permits~~ allows the spouse and dependent children to elect to continue coverage when the insured becomes enrolled for benefits under Title XVIII of the Social Security Act (Medicare); and

(2) a provision which ~~permits~~ allows the dependent children to continue coverage when they cease to be dependent children under the generally applicable requirement of the plan.

Upon request by the insured or the insured's spouse or dependent child, a health carrier must provide the information necessary to enable the spouse or child to elect continuation of coverage.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 11. Minnesota Statutes 2000, section 62A.21, subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and dependent children upon entry of a valid decree of dissolution of marriage. The coverage shall be continued until the earlier of the following dates:

(a) the date the insured's former spouse becomes covered under any other group health plan; or

(b) the date coverage would otherwise terminate under the policy.

If the coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured on a monthly basis to the group policyholder for remittance to the insurer. The policy must require the group policyholder to, upon request, provide the insured with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly situated spouses and dependent children with respect to whom the marital relationship has not dissolved, without regard to whether such cost is paid by the employer or employee.

Upon request by the insured's former spouse or dependent child, a health carrier must provide the information necessary to enable the child or former spouse to elect continuation of coverage.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2000, section 62A.302, is amended to read:

62A.302 [COVERAGE OF DEPENDENTS.]

Subdivision 1. [SCOPE OF COVERAGE.] This section applies to ~~all health plans as defined in section 62A.011;~~

(1) a health plan as defined in section 62A.011;

(2) coverage described in section 62A.011, subdivision 3, clauses (4), (6), (7), (8), (9), and (10); and

(3) a policy, contract, or certificate issued by a community-integrated service network licensed under chapter 62N.

Subd. 2. [REQUIRED COVERAGE.] Every health plan included in subdivision 1 that provides dependent coverage must define "dependent" no more restrictively than the definition provided in section 62L.02.

Sec. 13. Minnesota Statutes 2000, section 62A.31, subdivision 1a, is amended to read:

Subd. 1a. [MINIMUM COVERAGE.] The policy must provide a minimum of the coverage set out in subdivision 2 and for an extended basic plan, the additional requirements of section 62E.07.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 14. Minnesota Statutes 2000, section 62A.31, subdivision 1i, is amended to read:

Subd. 1i. [REPLACEMENT COVERAGE.] If a Medicare supplement policy or certificate replaces another Medicare supplement policy or certificate, the issuer of the replacing policy or certificate shall waive any time periods applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new Medicare supplement policy or certificate for benefits to the extent the time was spent under the original policy or certificate. For purposes of this subdivision, "Medicare supplement policy or certificate" means all coverage described in section 62A.011, subdivision ~~4~~ 3, clause (10).

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 15. Minnesota Statutes 2000, section 62A.31, subdivision 3, is amended to read:

Subd. 3. [DEFINITIONS.] (a) The definitions provided in this subdivision apply to sections 62A.31 to 62A.44.

(b) "Accident," "accidental injury," or "accidental means" means to employ "result" language and does not include words that establish an accidental means test or use words such as "external," "violent," "visible wounds," or similar words of description or characterization.

(1) The definition shall not be more restrictive than the following: "Injury or injuries for which benefits are provided means accidental bodily injury sustained by the insured person which is the direct result of an accident, independent of disease or bodily infirmity or any other cause, and occurs while insurance coverage is in force."

(2) The definition may provide that injuries shall not include injuries for which benefits are provided or available under a workers' compensation, employer's liability or similar law, or motor vehicle no-fault plan, unless prohibited by law.

(c) "Applicant" means:

(1) in the case of an individual Medicare supplement policy or certificate, the person who seeks to contract for insurance benefits; and

(2) in the case of a group Medicare supplement policy or certificate, the proposed certificate holder.

(d) "Bankruptcy" means a situation in which a Medicare+Choice organization that is not an issuer has filed, or has had filed against it, a petition for declaration of bankruptcy and has ceased doing business in the state.

(e) "Benefit period" or "Medicare benefit period" shall not be defined more restrictively than as defined in the Medicare program.

(f) "Certificate" means a certificate delivered or issued for delivery in this state or offered to a resident of this state under a group Medicare supplement policy or certificate.

(g) "Certificate form" means the form on which the certificate is delivered or issued for delivery by the issuer.

(h) "Convalescent nursing home," "extended care facility," or "skilled nursing facility" shall not be defined more restrictively than as defined in the Medicare program.

(i) "Employee welfare benefit plan" means a plan, fund, or program of employee benefits as defined in United States Code, title 29, section 1002 (Employee Retirement Income Security Act).

(j) "Health care expenses" means expenses of health maintenance organizations associated with the delivery of health care services which are analogous to incurred losses of insurers. The expenses shall not include:

(1) home office and overhead costs;

(2) advertising costs;

(3) commissions and other acquisition costs;

(4) taxes;

(5) capital costs;

(6) administrative costs; and

(7) claims processing costs.

(k) "Hospital" may be defined in relation to its status, facilities, and available services or to reflect its accreditation by the joint commission on accreditation of hospitals, but not more restrictively than as defined in the Medicare program.

(l) "Insolvency" means a situation in which an issuer, licensed to transact the business of insurance in this state, including the right to transact business as any type of issuer, has had a final order of liquidation entered against it with a finding of insolvency by a court of competent jurisdiction in the issuer's state of domicile.

(m) "Issuer" includes insurance companies, fraternal benefit societies, health service plan corporations, health maintenance organizations, and any other entity delivering or issuing for delivery Medicare supplement policies or certificates in this state or offering these policies or certificates to residents of this state.

(n) "Medicare" shall be defined in the policy and certificate. Medicare may be defined as the Health Insurance for the Aged Act, title XVIII of the Social Security Amendments of 1965, as amended, or title I, part I, of Public Law Number 89-97, as enacted by the 89th Congress of the United States of America and popularly known as the Health Insurance for the Aged Act, as amended.

(o) "Medicare eligible expenses" means health care expenses covered by Medicare, to the extent recognized as reasonable and medically necessary by Medicare.

(p) "Medicare+Choice plan" means a plan of coverage for health benefits under Medicare part C as defined in section 1859 of the federal Social Security Act, United States Code, title 42, section 1395w-28, and includes:

(1) coordinated care plans which provide health care services, including, but not limited to, health maintenance organization plans, with or without a point-of-service option, plans offered by provider-sponsored organizations, and preferred provider organization plans;

(2) medical savings account plans coupled with a contribution into a Medicare+Choice medical savings account; and

(3) Medicare+Choice private fee-for-service plans.

(q) "Medicare-related coverage" means a policy, contract, or certificate issued as a supplement to Medicare, regulated under sections 62A.31 to 62A.44, including Medicare select coverage; policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations; or policies, contracts, or certificates governed by section 1833 (known as "cost" or "HCPP" contracts) or 1876 (known as "TEFRA" or "risk" contracts) of the federal Social Security Act, United States Code, title 42, section 1395, et seq., as amended; or section 4001 of the Balanced Budget Act of 1997 (BBA) Public Law Number 105-33, sections 1851 to 1859 of the Social Security Act establishing part C of the Medicare program, known as the "Medicare+Choice program."

(r) "Medicare supplement policy or certificate" means a group or individual policy of accident and sickness insurance or a subscriber contract of hospital and medical service associations or health maintenance organizations, or those policies or certificates covered by section 1833 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., or an issued policy under a demonstration project specified under amendments to the federal Social Security Act, which is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare.

(s) "Physician" shall not be defined more restrictively than as defined in the Medicare program or section 62A.04, subdivision 1, or 62A.15, subdivision 3a.

(t) "Policy form" means the form on which the policy is delivered or issued for delivery by the issuer.

(u) "Secretary" means the Secretary of the United States Department of Health and Human Services.

(v) "Sickness" shall not be defined more restrictively than the following:

"Sickness means illness or disease of an insured person which first manifests itself after the effective date of insurance and while the insurance is in force."

The definition may be further modified to exclude sicknesses or diseases for which benefits are provided under a workers' compensation, occupational disease, employer's liability, or similar law.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 16. [62A.421] [DEMONSTRATION PROJECTS.]

Subdivision 1. [ESTABLISHMENT.] The commissioner may establish demonstration projects to allow an issuer of Medicare supplement policies to extend coverage to individuals enrolled in part A or part B, or both, of the Medicare program, Title XVIII of the Social Security Act, United States Code, title 42, section 1395, et seq. For purposes of this section, the commissioner may waive compliance with the benefits described in sections 62A.315 and 62A.316 and other applicable statutes and rules if there is reasonable evidence that the statutes or rules prohibit the operation of the demonstration project, but may not waive the six-month guaranteed issue provision. The commissioner shall provide for public comment before any statute or rule is waived.

Subd. 2. [BENEFITS.] A demonstration project must provide health benefits equal to or exceeding the level of benefits provided in Title XVIII of the Social Security Act and an out-of-hospital prescription drug benefit. The out-of-hospital prescription drug benefit may be waived by the commissioner if the issuer presents evidence satisfactory to the commissioner that the inclusion of the benefit would restrict the operation of the demonstration project.

Subd. 3. [APPLICATION.] An issuer electing to participate in a demonstration project shall apply to the commissioner for approval on a form developed by the commissioner. The application shall include at least the following:

- (1) a statement identifying the population that the project is designed to serve;
- (2) a description of the proposed project including a statement projecting a schedule of costs and benefits for the policyholder;
- (3) reference to the sections of Minnesota Statutes and department of commerce rules for which waiver is requested;
- (4) evidence that application of the requirements of applicable Minnesota Statutes and department of commerce rules would, unless waived, prohibit the operation of the demonstration project;
- (5) an estimate of the number of years needed to adequately demonstrate the project's effects; and
- (6) other information the commissioner may reasonably require.

Subd. 4. [TIMELINE.] The commissioner shall approve, deny, or refer back to the issuer for modification, the application for a demonstration project within 60 days of the receipt of a complete application.

Subd. 5. [PERIOD SPECIFIED.] The commissioner may approve an application for a demonstration project for a period of six years, with an option to renew.

Subd. 6. [ANNUAL REPORT.] Each issuer for which a demonstration project is approved shall annually file a report with the commissioner summarizing the project's experience at the same time it files its annual report. The report shall be on a form developed by the commissioner and shall be separate from the annual report.

Subd. 7. [RESCISSION OF APPROVAL.] The commissioner may rescind approval of a demonstration project if the commissioner makes any of the findings listed in section 60A.052 or 62D.15, subdivision 1, with respect to the project for which it has not been granted a specific exemption, or if the commissioner finds that the project's operation is contrary to the information contained in the approved application.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 17. Minnesota Statutes 2000, section 62A.65, subdivision 8, is amended to read:

Subd. 8. [CESSATION OF INDIVIDUAL BUSINESS.] Notwithstanding the provisions of subdivisions 1 to 7, a health carrier may elect to cease doing business in the individual health plan market in this state if it complies with the requirements of this subdivision. For purposes of this section, "cease doing business" means to discontinue issuing new individual health plans and to refuse to renew all of the health carrier's existing individual health plans issued in this state whose terms permit refusal to renew under the circumstances specified in this subdivision. This subdivision does not permit cancellation of an individual health plan, unless the terms of the health plan permit cancellation under the circumstances specified in this subdivision. A health carrier electing to cease doing business in the individual health plan market in this state shall notify the commissioner 180 days prior to the effective date of the cessation. Within 30 days after the termination, the health carrier shall submit to the commissioner a complete list of policyholders that have been terminated. The cessation of business does not include the failure of a health carrier to offer or issue new business in the individual health plan market or continue an existing product line in that market, provided that a health carrier does not terminate, cancel, or fail to renew its current individual health plan business. A health carrier electing to cease doing business in the individual health plan market shall provide 120 days' written notice to each policyholder covered by an individual health plan issued by the health carrier. This notice must also inform each policyholder of the existence of the Minnesota comprehensive health association, the requirements for being accepted, the procedures for applying for coverage, and the telephone numbers at the department of health and the department of commerce for information about private individual or family health coverage. A health carrier that ceases to write new business in the individual health plan market shall continue to be governed by this section with respect to continuing individual health plan business conducted by the health carrier. A health carrier that ceases to do business in the individual health plan market after July 1, 1994, is prohibited from writing new business in the individual health plan market in this state for a period of five years from the date of notice to the commissioner. This subdivision applies to any health maintenance organization that ceases to do business in the individual health plan market in one service area with respect to that service area only. Nothing in this subdivision prohibits an affiliated health maintenance organization from continuing to do business in the individual health plan market in that same service area. The right to refuse to renew an individual health plan under this subdivision does not apply to individual health plans issued on a guaranteed renewable basis that does not permit refusal to renew under the circumstances specified in this subdivision.

Sec. 18. Minnesota Statutes 2000, section 62E.04, subdivision 4, is amended to read:

Subd. 4. [MAJOR MEDICAL COVERAGE.] Each insurer and fraternal shall affirmatively offer coverage of major medical expenses to every applicant who applies to the insurer or fraternal for a new unqualified policy, which has a lifetime benefit limit of less than \$1,000,000, at the time of application and annually to every holder of such an unqualified policy of accident and health insurance renewed by the insurer or fraternal. The coverage shall provide that when a covered individual incurs out-of-pocket expenses of \$5,000 or more within a calendar year for services covered in section 62E.06, subdivision 1, benefits shall be payable, subject to any copayment authorized by the commissioner, up to a maximum lifetime limit of ~~\$500,000~~ not less than \$1,000,000. The offer of coverage of major medical expenses may consist of the offer of a rider on an existing unqualified policy or a new policy which is a qualified plan.

Sec. 19. Minnesota Statutes 2000, section 62E.06, subdivision 1, is amended to read:

Subdivision 1. [NUMBER THREE PLAN.] A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by chapters 62A ~~and~~, 62C, ~~and~~ 62Q, and the other laws of this state, whether or not the policy is issued in Minnesota, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$150 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage shall be subject to a maximum lifetime benefit of not less than ~~\$500,000~~ \$1,000,000.

The \$3,000 limitation on total annual out-of-pocket expenses and the ~~\$500,000~~ \$1,000,000 maximum lifetime benefit shall not be subject to change or substitution by use of an actuarially equivalent benefit.

(b) Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

- (1) hospital services;
- (2) professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than dental, which are rendered by a physician or at the physician's direction;
- (3) drugs requiring a physician's prescription;
- (4) services of a nursing home for not more than 120 days in a year if the services would qualify as reimbursable services under Medicare;
- (5) services of a home health agency if the services would qualify as reimbursable services under Medicare;
- (6) use of radium or other radioactive materials;
- (7) oxygen;
- (8) anesthetics;
- (9) prostheses other than dental but including scalp hair prostheses worn for hair loss suffered as a result of alopecia areata;
- (10) rental or purchase, as appropriate, of durable medical equipment other than eyeglasses and hearing aids;
- (11) diagnostic X-rays and laboratory tests;
- (12) oral surgery for partially or completely unerupted impacted teeth, a tooth root without the extraction of the entire tooth, or the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth;
- (13) services of a physical therapist;
- (14) transportation provided by licensed ambulance service to the nearest facility qualified to treat the condition; or a reasonable mileage rate for transportation to a kidney dialysis center for treatment; and
- (15) services of an occupational therapist.

(c) Covered expenses for the services and articles specified in this subdivision do not include the following:

- (1) any charge for care for injury or disease either (i) arising out of an injury in the course of employment and subject to a workers' compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance, Medicare, or any other governmental program except as otherwise provided by section 62A.04, subdivision 3, clause (4);
- (2) any charge for treatment for cosmetic purposes other than for reconstructive surgery when such service is incidental to or follows surgery resulting from injury, sickness, or other diseases of the involved part or when such service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician;

(3) care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under Medicare;

(4) any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semiprivate room, unless a private room is prescribed as medically necessary by a physician, provided, however, that if the institution does not have semiprivate rooms, its most common semiprivate room charge shall be considered to be 90 percent of its lowest private room charge;

(5) that part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and

(6) any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the services or articles.

(d) The minimum benefits for a qualified plan shall include, in addition to those benefits specified in clauses (a) and (e), benefits for well baby care, effective July 1, 1980, subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations.

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory, and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

(f) Effective August 1, 1985, the minimum benefits of a qualified plan must include, in addition to the benefits specified in clauses (a), (d), and (e), coverage for special dietary treatment for phenylketonuria when recommended by a physician.

(g) Outpatient mental health coverage is subject to section 62A.152, subdivision 2.

Sec. 20. Minnesota Statutes 2000, section 62L.05, subdivision 1, is amended to read:

Subdivision 1. [TWO SMALL EMPLOYER PLANS.] Each health carrier in the small employer market must make available, on a guaranteed issue basis, to any small employer that satisfies the contribution and participation requirements of section 62L.03, subdivision 3, both of the small employer plans described in subdivisions 2 and 3. Under subdivisions 2 and 3, coinsurance and deductibles do not apply to child health supervision services and prenatal services, as defined by section 62A.047. The maximum out-of-pocket costs for covered services must be \$3,000 per individual and \$6,000 per family per year. The maximum lifetime benefit must be ~~\$500,000~~ not less than \$1,000,000.

Sec. 21. Minnesota Statutes 2000, section 62L.05, subdivision 2, is amended to read:

Subd. 2. [DEDUCTIBLE-TYPE SMALL EMPLOYER PLAN.] The benefits of the deductible-type small employer plan offered by a health carrier must be equal to 80 percent of the charges, as specified in subdivision 10, for health care services, supplies, or other articles covered under the small employer plan, in excess of an annual deductible which must be ~~\$500~~ \$2,250 per individual and ~~\$1,000~~ \$4,500 per family.

Sec. 22. Minnesota Statutes 2000, section 62M.02, is amended by adding a subdivision to read:

Subd. 12b. [HEALTH CARE SERVICES.] "Health care services" means services for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 23. Minnesota Statutes 2000, section 62M.03, subdivision 2, is amended to read:

Subd. 2. [NONLICENSED UTILIZATION REVIEW ORGANIZATION.] An organization that meets the definition of a utilization review organization under section 62M.02, subdivision 21, that is not licensed in this state that performs utilization review services for Minnesota residents must register with the commissioner of commerce and must certify compliance with sections 62M.01 to 62M.16.

Initial registration must occur no later than January 1, 1993. The registration is effective for two years and may be renewed for another two years by written request. Each utilization review organization registered under this chapter shall notify the commissioner of commerce within 30 days of any change in the name, address, or ownership of the organization. The organization shall pay to the commissioner of commerce or the commissioner of health a fee of \$1,000 for the initial registration application and \$1,000 for each two-year renewal.

Sec. 24. Minnesota Statutes 2000, section 62M.05, subdivision 5, is amended to read:

Subd. 5. [NOTIFICATION TO CLAIMS ADMINISTRATOR.] If the utilization review organization and the claims administrator are separate entities, the utilization review organization must forward, electronically or in writing, a notification of certification or determination not to certify to the appropriate claims administrator for the health benefit plan. If it is determined by the claims administrator that the certified health care service is not covered by the health benefit plan, the claims administrator must promptly notify the claimant and provider of this information.

Sec. 25. Minnesota Statutes 2000, section 62Q.01, subdivision 6, is amended to read:

Subd. 6. [MEDICARE-RELATED COVERAGE.] "Medicare-related coverage" means a policy, contract, or certificate issued as a supplement to Medicare, regulated under sections 62A.31 to 62A.44, including Medicare select coverage; policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations; or policies, contracts, or certificates governed by section 1833 (known as "cost" or "HCPP" contracts) or 1876 (known as "TEFRA" or "risk" contracts) of the federal Social Security Act, United States Code, title 42, section 1395, et seq., as amended; or section 4001 of the Balanced Budget Act of 1997 (BBA) Public Law Number 105-33, sections 1851 to 1859 of the Social Security Act establishing part C of the Medicare program, known as the "Medicare+Choice program."

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 26. Minnesota Statutes 2000, section 62Q.73, subdivision 3, is amended to read:

Subd. 3. [RIGHT TO EXTERNAL REVIEW.] (a) Any enrollee or anyone acting on behalf of an enrollee who has received an adverse determination may submit a written request for an external review of the adverse determination, if applicable under section 62Q.68, subdivision 1, or 62M.06, to the commissioner of health if the request involves a health plan company regulated by that commissioner or to the commissioner of commerce if the request involves a health plan company regulated by that commissioner. Notification of the enrollee's right to external review must accompany the denial issued by the insurer on forms acceptable to the appropriate commissioner. The written request must be accompanied by a filing fee of \$25. The fee may be waived by the commissioner of health or commerce in cases of financial hardship.

(b) Nothing in this section requires the commissioner of health or commerce to independently investigate an adverse determination referred for independent external review.

(c) If an enrollee requests an external review, the health plan company must participate in the external review. The cost of the external review in excess of the filing fee described in paragraph (a) shall be borne by the health plan company.

Sec. 27. Minnesota Statutes 2000, section 65A.29, subdivision 7, is amended to read:

Subd. 7. [RENEWAL; NOTICE REQUIREMENT.] No insurer shall refuse to renew, or reduce limits of coverage, or eliminate any coverage in a homeowner's insurance policy unless it mails or delivers to the insured, at the address shown in the policy, at least 60 days' advance notice of its intention. The notice must contain the specific underwriting or other reason or reasons for the indicated action and must state the name of the insurer and the date the notice is issued.

Proof of mailing this notice to the insured at the address shown in the policy is sufficient proof that the notice required by this section has been given.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 28. Minnesota Statutes 2000, section 65B.04, subdivision 3, is amended to read:

Subd. 3. [AMENDMENTS.] The plan of operation may be amended by a majority vote of the governing committee; ~~and the approval of the commissioner and ratification by a majority of the members.~~ An order by the commissioner disapproving an amendment to the plan of operation must be issued within 30 days of receipt by the commissioner of the proposed amendment, certified by the governing committee as having been adopted by that committee by a majority vote, or the amendment shall be deemed approved by the commissioner. An order of disapproval may be appealed as provided in chapter 14.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 29. Minnesota Statutes 2000, section 65B.06, subdivision 1, is amended to read:

Subdivision 1. With respect to private passenger, nonfleet automobiles, the facility shall provide for the equitable distribution of qualified applicants to members in accordance with the participation ratio or among these insurance companies as selected under the provisions of the plan of operation.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 30. Minnesota Statutes 2000, section 65B.06, subdivision 4, is amended to read:

Subd. 4. Coverage made available under this section shall be the ~~standard~~ automobile policy and endorsement forms, as approved by the commissioner, with such changes, additions and amendments as are adopted by the governing committee and approved by the commissioner.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 31. Minnesota Statutes 2000, section 65B.16, is amended to read:

65B.16 [STATEMENT OF REASONS FOR CANCELLATION OR REDUCTION.]

No notice of cancellation or reduction in the limits of liability of coverage of an automobile insurance policy under section 65B.15 shall be effective unless the specific underwriting or other reason or reasons for such cancellation or reduction in the limits of liability of coverage are stated in such notice and the notice is mailed or delivered by the insurer so as to provide the named insured with at least 30 ~~days~~ days' notice prior to the effective date of cancellation; provided, however, that when nonpayment of premium is the reason for cancellation or when the company is exercising its right to cancel insurance which has been in effect for less than 60 days at least ten days' notice of cancellation, and the reasons for the cancellation, shall be given. Information regarding moving traffic violations or motor vehicle accidents must be specifically requested on the application in order for a company to use those incidents to exercise its right to cancel within the first 59 days of coverage. When nonpayment of premiums

is the reason for cancellation, the reason must be given to the insured with the notice of cancellation; and if the company is exercising its right to cancel within the first 59 days of coverage and notice is given with less than ten days remaining in the 59-day period, the coverage must be extended, to expire ten days after notice was mailed.

Sec. 32. Minnesota Statutes 2000, section 65B.19, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF RIGHT TO COMPLAIN.] When the insurer notifies the policyholder of nonrenewal, cancellation or reduction in the limits of liability of coverage under section 65B.16 or 65B.17, the insurer shall also notify the named insured of the right to complain within 30 days of receipt by the named insured of notice of nonrenewal, cancellation or reduction in the limits of liability to the commissioner of such action and of the nature of and possible eligibility for insurance through the Minnesota automobile insurance plan. Such notice shall be included in the notice of nonrenewal, cancellation or reduction in the limits of liability of coverage, and shall state that such notice of the insured's right of complaint to the commissioner and of the availability of insurance through the Minnesota automobile insurance plan is given pursuant to sections 65B.14 to 65B.21. The notice must state the name of the insurer and the date the notice is issued.

Sec. 33. Minnesota Statutes 2000, section 67A.20, is amended by adding a subdivision to read:

Subd. 3. [WITHLICENSED INSURERS.] Township mutual fire insurance companies may enter into reinsurance agreements with any Minnesota licensed insurer authorized to write the same lines of business.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 34. Minnesota Statutes 2000, section 79A.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] For the purposes of assisting the commissioner, there is established a workers' compensation self-insurers' advisory committee of five members that are employers authorized to self-insure in Minnesota. Three of the members and three alternates shall be elected by the self-insurers' security fund board of trustees and two members and two alternates shall be appointed by the commissioner. Notwithstanding section 15.059, subdivision 5a, the advisory committee does not expire June 30, 2001.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 35. Minnesota Statutes 2000, section 79A.03, subdivision 7, is amended to read:

Subd. 7. [FINANCIAL STANDARDS.] A self-insurer group shall have and maintain:

(a) A combined net worth of all of the members of an amount at least equal to the greater of ten times the retention selected with the workers' compensation reinsurance association or one-third of the current annual modified premium of the members.

(b) Sufficient assets, net worth, and liquidity to promptly and completely meet all obligations of its members under chapter 176 or this chapter. In determining whether a group is in sound financial condition, consideration shall be given to the combined net worth of the member companies; the consolidated long-term and short-term debt to equity ratios of the member companies; any excess insurance other than reinsurance with the workers' compensation reinsurance association, purchased by the group from an insurer licensed in Minnesota or from an authorized surplus line carrier; other financial data requested by the commissioner or submitted by the group; and the combined workers' compensation experience of the group for the last four years.

No authority to self-insure will be granted unless, over the term of the policy year, at least 65 percent of total revenues from all sources for the year are available for the payment of its claim and assessment obligations, and insurance premiums for stop loss coverage. For purposes of this calculation, claim and assessment obligations include the cost of allocated loss expenses as well as special compensation fund and self-insurers' security fund assessments, but exclude the cost of unallocated loss expenses.

[EFFECTIVE DATE.] This section is effective July 1, 2001.

Sec. 36. Minnesota Statutes 2000, section 471.617, subdivision 1, is amended to read:

Subdivision 1. [IF MORE THAN 100 EMPLOYEES; CONDITIONS.] A statutory or home rule charter city, county, school district, or instrumentality thereof which has more than 100 employees, may by ordinance or resolution self-insure for any employee health benefits including long-term disability, but not for employee life benefits. Any self-insurance plan shall provide all benefits which are required by law to be provided by group health insurance policies. Self-insurance plans ~~shall~~ must be certified as provided by section 62E.05 and must be filed and certified by the department of commerce before they are issued or delivered to any person in this state.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 37. [REPEALER.]

Minnesota Statutes 2000, sections 13.7191, subdivision 11; 60A.111; 62G.01; 62G.02; 62G.03; 62G.04; 62G.05; 62G.06; 62G.07; 62G.08; 62G.09; 62G.10; 62G.11; 62G.12; 62G.13; 62G.14; 62G.15; 62G.16; 62G.17; 62G.18; 62G.19; 62G.20; 62G.21; 62G.22; 62G.23; 62G.24; and 62G.25, are repealed.

[EFFECTIVE DATE.] This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to insurance; regulating insurers, agents, coverages and benefits, costs, claims, investments, and notifications and disclosures; prescribing powers and duties of the commissioner; eliminating the regulation of nonprofit legal services plans; amending Minnesota Statutes 2000, sections 60A.06, subdivision 3; 60A.08, subdivision 13; 60A.11, subdivision 10; 60A.129, subdivision 2; 60A.14, subdivision 1; 60A.16, subdivision 1; 60A.23, subdivision 8; 61A.072, by adding a subdivision; 62A.17, subdivision 1; 62A.20, subdivision 1; 62A.21, subdivision 2a; 62A.302; 62A.31, subdivisions 1a, 1i, 3; 62A.65, subdivision 8; 62E.04, subdivision 4; 62E.06, subdivision 1; 62L.05, subdivisions 1, 2; 62M.02, by adding a subdivision; 62M.03, subdivision 2; 62M.05, subdivision 5; 62Q.01, subdivision 6; 62Q.73, subdivision 3; 65A.29, subdivision 7; 65B.04, subdivision 3; 65B.06, subdivisions 1, 4; 65B.16; 65B.19, subdivision 2; 67A.20, by adding a subdivision; 79A.02, subdivision 1; 79A.03, subdivision 7; 471.617, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 2000, sections 13.7191, subdivision 11; 60A.111; 62G.01; 62G.02; 62G.03; 62G.04; 62G.05; 62G.06; 62G.07; 62G.08; 62G.09; 62G.10; 62G.11; 62G.12; 62G.13; 62G.14; 62G.15; 62G.16; 62G.17; 62G.18; 62G.19; 62G.20; 62G.21; 62G.22; 62G.23; 62G.24; 62G.25."

With the recommendation that when so amended the bill pass.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 1359, A bill for an act relating to natural resources; modifying disposition of lottery ticket in lieu tax; adding to state wildlife management areas; providing for certain land exchanges; permitting the sale of certain consolidated conservation land in Roseau county; amending Minnesota Statutes 2000, section 297A.94.

Reported the same back with the following amendments:

Pages 3 to 14, delete section 2

Page 14, line 23, delete "3" and insert "2"

Page 15, line 5, delete "4" and insert "3"

Amend the title as follows:

Page 1, lines 3 and 4, delete "adding to state wildlife management areas;"

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

The report was adopted.

Bishop from the Committee on Ways and Means to which was referred:

H. F. No. 1360, A bill for an act relating to public safety; enacting the Minnesota Citizens' Personal Protection Act of 2001; recognizing the inherent right of law-abiding citizens to self-protection through the lawful use of self-defense; providing a system under which responsible, competent adults can exercise their right to self-protection by authorizing them to obtain a permit to carry a pistol; providing criminal penalties; appropriating money; amending Minnesota Statutes 2000, section 624.714, subdivisions 2, 3, 4, 6, 7, 8, 10, 12, by adding subdivisions; repealing Minnesota Statutes 2000, section 624.714, subdivisions 1, 5.

Reported the same back with the following amendments:

Page 14, line 36, delete "2002," and insert "2002: (1)"

Page 15, line 3, delete "Additionally," and insert "; and (2)"

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. 1379, A bill for an act relating to state government; modifying state procurement provisions; amending Minnesota Statutes 2000, sections 16C.02, by adding a subdivision; 16C.03, subdivision 2; 16C.04, by adding a subdivision; 16C.05, subdivision 2; 16C.06, subdivisions 2 and 3; 16C.07; 16C.08, subdivision 4; 16C.081; 43A.047; and 574.26, subdivision 2.

Reported the same back with the following amendments:

Page 4, line 25, after the period, insert "If a resolicitation of bids or a resolicitation of proposals does not occur within one year of the bid or proposal opening date, the remaining data become public."

Pages 4 and 5, delete sections 7 and 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the first semicolon

With the recommendation that when so amended the bill pass.

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1394, A bill for an act relating to education; allowing public elementary and secondary school students to possess and use asthma medications; amending Minnesota Statutes 2000, section 121A.22, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 121A.22, subdivision 2, is amended to read:

Subd. 2. [EXCLUSIONS.] In addition, this section does not apply to drugs or medicine:

- (1) that can be purchased without a prescription;
- (2) that are used by a pupil who is 18 years old or older;
- (3) that are used in connection with services for which a minor may give effective consent, including section 144.343, subdivision 1, and any other law;
- (4) that are used in situations in which, in the judgment of the school personnel who are present or available, the risk to the pupil's life or health is of such a nature that drugs or medicine should be given without delay;
- (5) that are used off the school grounds;
- (6) that are used in connection with athletics or extra curricular activities;
- (7) that are used in connection with activities that occur before or after the regular school day; ~~or~~
- (8) that are provided or administered by a public health agency in order to prevent or control an illness or a disease outbreak as provided for in sections 144.05 and 144.12; ~~or~~
- (9) that are prescription asthma or reactive airway disease medications self-administered by a pupil with an asthma inhaler if the district has received a written authorization from the pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly labeled for that student, and the parent has not requested school personnel to administer the medication to the pupil. The parent must submit written authorization for the pupil to self-administer the medication each school year.

Sec. 2. [121A.221] [POSSESSION AND USE OF ASTHMA INHALERS BY ASTHMATIC STUDENTS.]

(a) In a school district that employs a school nurse or provides school nursing services under another arrangement, the school nurse or other appropriate party must assess the student's knowledge and skills to safely possess and use an asthma inhaler in a school setting and enter into the student's school health record a plan to implement safe possession and use of asthma inhalers.

(b) In a school that does not have a school nurse or school nursing services, the student's parent or guardian must submit written verification from the prescribing professional that documents an assessment of the student's knowledge and skills to safely possess and use an asthma inhaler in a school setting has been completed."

Amend the title as follows:

Page 1, line 5, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 121A"

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. 1396, A bill for an act relating to agriculture; extending the sunset date of the dairy producers board; appropriating money; amending Minnesota Statutes 2000, sections 15.059, subdivision 5a; and 17.76, subdivision 2.

Reported the same back with the following amendments:

Page 5, delete section 3

Amend the title as follows:

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

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. 1443, A bill for an act relating to human services; requiring the commissioner of human services to implement a medication therapy management pilot program; appropriating money.

Reported the same back with the following amendments:

Page 2, line 8, delete everything after the first "of" and insert "associations representing pharmacy and medical practitioners"

Page 2, delete line 9

Page 2, line 10, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 1491, A bill for an act relating to natural resources; clarifying the environmental review required before sunken logs may be removed from waters of this state; requiring local approval for sunken log removal projects; appropriating money; amending Minnesota Statutes 2000, section 103G.650, subdivisions 3, 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SUNKEN LOG MORATORIUM.]

The commissioner of natural resources must suspend recovery of sunken logs under Minnesota Statutes, section 103G.650. The commissioner must not issue leases to remove sunken logs or permit the removal of sunken logs from inland waters during the moratorium period. The commissioner must cancel all existing leases issued under Minnesota Statutes, section 103G.650, and refund the lease application fees. The permanent moratorium may be lifted only by an act of the legislature.

Sec. 2. [PILOT PROJECT.]

Subdivision 1. [STUDY.] The commissioner of natural resources shall conduct a pilot project to remove sunken logs from inland waters during the moratorium period under section 1. The purpose of the pilot project is to study the effects of contaminants resulting from the removal of sunken logs from inland waters. Before initiating the pilot project, the commissioner shall give notice of the inland waters selected for study to the United States Army Corps of Engineers, the Minnesota historical society, the commissioner of the pollution control agency, and any other interested parties.

Subd. 2. [PARTICIPANTS.] The commissioner shall select one underwater logger to participate in the pilot project and to conduct the study under the supervision of the commissioner. The logger must:

- (1) have side-scan sonar, underwater video, and communications equipment;
- (2) show proven experience in all aspects of sunken log retrieval; and
- (3) be a Minnesota resident.

Subd. 3. [BASELINE DATA.] Prior to log removal, baseline data must be established for contaminants including, but not limited to, mercury, nitrates, PCBs, phosphorous, and blue-green algae. The baseline data shall be peer-reviewed to ensure the pilot project meets ecological criteria specific to the relevant type of lake or river for the protection of fish, wildlife, native plants, and their habitat.

Subd. 4. [PROJECT CRITERIA.] The pilot project shall be conducted according to applicable requirements under Minnesota Statutes, section 103G.650, subdivision 5. The pilot project must study at least two but no more than four inland waters in the first year and must repeat the study on the same inland waters in the second year. The commissioner, after consultation with the logger, shall make the final decision on selecting inland waters to be studied. The pilot project shall study each selected inland water for a total of 15 days. The first day of the study is reserved for scanning and necessary testing of the lake or river bottom. Testing shall include taking a tissue sample from fish. The following 13 days of the study shall be spent recovering sunken logs, at a rate no greater than 15 logs per day. On the 15th day of the study, testing and scanning shall be repeated to determine changes from the first day of the study.

Subd. 5. [REPORT.] The commissioner shall file a peer-reviewed report containing the results of the study with the house and senate committees having jurisdiction over natural resources no later than January 1, 2003. The report must be used to set base criteria and safeguards for future legislation written to allow sunken log recovery from inland waters. The report must establish a peer-reviewed damage threshold that the commissioner of natural resources may use to suspend log recovery operations once they begin. Based on the report, the legislature may act to continue the moratorium and study; to discontinue the moratorium with any necessary changes to Minnesota Statutes, section 103G.650; or to repeal Minnesota Statutes, section 103G.650 and ban sunken log recovery from inland waters.

Sec. 3. [APPROPRIATION; FUNDING.]

\$100,000 is appropriated from the general fund to the commissioner of natural resources for the biennium ending June 30, 2003, to fund the pilot project under section 2. To complete the pilot project, the commissioner may accept gifts of money or pro bono assistance from governmental entities or from nonprofit organizations that are organized solely for conservation or scientific research purposes and that are unaffiliated with the logging or timber industry. Notwithstanding Minnesota Statutes, section 103G.650, subdivision 6, the commissioner may use revenue generated during the pilot project if needed to complete the pilot project.

Sec. 4. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to natural resources; imposing a moratorium on sunken log recovery; requiring a study; appropriating money."

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

The report was adopted.

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

H. F. No. 1513, A bill for an act relating to employment; providing for the designation of telecommuting days; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 2

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

Page 3, after line 29, insert:

"Sec. 3. [REGIONAL TELECOMMUTING ASSESSMENT PROJECT.]

Subdivision 1. [PURPOSE.] Telecommuting is the deployment of electronically based applications that replace a physical trip. The purpose of the regional telecommuting assessment project is to encourage and facilitate transition to increased telecommuting and telework, with one result being the expansion of supporting electronic infrastructure needed for improved Internet access throughout the region.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given. "Telework assessment organization" means an organization that has developed and used occupational and managerial assessment instruments, has conducted telework assessments in Minnesota and has conducted at least one regional telecommuting assessment project in another region of the nation. "Occupational Employment Statistics" means the statistics maintained by the United States Department of Labor. "Occupational assessment instrument" means a survey developed by the telework assessment organization of employee suitability for transition to telework. "Managerial assessment instrument" means a survey developed by the telework assessment organization of management attitudes toward and suitability for transition to telework. "Commissioner" means the commissioner of trade and economic development.

Subd. 3. [PHASE ONE: PROJECT TEAM BUILDING.] A dialogue about the community application of telecommuting requires the involvement of the community. Phase one of the regional telecommuting assessment project consists of:

(1) identification of the region for which the telecommuting assessment will be performed; and

(2) solicitation and receipt of letters of commitment to project participation from chambers of commerce and statewide organizations. Phase one is considered completed when the telework assessment organization provides a report that identifies the region for the assessment and delivers letters of commitment to project participation from an adequate number of chambers of commerce and statewide organizations to the commissioner.

Subd. 4. [PHASE TWO: WORKFORCE PROFILE.] (a) The telework assessment organization must complete a profile of the regional workforce. The profile must use the Occupational Employment Statistics definitions to quantify the number of employees in each occupational category. Based on the distribution of occupational categories in regional industries, the telework assessment organization must recruit employees and managers to complete the occupational assessment and managerial assessment instruments. The occupational assessment instrument must:

(1) quantify the number of days per week that each occupation could function through telework;

(2) identify the level of technology required to support that occupation; and

(3) profile that occupation against a work typology to facilitate strategic deployment.

(b) Based on the results from the assessment instruments, the telework organization must use regional assessment tools to extend the sample data to the region as a whole to determine:

(1) the potential for telework within the community;

(2) the number of daily work trips that might be offset by telework;

(3) the estimated number of square feet available for conversion to support teleworkers at the work place;

(4) the amount of fixed costs available to be saved through space reductions; and

(5) the level of technology required to support conversion to telework.

(c) The telework assessment organization shall use the results of the managerial assessment instrument to determine by industry group management perspectives on:

(1) attitudes about telework as it relates to business and community;

(2) perceptions of technical and attitudinal preparedness for a telework deployment; and

(3) perceptions of managerial and supervisory compatibility with telework.

(d) Phase two is completed when the telework assessment organization delivers to the commissioner a report quantifying the region's telework potential, target occupations and industries for transition to telework, the impact of telework on congestion and vehicular emissions, and the attitudinal profile of the region toward telework.

Subd. 5. [PHASE THREE: OPPORTUNITIES FOR TRANSITION TO TELEWORK.] (a) The telework assessment organization must conduct interviews with the leaders of the various telecommuting applications to determine opportunities for an integrated deployment of transition to telework.

(b) The telework assessment organization must request that state agencies participate in an evaluation to identify services that could be provided electronically. Each participating agency would prioritize services to be provided electronically based upon the number of users of the service and the cost-effectiveness of electronic service delivery.

(c) Phase three is completed when the telework assessment organization delivers to the commissioner a report that identifies specific applications, and how they could be integrated into a delivery network.

Subd. 6. [PHASE FOUR: VISION FOR TELEWORK IN THE REGION.] The telework assessment organization must consult with community leaders to develop a common view about the role that telecommuting should play within the region. This process would establish a context and a priority for how electronic service delivery should be approached in this region. Phase four is completed when the telework assessment organization delivers to the commissioner a report providing strategies and priorities for different communities within the region, including the identification of relevant stakeholder groups. The report shall recommend an amount to be appropriated for state spending for implementation under phase five. Within two months of the completion of phase four, the commissioner shall report on the results of phases one to four to the committees of the house and senate with jurisdiction over economic development. The report prepared by the commissioner shall include the reports for phases one to four received from the telework assessment organization.

Subd. 7. [PHASE FIVE: IMPLEMENTATION STRATEGIES FOR TELEWORK TRANSITION.] The telecommuting assessment organization must reach a consensus with stakeholder groups about the specific opportunities and techniques for transition to telework, and regulatory issues that must be addressed. Phase five is completed when the telework assessment organization delivers a report to the commissioner that provides strategies and time lines for transition to telework, including the identification and recommendations of relevant stakeholder groups.

Sec. 5. [APPROPRIATION.]

(a) \$7,500 is appropriated from the general fund to the commissioner of trade and economic development for a grant to a telework assessment organization for completion of phase one under section 3, subdivision 3.

(b) When phase one under section 3, subdivision 3, is completed an additional \$42,500 is appropriated from the general fund to the commissioner of trade and economic development for a grant to the telework assessment organization that received the appropriation in paragraph (a). This appropriation is for the completion of phases two and three under section 3, subdivisions 4 and 5.

(c) When phases two and three are completed an additional \$100,000 is appropriated from the general fund to the commissioner of trade and economic development for a grant to the telework assessment organization that received the appropriations in paragraphs (a) and (b). This appropriation is for the completion of phase four under section 3, subdivision 6, and the grant is contingent on receipt by the telework assessment organization of a matching amount from the private or not-for-profit sector.

(d) The appropriations in this section are available for fiscal years 2002 and 2003 and do not become a part of the base."

Amend the title as follows:

Page 1, line 3, after "days;" insert "providing for a regional telecommuting assessment project;"

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

The report was adopted.

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

H. F. No. 1544, A bill for an act relating to counties; providing a new standard of market value for new counties; providing for signatures from both affected areas on a petition to change county boundaries; requiring the secretary of state to certify the validity of the signatures; providing for canvass, proclamation, and certification of the vote on the proposition; providing for a special election to fill vacancies or add members to a county board after the change of county boundaries; amending Minnesota Statutes 2000, sections 370.01; 370.02; 370.03; 370.07; 370.10; 370.12; 370.13; repealing Minnesota Statutes 2000, section 370.11.

Reported the same back with the following amendments:

Page 2, line 26, after "least" insert "a number of registered voters equal to"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 1549, A bill for an act relating to highways; restricting outdoor advertising on C. Elmer Anderson Memorial Highway; amending Minnesota Statutes 2000, section 161.14, subdivision 45.

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

The report was adopted.

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

H. F. No. 1580, A bill for an act relating to health; providing for greater flexibility, and simplifying regulation, of health care coverage products; amending Minnesota Statutes 2000, sections 62A.146; 62A.148; 62A.17, subdivisions 2, 5; 62A.20, subdivision 2; 62A.21, subdivision 2a; 62A.65, subdivision 5; 62C.11, subdivisions 2, 3; 62C.142, subdivision 2a; 62D.02, subdivision 8; 62D.08, subdivision 5; 62D.101, subdivision 2a; 62D.12, subdivision 2; 62D.14, subdivisions 1, 4a; 62E.16; 62M.02, subdivision 21; 62N.25, subdivision 7; 62Q.07; 62Q.075; 62Q.185; proposing coding for new law in Minnesota Statutes, chapters 62D; 62Q.

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

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1581, A bill for an act relating to health; modifying tobacco settlement fund; creating healthy kids learn endowment fund; extending the health technology advisory committee; modifying health data institute provisions; modifying fees related to wells and borings; extending deadlines related to a nuclear materials agreement; establishing fees for the licensing of radioactive material and source and special nuclear material; providing for inspections; providing for use of certain immunization data; determining eligibility for hospital uncompensated care aid; modifying the medical education endowment fund; modifying loan forgiveness provisions for rural physicians and nurses in nursing homes or ICF/MRs; providing for loan forgiveness for certain health care workers; providing for certain grants and technical assistance; modifying maternal and child health provisions; modifying vital record, environmental laboratory certification, and certain facility fees; eliminating licensing and registration requirements for occupational therapists, speech language pathologists, and audiologists; modifying fees and provisions for food

and beverage service and lodging establishments; repealing bone marrow donor education provisions; appropriating money; amending Minnesota Statutes 2000, sections 13.3806, subdivision 7; 16A.87; 62J.152, subdivision 8; 62J.451, subdivision 5; 62J.694, subdivisions 2 and 4; 103I.101, subdivision 6; 103I.112; 103I.208, subdivisions 1 and 2; 103I.235, subdivision 1; 103I.525, subdivisions 2, 6, 8, and 9; 103I.531, subdivisions 2, 6, 8, and 9; 103I.535, subdivisions 2, 6, 8, and 9; 103I.541, subdivisions 2b, 4, and 5; 103I.545; 144.1202, subdivision 4; 144.122; 144.148, subdivision 8; 144.1494, by adding a subdivision; 144.1496, by adding a subdivision; 144.226, subdivision 4; 144.3351; 144.98, subdivision 3; 145.881, subdivision 2; 145.882, subdivision 7, and by adding a subdivision; 145.885, subdivision 2; 148B.28, subdivision 1; 148B.38, subdivision 1; 148B.60, subdivision 3; 148C.11, subdivision 1; 153A.14, subdivision 2a; 153A.17; 157.16, subdivision 3; 157.22; and 256B.0625, subdivision 8b; proposing coding for new law in Minnesota Statutes, chapters 144; and 145; repealing Minnesota Statutes 2000, sections 145.882, subdivisions 3 and 4; 145.927; 148.511; 148.512; 148.513; 148.514; 148.515; 148.516; 148.5161; 148.517; 148.518; 148.519; 148.5191; 148.5193; 148.5194; 148.5195; 148.5196; 148.6401; 148.6402; 148.6403; 148.6404; 148.6405; 148.6408; 148.6410; 148.6412; 148.6415; 148.6418; 148.6420; 148.6423; 148.6425; 148.6428; 148.6430; 148.6432; 148.6435; 148.6438; 148.6440; 148.6443; 148.6445; 148.6448; and 148.6450.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. [HEALTH APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "2002" and "2003," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 2002, or June 30, 2003, respectively.

	APPROPRIATIONS	
	Available for the Year	
	Ending June 30	
	2002	2003

Sec. 2. COMMISSIONER OF HEALTH

Subdivision 1. Total Appropriation

Summary by Fund

General	.....	.....
State Government		
Special Revenue	.....	.....
Health Care Access	.....	.....
Federal TANF	.....	.....

APPROPRIATIONS
Available for the Year
Ending June 30
2002 2003

Subd. 2. Family and Community Health

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Summary by Fund

General
State Government		
Special Revenue
Health Care Access
Federal TANF	.....	.....

[ELIMINATING HEALTH DISPARITIES.] Of the general fund appropriation, \$5,500,000 in fiscal year 2002 and \$5,500,000 in fiscal year 2003 are for reducing health disparities. Of the amounts available:

(1) \$2,500,000 in fiscal year 2002 and \$2,500,000 in fiscal year 2003 are for competitive grants under Minnesota Statutes, section 145.928, subdivision 7, to eligible applicants to implement strategies to reduce disparities in infant mortality rates and adult and child immunization rates.

(2) \$500,000 in fiscal year 2002 and \$500,000 in fiscal year 2003 are for grants under Minnesota Statutes, section 145.928, subdivision 8, to community health boards as defined in Minnesota Statutes, section 145A.02, to improve access to health screening and follow-up services for foreign-born populations.

(3) \$2,000,000 in fiscal year 2002 and \$2,000,000 in fiscal year 2003 are for grants to community health boards as defined in Minnesota Statutes, section 145A.02, according to the formula in Minnesota Statutes, section 145.882, subdivision 4a, to provide services targeted at reducing maternal and child health disparities.

(4) \$500,000 in fiscal year 2002 and \$500,000 in fiscal year 2003 are for the commissioner to provide breast and cervical cancer screenings to women of color and promote and raise awareness of the need for breast and cervical cancer screening among women of color. The commissioner shall collaborate with the Indian affairs council under Minnesota Statutes, section 3.922; the council on affairs of Chicano/Latino people under Minnesota Statutes, section 3.9223; the council on Black Minnesotans under Minnesota Statutes, section 3.9225; and the council on Asian-Pacific Minnesotans under Minnesota Statutes, section 3.9226, to develop and implement a comprehensive, coordinated plan to accomplish this. In appropriating this money, the goal of the state is to reduce the incidence of breast and cervical cancer among women of color by 25 percent by 2006.

APPROPRIATIONS
Available for the Year
Ending June 30
2002 2003

[IMMUNIZATION INFORMATION SERVICE.] Of the general fund appropriation, \$1,000,000 each year of the biennium is available to the commissioner of health for grants to community health boards as defined in Minnesota Statutes, section 145A.02, to support the development and maintenance of a statewide immunization information service. This appropriation shall not become a part of the agency's base funding for the 2004-2005 biennium.

[TEEN PREGNANCY PREVENTION.] \$10,000,000 from the TANF fund for the 2002-2003 biennium is appropriated to the commissioner of health for a teen pregnancy prevention program. Of the amounts available:

(1) \$2,500,000 in fiscal year 2002 and \$2,500,000 in fiscal year 2003 are for teen pregnancy prevention disparity grants under Minnesota Statutes, section 145.9257, subdivision 6.

(2) \$1,500,000 in fiscal year 2002 and \$1,500,000 in fiscal year 2003 are for high-risk community teen pregnancy prevention grants under Minnesota Statutes, section 145.9257, subdivision 7.

(3) \$1,000,000 in fiscal year 2002 and \$1,000,000 in fiscal year 2003 are for transfer to the commissioner of children, families, and learning to increase the number of adolescent parenting grants.

[POISON INFORMATION SYSTEM.] Of the general fund appropriation, \$1,360,000 each fiscal year is for poison control system grants under Minnesota Statutes, section 145.93.

[SUICIDE PREVENTION.] Of the general fund appropriation, \$1,100,000 each year is for suicide prevention and mental health promotion efforts. Of this amount, \$825,000 each year is for competitive community-based planning and implementation grants targeted to populations at highest risk, including teenagers and young adults.

[TANF HOME VISITING PROGRAM.] \$3,000,000 in fiscal year 2002 and \$3,000,000 in fiscal year 2003 are appropriated from the TANF fund to the commissioner for the home visiting programs for infant care under Minnesota Statutes, section 145A.16. For the 2004-2005 biennium, base level funding from the TANF fund for home visiting programs for infant care under Minnesota Statutes, section 145A.16, shall be \$10,000,000 each year.

[TANF HOME VISITING CARRYFORWARD.] Any unexpended balance of the TANF funds appropriated for family home visiting in the first year of the biennium does not cancel but is available for the second year.

APPROPRIATIONS
Available for the Year
Ending June 30
2002 2003

(2) \$5,000,000 each year is for a grant program to aid hospitals with excess charity care burdens.

(3) \$5,000,000 each year is for a grant program to provide rural hospital capital improvement grants described in Minnesota Statutes, section 144.18.

Subd. 4. Health Protection	30,783,000	32,156,000
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Summary by Fund

General

	13,895,000	14,496,000
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State Government

Special Revenue	16,888,000	17,660,000
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[EMERGING HEALTH THREATS.] Of the general fund appropriation, \$2,200,000 in the first year and \$2,600,000 in the second year are to increase the state capacity to identify and respond to emerging health threats. Of the amounts available:

(1) \$1,900,000 in the first year and \$2,300,000 in the second year are to expand state laboratory capacity to identify infectious disease organisms, evaluate environmental contaminants, develop new analytical techniques, provide emergency response, and support local government by training health care system workers to deal with biological and chemical health threats.

(2) \$300,000 each year is to train, consult, and otherwise assist local officials responding to clandestine drug laboratories and minimizing health risks to responders and the public.

Subd. 5. Management and Support Services	5,455,000	5,867,000
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Summary by Fund

General

	5,304,000	5,712,000
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State Government

Special Revenue	151,000	155,000
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ARTICLE 2

HEALTH PROVISIONS

Section 1. Minnesota Statutes 2000, section 103I.101, subdivision 6, is amended to read:

Subd. 6. [FEES FOR VARIANCES.] The commissioner shall charge a nonrefundable application fee of ~~\$120~~ \$150 to cover the administrative cost of processing a request for a variance or modification of rules adopted by the commissioner under this chapter.

Sec. 2. Minnesota Statutes 2000, section 103I.112, is amended to read:

103I.112 [FEE EXEMPTIONS FOR STATE AND LOCAL GOVERNMENT.]

(a) The commissioner of health may not charge fees required under this chapter to a federal agency, state agency, or a local unit of government or to a subcontractor performing work for the state agency or local unit of government.

(b) "Local unit of government" means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a board of health or community health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.

Sec. 3. Minnesota Statutes 2000, section 103I.208, subdivision 1, is amended to read:

Subdivision 1. [WELL NOTIFICATION FEE.] The well notification fee to be paid by a property owner is:

(1) for a new well, ~~\$120~~ \$150, which includes the state core function fee;

(2) for a well sealing, ~~\$20~~ \$30 for each well, which includes the state core function fee, except that for monitoring wells constructed on a single property, having depths within a 25 foot range, and sealed within 48 hours of start of construction, a single fee of ~~\$20~~ \$30; and

(3) for construction of a dewatering well, ~~\$120~~ \$150, which includes the state core function fee, for each well except a dewatering project comprising five or more wells shall be assessed a single fee of ~~\$600~~ \$750 for the wells recorded on the notification.

Sec. 4. Minnesota Statutes 2000, section 103I.208, subdivision 2, is amended to read:

Subd. 2. [PERMIT FEE.] The permit fee to be paid by a property owner is:

(1) for a well that is not in use under a maintenance permit, ~~\$100~~ \$125 annually;

(2) for construction of a monitoring well, ~~\$120~~ \$150, which includes the state core function fee;

(3) for a monitoring well that is unsealed under a maintenance permit, ~~\$100~~ \$125 annually;

(4) for monitoring wells used as a leak detection device at a single motor fuel retail outlet, a single petroleum bulk storage site excluding tank farms, or a single agricultural chemical facility site, the construction permit fee is ~~\$120~~ \$150, which includes the state core function fee, per site regardless of the number of wells constructed on the site, and the annual fee for a maintenance permit for unsealed monitoring wells is ~~\$100~~ \$125 per site regardless of the number of monitoring wells located on site;

(5) for a groundwater thermal exchange device, in addition to the notification fee for wells, ~~\$120~~ \$150, which includes the state core function fee;

(6) for a vertical heat exchanger, ~~\$120~~ \$150;

(7) for a dewatering well that is unsealed under a maintenance permit, ~~\$100~~ \$125 annually for each well, except a dewatering project comprising more than five wells shall be issued a single permit for ~~\$500~~ \$625 annually for wells recorded on the permit; and

(8) for excavating holes for the purpose of installing elevator shafts, ~~\$120~~ \$150 for each hole.

Sec. 5. Minnesota Statutes 2000, section 103I.235, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURE OF WELLS TO BUYER.] (a) Before signing an agreement to sell or transfer real property, the seller must disclose in writing to the buyer information about the status and location of all known wells on the property, by delivering to the buyer either a statement by the seller that the seller does not know of any wells on the property, or a disclosure statement indicating the legal description and county, and a map drawn from available information showing the location of each well to the extent practicable. In the disclosure statement, the seller must indicate, for each well, whether the well is in use, not in use, or sealed.

(b) At the time of closing of the sale, the disclosure statement information, name and mailing address of the buyer, and the quartile, section, township, and range in which each well is located must be provided on a well disclosure certificate signed by the seller or a person authorized to act on behalf of the seller.

(c) A well disclosure certificate need not be provided if the seller does not know of any wells on the property and the deed or other instrument of conveyance contains the statement: "The Seller certifies that the Seller does not know of any wells on the described real property."

(d) If a deed is given pursuant to a contract for deed, the well disclosure certificate required by this subdivision shall be signed by the buyer or a person authorized to act on behalf of the buyer. If the buyer knows of no wells on the property, a well disclosure certificate is not required if the following statement appears on the deed followed by the signature of the grantee or, if there is more than one grantee, the signature of at least one of the grantees: "The Grantee certifies that the Grantee does not know of any wells on the described real property." The statement and signature of the grantee may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement by the grantee is not required for the deed to be recordable.

(e) This subdivision does not apply to the sale, exchange, or transfer of real property:

(1) that consists solely of a sale or transfer of severed mineral interests; or

(2) that consists of an individual condominium unit as described in chapters 515 and 515B.

(f) For an area owned in common under chapter 515 or 515B the association or other responsible person must report to the commissioner by July 1, 1992, the location and status of all wells in the common area. The association or other responsible person must notify the commissioner within 30 days of any change in the reported status of wells.

(g) For real property sold by the state under section 92.67, the lessee at the time of the sale is responsible for compliance with this subdivision.

(h) If the seller fails to provide a required well disclosure certificate, the buyer, or a person authorized to act on behalf of the buyer, may sign a well disclosure certificate based on the information provided on the disclosure statement required by this section or based on other available information.

(i) A county recorder or registrar of titles may not record a deed or other instrument of conveyance dated after October 31, 1990, for which a certificate of value is required under section 272.115, or any deed or other instrument of conveyance dated after October 31, 1990, from a governmental body exempt from the payment of state deed tax, unless the deed or other instrument of conveyance contains the statement made in accordance with paragraph (c) or (d) or is accompanied by the well disclosure certificate containing all the information required by paragraph (b) or (d). The county recorder or registrar of titles must not accept a certificate unless it contains all the required information. The county recorder or registrar of titles shall note on each deed or other instrument of conveyance accompanied by a well disclosure certificate that the well disclosure certificate was received. The notation must include the statement "No wells on property" if the disclosure certificate states there are no wells on the property. The well disclosure certificate shall not be filed or recorded in the records maintained by the county recorder or registrar of titles. After noting "No wells on property" on the deed or other instrument of conveyance, the county recorder or registrar of titles shall destroy or return to the buyer the well disclosure certificate. The county recorder or registrar of titles shall collect from the buyer or the person seeking to record a deed or other instrument of conveyance, a fee of ~~\$20~~ \$30 for receipt of a completed well disclosure certificate. By the tenth day of each month, the county recorder or registrar of titles shall transmit the well disclosure certificates to the commissioner of health. By the tenth day after the end of each calendar quarter, the county recorder or registrar of titles shall transmit to the commissioner of health ~~\$17.50~~ \$27.50 of the fee for each well disclosure certificate received during the quarter. The commissioner shall maintain the well disclosure certificate for at least six years. The commissioner may store the certificate as an electronic image. A copy of that image shall be as valid as the original.

(j) No new well disclosure certificate is required under this subdivision if the buyer or seller, or a person authorized to act on behalf of the buyer or seller, certifies on the deed or other instrument of conveyance that the status and number of wells on the property have not changed since the last previously filed well disclosure certificate. The following statement, if followed by the signature of the person making the statement, is sufficient to comply with the certification requirement of this paragraph: "I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate." The certification and signature may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement is not required for the deed or other instrument of conveyance to be recordable.

(k) The commissioner in consultation with county recorders shall prescribe the form for a well disclosure certificate and provide well disclosure certificate forms to county recorders and registrars of titles and other interested persons.

(l) Failure to comply with a requirement of this subdivision does not impair:

(1) the validity of a deed or other instrument of conveyance as between the parties to the deed or instrument or as to any other person who otherwise would be bound by the deed or instrument; or

(2) the record, as notice, of any deed or other instrument of conveyance accepted for filing or recording contrary to the provisions of this subdivision.

Sec. 6. Minnesota Statutes 2000, section 103I.525, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FEE.] The application fee for a well contractor's license is ~~\$50~~ \$75. The commissioner may not act on an application until the application fee is paid.

Sec. 7. Minnesota Statutes 2000, section 103I.525, subdivision 6, is amended to read:

Subd. 6. [LICENSE FEE.] The fee for a well contractor's license is \$250, except the fee for an individual well contractor's license is ~~\$50~~ \$75.

Sec. 8. Minnesota Statutes 2000, section 103I.525, subdivision 8, is amended to read:

Subd. 8. [RENEWAL.] (a) A licensee must file an application and a renewal application fee to renew the license by the date stated in the license.

(b) The renewal application fee ~~shall be set by the commissioner under section 16A.1285~~ for a well contractor's license is \$250.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all properly completed well reports, well sealing reports, reports of excavations to construct elevator shafts, well permits, and well notifications for work conducted by the licensee since the last license renewal.

Sec. 9. Minnesota Statutes 2000, section 103I.525, subdivision 9, is amended to read:

Subd. 9. [INCOMPLETE OR LATE RENEWAL.] If a licensee fails to submit all information required for renewal in subdivision 8 or submits the application and information after the required renewal date:

(1) the licensee must include ~~an additional~~ a late fee set by the commissioner of \$75; and

(2) the licensee may not conduct activities authorized by the well contractor's license until the renewal application, renewal application fee, late fee, and all other information required in subdivision 8 are submitted.

Sec. 10. Minnesota Statutes 2000, section 103I.531, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FEE.] The application fee for a limited well/boring contractor's license is ~~\$50~~ \$75. The commissioner may not act on an application until the application fee is paid.

Sec. 11. Minnesota Statutes 2000, section 103I.531, subdivision 6, is amended to read:

Subd. 6. [LICENSE FEE.] The fee for a limited well/boring contractor's license is ~~\$50~~ \$75.

Sec. 12. Minnesota Statutes 2000, section 103I.531, subdivision 8, is amended to read:

Subd. 8. [RENEWAL.] (a) A person must file an application and a renewal application fee to renew the limited well/boring contractor's license by the date stated in the license.

(b) The renewal application fee ~~shall be set by the commissioner under section 16A.1285~~ for a limited well/boring contractor's license is \$75.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all properly completed well sealing reports, well permits, vertical heat exchanger permits, and well notifications for work conducted by the licensee since the last license renewal.

Sec. 13. Minnesota Statutes 2000, section 103I.531, subdivision 9, is amended to read:

Subd. 9. [INCOMPLETE OR LATE RENEWAL.] If a licensee fails to submit all information required for renewal in subdivision 8 or submits the application and information after the required renewal date:

(1) the licensee must include ~~an additional~~ a late fee ~~set by the commissioner~~ of \$75; and

(2) the licensee may not conduct activities authorized by the limited well/boring contractor's license until the renewal application, renewal application fee, and late fee, and all other information required in subdivision 8 are submitted.

Sec. 14. Minnesota Statutes 2000, section 103I.535, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FEE.] The application fee for an elevator shaft contractor's license is ~~\$50~~ \$75. The commissioner may not act on an application until the application fee is paid.

Sec. 15. Minnesota Statutes 2000, section 103I.535, subdivision 6, is amended to read:

Subd. 6. [LICENSE FEE.] The fee for an elevator shaft contractor's license is ~~\$50~~ \$75.

Sec. 16. Minnesota Statutes 2000, section 103I.535, subdivision 8, is amended to read:

Subd. 8. [RENEWAL.] (a) A person must file an application and a renewal application fee to renew the license by the date stated in the license.

(b) The renewal application fee ~~shall be set by the commissioner under section 16A.1285~~ for an elevator shaft contractor's license is \$75.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of renewal, the commissioner must have on file all reports and permits for elevator shaft work conducted by the licensee since the last license renewal.

Sec. 17. Minnesota Statutes 2000, section 103I.535, subdivision 9, is amended to read:

Subd. 9. [INCOMPLETE OR LATE RENEWAL.] If a licensee fails to submit all information required for renewal in subdivision 8 or submits the application and information after the required renewal date:

(1) the licensee must include ~~an additional~~ a late fee ~~set by the commissioner~~ of \$75; and

(2) the licensee may not conduct activities authorized by the elevator shaft contractor's license until the renewal application, renewal application fee, and late fee, and all other information required in subdivision 8 are submitted.

Sec. 18. Minnesota Statutes 2000, section 103I.541, subdivision 2b, is amended to read:

Subd. 2b. [APPLICATION FEE.] The application fee for a monitoring well contractor registration is ~~\$50~~ \$75. The commissioner may not act on an application until the application fee is paid.

Sec. 19. Minnesota Statutes 2000, section 103I.541, subdivision 4, is amended to read:

Subd. 4. [RENEWAL.] (a) A person must file an application and a renewal application fee to renew the registration by the date stated in the registration.

(b) The renewal application fee ~~shall be set by the commissioner under section 16A.1285~~ for a monitoring well contractor's registration is \$75.

(c) The renewal application must include information that the applicant has met continuing education requirements established by the commissioner by rule.

(d) At the time of the renewal, the commissioner must have on file all well reports, well sealing reports, well permits, and notifications for work conducted by the registered person since the last registration renewal.

Sec. 20. Minnesota Statutes 2000, section 103I.541, subdivision 5, is amended to read:

Subd. 5. [INCOMPLETE OR LATE RENEWAL.] If a registered person submits a renewal application after the required renewal date:

(1) the registered person must include ~~an additional~~ a late fee ~~set by the commissioner~~ of \$75; and

(2) the registered person may not conduct activities authorized by the monitoring well contractor's registration until the renewal application, renewal application fee, late fee, and all other information required in subdivision 4 are submitted.

Sec. 21. Minnesota Statutes 2000, section 103I.545, is amended to read:

103I.545 [REGISTRATION OF DRILLING MACHINES REQUIRED.]

Subdivision 1. [DRILLING MACHINE.] (a) A person may not use a drilling machine such as a cable tool, rotary tool, hollow rod tool, or auger for a drilling activity requiring a license or registration under this chapter unless the drilling machine is registered with the commissioner.

(b) A person must apply for the registration on forms prescribed by the commissioner and submit a ~~\$50~~ \$75 registration fee.

(c) A registration is valid for one year.

Subd. 2. [PUMP HOIST.] (a) A person may not use a machine such as a pump hoist for an activity requiring a license or registration under this chapter to repair wells or borings, seal wells or borings, or install pumps unless the machine is registered with the commissioner.

(b) A person must apply for the registration on forms prescribed by the commissioner and submit a ~~\$50~~ \$75 registration fee.

(c) A registration is valid for one year.

Sec. 22. Minnesota Statutes 2000, section 144.1202, subdivision 4, is amended to read:

Subd. 4. [AGREEMENT; CONDITIONS OF IMPLEMENTATION.] (a) An agreement entered into before August 2, ~~2002~~ 2003, must remain in effect until terminated under the Atomic Energy Act of 1954, United States Code, title 42, section 2021, paragraph (j). The governor may not enter into an initial agreement with the Nuclear Regulatory Commission after August 1, ~~2002~~ 2003. If an agreement is not entered into by August 1, ~~2002~~ 2003, any rules adopted under this section are repealed effective August 1, ~~2002~~ 2003.

(b) An agreement authorized under subdivision 1 must be approved by law before it may be implemented.

Sec. 23. [144.1205] [RADIOACTIVE MATERIAL; SOURCE AND SPECIAL NUCLEAR MATERIAL; FEES; INSPECTION.]

Subdivision 1. [APPLICATION AND LICENSE RENEWAL FEE.] When a license is required for radioactive material or source or special nuclear material by a rule adopted under section 144.1202, subdivision 2, an application fee according to subdivision 4 must be paid upon initial application for a license. The licensee must renew the license 60 days before the expiration date of the license by paying a license renewal fee equal to the application fee under subdivision 4. The expiration date of a license is the date set by the United States Nuclear Regulatory Commission before transfer of the licensing program under section 144.1202 and thereafter as specified by rule of the commissioner of health.

Subd. 2. [ANNUAL FEE.] A licensee must pay an annual fee at least 60 days before the anniversary date of the issuance of the license. The annual fee is an amount equal to 80 percent of the application fee under subdivision 4, rounded to the nearest whole dollar.

Subd. 3. [FEE CATEGORIES; INCORPORATION OF FEDERAL LICENSING CATEGORIES.] (a) Fee categories under this section are equivalent to the licensing categories used by the United States Nuclear Regulatory Commission under Code of Federal Regulations, title 10, parts 30 to 36, 39, 40, 70, 71, and 150, except as provided in paragraph (b).

(b) The category of "Academic, small" is the type of license required for the use of radioactive materials in a teaching institution. Radioactive materials are limited to ten radionuclides not to exceed a total activity amount of one curie.

Subd. 4. [APPLICATION FEE.] A licensee must pay an application fee as follows:

<u>Radioactive material, source and special material</u>	<u>Application fee</u>	<u>U.S. Nuclear Regulatory Commission licensing category as reference</u>
<u>Type A broadscope</u>	<u>\$20,000</u>	<u>Medical institution type A</u>
<u>Type B broadscope</u>	<u>\$15,000</u>	<u>Research and development type B</u>
<u>Type C broadscope</u>	<u>\$10,000</u>	<u>Academic type C</u>
<u>Medical use</u>	<u>\$4,000</u>	<u>Medical</u>
		<u>Medical institution</u>
		<u>Medical private practice</u>
<u>Mobile nuclear medical laboratory</u>	<u>\$4,000</u>	<u>Mobile medical laboratory</u>
<u>Medical special use sealed sources</u>	<u>\$6,000</u>	<u>Teletherapy</u>
		<u>High dose rate remote afterloaders</u>
		<u>Stereotactic radiosurgery devices</u>
<u>In vitro testing</u>	<u>\$2,300</u>	<u>In vitro testing laboratories</u>
<u>Measuring gauge, sealed sources</u>	<u>\$2,000</u>	<u>Fixed gauges</u>
		<u>Portable gauges</u>
		<u>Analytical instruments</u>
		<u>Measuring systems - other</u>
<u>Gas chromatographs</u>	<u>\$1,200</u>	<u>Gas chromatographs</u>

<u>Manufacturing and distribution</u>	<u>\$14,700</u>	<u>Manufacturing and distribution - other</u>
<u>Distribution only</u>	<u>\$8,800</u>	<u>Distribution of radioactive material for commercial use only</u>
<u>Other services</u>	<u>\$1,500</u>	<u>Other services</u>
<u>Nuclear medicine pharmacy</u>	<u>\$4,100</u>	<u>Nuclear pharmacy</u>
<u>Waste disposal</u>	<u>\$9,400</u>	<u>Waste disposal service prepackage</u>
		<u>Waste disposal service processing/repackage</u>
<u>Waste storage only</u>	<u>\$7,000</u>	<u>To receive and store radioactive material waste</u>
<u>Industrial radiography</u>	<u>\$8,400</u>	<u>Industrial radiography fixed location</u>
		<u>Industrial radiography portable/temporary sites</u>
<u>Irradiator - self-shielded</u>	<u>\$4,100</u>	<u>Irradiators self-shielded less than 10,000 curies</u>
<u>Irradiator - less than 10,000 Ci</u>	<u>\$7,500</u>	<u>Irradiators less than 10,000 curies</u>
<u>Irradiator - more than 10,000 Ci</u>	<u>\$11,500</u>	<u>Irradiators greater than 10,000 curies</u>
<u>Research and development, no distribution</u>	<u>\$4,100</u>	<u>Research and development</u>
<u>Radioactive material possession only</u>	<u>\$1,000</u>	<u>Byproduct possession only</u>
<u>Source material</u>	<u>\$1,000</u>	<u>Source material shielding</u>
<u>Special nuclear material, less than 200 grams</u>	<u>\$1,000</u>	<u>Special nuclear material plutonium-neutron sources less than 200 grams</u>
<u>Pacemaker manufacturing</u>	<u>\$1,000</u>	<u>Pacemaker byproduct and/or special nuclear material - medical institution</u>
<u>General license distribution</u>	<u>\$2,100</u>	<u>General license distribution</u>
<u>General license distribution, exempt</u>	<u>\$1,500</u>	<u>General license distribution - certain exempt items</u>

<u>Academic, small</u>	<u>\$1,000</u>	<u>Possession limit of ten radionuclides, not to exceed a total of one curie of activity</u>
<u>Veterinary</u>	<u>\$2,000</u>	<u>Veterinary use</u>
<u>Well logging</u>	<u>\$5,000</u>	<u>Well logging</u>

Subd. 5. [PENALTY FOR LATE PAYMENT.] An annual fee or a license renewal fee submitted to the commissioner after the due date specified by rule must be accompanied by an additional amount equal to 25 percent of the fee due.

Subd. 6. [INSPECTIONS.] The commissioner of health shall make periodic safety inspections of the radioactive material and source and special nuclear material of a licensee. The commissioner shall prescribe the frequency of safety inspections by rule.

Subd. 7. [RECOVERY OF REINSPECTION COST.] If the commissioner finds serious violations of public health standards during an inspection under subdivision 6, the licensee must pay all costs associated with subsequent reinspection of the source. The costs shall be the actual costs incurred by the commissioner and include, but are not limited to, labor, transportation, per diem, materials, legal fees, testing, and monitoring costs.

Subd. 8. [RECIPROCITY FEE.] A licensee submitting an application for reciprocal recognition of a materials license issued by another agreement state or the United States Nuclear Regulatory Commission for a period of 180 days or less during a calendar year must pay one-half of the application fee specified under subdivision 4. For a period of 181 days or more, the licensee must pay the entire application fee under subdivision 4.

Subd. 9. [FEES FOR LICENSE AMENDMENTS.] A licensee must pay a fee to amend a license as follows:

(1) to amend a license requiring no license review including, but not limited to, facility name change or removal of a previously authorized user, no fee;

(2) to amend a license requiring review including, but not limited to, addition of isotopes, procedure changes, new authorized users, or a new radiation safety officer, \$200; and

(3) to amend a license requiring review and a site visit including, but not limited to, facility move or addition of processes, \$400.

Sec. 24. Minnesota Statutes 2000, section 144.148, subdivision 8, is amended to read:

Subd. 8. [EXPIRATION.] This section expires June 30, ~~2004~~ 2003.

Sec. 25. Minnesota Statutes 2000, section 144.1494, is amended by adding a subdivision to read:

Subd. 3a. [ADDITIONAL PARTICIPANTS.] Based on availability of general fund appropriations, the commissioner may accept up to ten applicants a year in addition to the number of applicants specified under subdivision 3. All other terms and conditions of this section apply to applicants accepted under this subdivision.

Sec. 26. Minnesota Statutes 2000, section 144.1496, is amended by adding a subdivision to read:

Subd. 3a. [ADDITIONAL PARTICIPANTS.] Based on availability of general fund appropriations, the commissioner may accept up to 177 applicants a year in addition to the number of applicants specified under subdivision 3. All other terms and conditions of this section apply to applicants accepted under this subdivision.

Sec. 27. [144.1501] [RURAL PHARMACISTS LOAN FORGIVENESS.]

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

(b) "Designated rural area" means:

(1) an area in Minnesota outside the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or

(2) a municipal corporation, as defined under section 471.634, that is physically located, in whole or in part, in an area defined as a designated rural area under clause (1).

Designated rural areas may be further defined by the commissioner of health to reflect a shortage of pharmacists as indicated by the ratio of pharmacists to population and the distance to the next nearest pharmacy.

(c) "Qualifying educational loans" means government, commercial, and foundation loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a pharmacist.

Subd. 2. [CREATION OF ACCOUNT; LOAN FORGIVENESS PROGRAM.] A rural pharmacist education account is established in the general fund. The commissioner of health shall use money from the account to establish a loan forgiveness program for pharmacists who agree to practice in designated rural areas. The commissioner may seek advice in establishing the program from the pharmacists association, the University of Minnesota, and other interested parties.

Subd. 3. [ELIGIBILITY.] To be eligible to participate in the loan forgiveness program, a pharmacy student must submit an application to the commissioner of health while attending a program of study designed to prepare the individual to become a licensed pharmacist. For fiscal year 2002, applicants may have graduated from a pharmacy program in calendar year 2001. A pharmacy student who is accepted into the loan forgiveness program must sign a contract to agree to serve a minimum three-year service obligation within a designated rural area, which shall begin no later than March 31 of the first year following completion of a pharmacy program or residency.

Subd. 4. [LOAN FORGIVENESS.] The commissioner of health may accept up to 14 applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. The commissioner shall select participants based on their suitability for rural practice, as indicated by rural experience or training. The commissioner shall give preference to applicants closest to completing their training. For each year that a participant serves as a pharmacist in a designated rural area as required under subdivision 3, up to a maximum of four years, the commissioner shall make annual disbursements directly to the participant equivalent to \$5,000 per year of service, not to exceed \$20,000 or the balance of the qualifying educational loans, whichever is less. Before receiving loan repayment disbursements and as requested, the participant must complete and return to the commissioner an affidavit of practice form provided by the commissioner verifying that the participant is practicing as required in an eligible area. The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the qualifying educational loans. After each disbursement, verification must be received by the commissioner and approved before the next loan repayment disbursement is made. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment under subdivision 3, the commissioner of health shall collect from the participant 100 percent of any payments made for qualified educational loans and interest at a rate established according to section 270.75. The commissioner shall deposit the money collected in the rural pharmacist education account established under subdivision 2.

Subd. 6. [SUSPENSION OR WAIVER OF OBLIGATION.] Payment or service obligations cancel in the event of a participant's death. The commissioner of health may waive or suspend payment or service obligations in cases of total and permanent disability or long-term temporary disability lasting for more than two years. The commissioner shall evaluate all other requests for suspension or waivers on a case-by-case basis and may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 28. [144.1502] [DENTISTS LOAN FORGIVENESS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "qualifying educational loans" means government, commercial, and foundation loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a dentist.

Subd. 2. [CREATION OF ACCOUNT; LOAN FORGIVENESS PROGRAM.] A dentist education account is established in the general fund. The commissioner of health shall use money from the account to establish a loan forgiveness program for dentists who agree to care for substantial numbers of state public program participants and other low- to moderate-income uninsured patients.

Subd. 3. [ELIGIBILITY.] To be eligible to participate in the loan forgiveness program, a dental student must submit an application to the commissioner of health while attending a program of study designed to prepare the individual to become a licensed dentist. For fiscal year 2002, applicants may have graduated from a dentistry program in calendar year 2001. A dental student who is accepted into the loan forgiveness program must sign a contract to agree to serve a minimum three-year service obligation during which at least 25 percent of the dentist's yearly patient encounters are delivered to state public program enrollees or patients receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the standards established by the United States Department of Health and Human Services under Code of Federal Regulations, title 42, section 51, chapter 303. The service obligation shall begin no later than March 31 of the first year following completion of training.

Subd. 4. [LOAN FORGIVENESS.] The commissioner of health may accept up to 14 applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. The commissioner shall select participants based on their suitability for practice serving public program patients, as indicated by experience or training. The commissioner shall give preference to applicants who have attended a Minnesota dentistry educational institution and to applicants closest to completing their training. For each year that a participant meets the service obligation required under subdivision 3, up to a maximum of four years, the commissioner shall make annual disbursements directly to the participant equivalent to \$10,000 per year of service, not to exceed \$40,000 or the balance of the qualifying educational loans, whichever is less. Before receiving loan repayment disbursements and as requested, the participant must complete and return to the commissioner an affidavit of practice form provided by the commissioner verifying that the participant is practicing as required under subdivision 3. The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the designated loans. After each disbursement, verification must be received by the commissioner and approved before the next loan repayment disbursement is made. Participants who move their practice remain eligible for loan repayment as long as they practice as required under subdivision 3.

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment under subdivision 3, the commissioner of health shall collect from the participant 100 percent of any payments made for qualified educational loans and interest at a rate established according to section 270.75. The commissioner shall deposit the money collected in the dentist education account established under subdivision 2.

Subd. 6. [SUSPENSION OR WAIVER OF OBLIGATION.] Payment or service obligations cancel in the event of a participant's death. The commissioner of health may waive or suspend payment or service obligations in cases of total and permanent disability or long-term temporary disability lasting for more than two years. The

commissioner shall evaluate all other requests for suspension or waivers on a case-by-case basis and may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 29. [144.1503] [RURAL MENTAL HEALTH PROFESSIONAL LOAN FORGIVENESS.]

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

(b) "Designated rural area" means:

(1) an area in Minnesota outside the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or

(2) a municipal corporation, as defined under section 471.634, that is physically located, in whole or in part, in an area defined as a designated rural area under clause (1).

(c) "Mental health professional" means a psychologist, clinical social worker, marriage and family therapist, or psychiatric nurse.

(d) "Qualifying educational loans" means government, commercial, and foundation loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a mental health professional.

Subd. 2. [CREATION OF ACCOUNT; LOAN FORGIVENESS PROGRAM.] A rural mental health professional education account is established in the general fund. The commissioner of health shall use money from the account to establish a loan forgiveness program for mental health professionals who agree to practice in designated rural areas.

Subd. 3. [ELIGIBILITY.] To be eligible to participate in the loan forgiveness program, a mental health professional student must submit an application to the commissioner of health while attending a program of study designed to prepare the individual to become a mental health professional. For fiscal year 2002, applicants may have graduated from a mental health professional educational program in calendar year 2001. A mental health professional student who is accepted into the loan forgiveness program must sign a contract to agree to serve a minimum three-year service obligation within a designated rural area, which shall begin no later than March 31 of the first year following completion of a mental health professional educational program.

Subd. 4. [LOAN FORGIVENESS.] The commissioner of health may accept up to 12 applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. The commissioner shall select participants based on their suitability for rural practice, as indicated by rural experience or training. The commissioner shall give preference to applicants who have attended a Minnesota mental health professional educational institution and to applicants closest to completing their training. For each year that a participant serves as a mental health professional in a designated rural area as required under subdivision 3, up to a maximum of four years, the commissioner shall make annual disbursements directly to the participant equivalent to \$4,000 per year of service, not to exceed \$16,000 or the balance of the qualifying educational loans, whichever is less. Before receiving loan repayment disbursements and as requested, the participant must complete and return to the commissioner an affidavit of practice form provided by the commissioner verifying that the participant is practicing as required in an eligible area. The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the qualifying educational loans. After each disbursement, verification must be received by the commissioner and approved before the next loan repayment disbursement is made. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment under subdivision 3, the commissioner of health shall collect from the participant 100 percent of any payments made for qualified educational loans and interest at a rate established according to section 270.75. The commissioner shall deposit the money collected in the rural mental health professional education account established under subdivision 2.

Subd. 6. [SUSPENSION OR WAIVER OF OBLIGATION.] Payment or service obligations cancel in the event of a participant's death. The commissioner of health may waive or suspend payment or service obligations in cases of total and permanent disability or long-term temporary disability lasting for more than two years. The commissioner shall evaluate all other requests for suspension or waivers on a case-by-case basis and may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 30. [144.1504] [RURAL HEALTH CARE TECHNICIANS LOAN FORGIVENESS.]

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

(b) "Clinical laboratory scientist" means a person who performs and interprets results of medical tests that require the exercise of independent judgment and responsibility, with minimal supervision by the director or supervisor, in only those specialties or subspecialties in which the person is qualified by education, training, and experience and has demonstrated ongoing competency by certification or other means. A clinical laboratory scientist may also be called a medical technologist.

(c) "Clinical laboratory technician" means any person other than a medical laboratory director, clinical laboratory scientist, or trainee who functions under the supervision of a medical laboratory director or clinical laboratory scientist and performs diagnostic and analytical laboratory tests in only those specialties or subspecialties in which the person is qualified by education, training, and experience and has demonstrated ongoing competency by certification or other means. A clinical laboratory technician may also be called a medical technician.

(d) "Designated rural area" means:

(1) an area in Minnesota outside the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or

(2) a municipal corporation, as defined under section 471.634, that is physically located, in whole or in part, in an area defined as a designated rural area under clause (1).

(e) "Health care technician" means a clinical laboratory scientist, clinical laboratory technician, radiologic technologist, paramedic, dental hygienist, or dental assistant.

(f) "Qualifying educational loans" means government, commercial, and foundation loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a health care technician.

(g) "Radiologic technologist" means a person, other than a licensed physician, who has demonstrated competency by certification, registration, or other means for administering medical imaging or radiation therapy procedures to other persons for medical purposes. Radiologic technologist includes, but is not limited to, radiographers, radiation therapists, and nuclear medicine technologists.

Subd. 2. [CREATION OF ACCOUNT; LOAN FORGIVENESS PROGRAM.] A rural health care technician education account is established in the general fund. The commissioner of health shall use money from the account to establish a loan forgiveness program for health care technicians who agree to practice in designated rural areas.

Subd. 3. [ELIGIBILITY.] To be eligible to participate in the loan forgiveness program, a health care technician student must submit an application to the commissioner of health while attending a program of study designed to prepare the individual to become a health care technician. For fiscal year 2002, applicants may have graduated from a health care technician program in calendar year 2001. A health care technician student who is accepted into the loan forgiveness program must sign a contract to agree to serve a minimum one-year service obligation within a designated rural area, which shall begin no later than March 31 of the first year following completion of a health care technician program.

Subd. 4. [LOAN FORGIVENESS.] The commissioner of health may accept up to 30 applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. The commissioner shall select participants based on their suitability for rural practice, as indicated by rural experience or training. The commissioner shall give preference to applicants who have attended a Minnesota health care technician educational institution and to applicants closest to completing their training. For each year that a participant serves as a health care technician in a designated rural area as required under subdivision 3, up to a maximum of two years, the commissioner shall make annual disbursements directly to the participant equivalent to \$2,500 per year of service, not to exceed \$5,000 or the balance of the qualifying educational loans, whichever is less. Before receiving loan repayment disbursements and as requested, the participant must complete and return to the commissioner an affidavit of practice form provided by the commissioner verifying that the participant is practicing as required in an eligible area. The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the qualifying educational loans. After each disbursement, verification must be received by the commissioner and approved before the next loan repayment disbursement is made. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment under subdivision 3, the commissioner of health shall collect from the participant 100 percent of any payments made for qualified educational loans and interest at a rate established according to section 270.75. The commissioner shall deposit the money collected in the rural health care technician education account established under subdivision 2.

Subd. 6. [SUSPENSION OR WAIVER OF OBLIGATION.] Payment or service obligations cancel in the event of a participant's death. The commissioner of health may waive or suspend payment or service obligations in cases of total and permanent disability or long-term temporary disability lasting for more than two years. The commissioner shall evaluate all other requests for suspension or waivers on a case-by-case basis and may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 31. Minnesota Statutes 2000, section 144.226, subdivision 4, is amended to read:

Subd. 4. [VITAL RECORDS SURCHARGE.] In addition to any fee prescribed under subdivision 1, there is a nonrefundable surcharge of \$3 \$2 for each certified and noncertified birth or death record, and for a certification that the record cannot be found. The local or state registrar shall forward this amount to the state treasurer to be deposited into the state government special revenue fund. This surcharge shall not be charged under those circumstances in which no fee for a birth or death record is permitted under subdivision 1, paragraph (a). ~~This surcharge requirement expires June 30, 2002.~~

Sec. 32. [144.585] [HOSPITAL UNCOMPENSATED CARE AID.]

Subdivision 1. [PURPOSE.] The purpose of uncompensated care aid is to help offset excess charity care burdens at Minnesota acute care, short-term hospitals that play a disproportionate role in servicing the uninsured and low-income populations.

Subd. 2. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(b) "Uncompensated care" means the sum of charity care and bad debt.

(c) "Charity care" has the meaning given in rules adopted by the commissioner of health under sections 144.695 to 144.703. Charity care shall be adjusted to cost-basis using the cost-to-charge ratio.

(d) "Bad debt" has the meaning given in rules adopted by the commissioner of health under sections 144.695 to 144.703. Bad debt shall be adjusted to cost-basis using the cost-to-charge ratio.

(e) "Uncompensated care ratio" means a hospital's uncompensated care divided by its operating expenses, as defined in rules adopted by the commissioner of health under sections 144.695 to 144.703.

(f) "Cost-to-charge ratio" means a hospital's total operating expenses over the sum of gross patient revenue and other operating revenue, as reported to the commissioner of health under rules adopted under sections 144.695 to 144.703.

Subd. 3. [ELIGIBLE HOSPITALS.] A hospital is eligible for uncompensated care aid if its uncompensated care ratio exceeds the statewide average uncompensated care ratio in both of the two most recent hospital reporting years for which data is available.

Subd. 4. [ALLOCATION OF FUNDS.] An eligible hospital's share of the available uncompensated care aid is equal to that hospital's share of uncompensated care relative to the total uncompensated care provided by eligible hospitals.

Subd. 5. [REPORTS BY HOSPITALS.] Hospitals receiving uncompensated care aid under this section must file with the commissioner of health a report containing a list of the most common diagnoses that remain uncompensated with the associated number of cases and amounts of charity care and bad debt; descriptive aggregate statistics of the characteristics of patients who receive charity care and incur bad debt; and information describing the county of origin of patients receiving charity care. The information must be submitted to the commissioner at a date and on forms determined by the commissioner.

Sec. 33. Minnesota Statutes 2000, section 144.98, subdivision 3, is amended to read:

Subd. 3. [FEES.] (a) An application for certification under subdivision 1 must be accompanied by the biennial fee specified in this subdivision. The fees are for:

(1) nonrefundable base certification fee, ~~\$500~~ \$1,200; and

(2) test category certification fees:

Test Category	Certification Fee
<u>Clean water program bacteriology</u>	\$200 \$600
<u>Safe drinking water program bacteriology</u>	\$200 \$600
<u>Clean water program inorganic chemistry;</u> <u>fewer than four constituents</u>	\$100 \$600
<u>Safe drinking water program inorganic chemistry;</u> <u>four or more constituents</u>	\$300 \$600
<u>Clean water program chemistry metals;</u> <u>fewer than four constituents</u>	\$200 \$800
<u>Safe drinking water program chemistry metals;</u> <u>four or more constituents</u>	\$500 \$800
<u>Resource conservation and recovery program</u> <u>chemistry metals</u>	\$200 \$800

<u>Clean water program</u> volatile organic compounds	\$600 \$1,200
<u>Safe drinking water program</u> <u>volatile organic compounds</u>	\$1,200
<u>Resource conservation and recovery program</u> <u>volatile organic compounds</u>	\$1,200
<u>Underground storage tank program</u> <u>volatile organic compounds</u>	\$1,200
<u>Clean water program</u> other organic compounds	\$600 \$1,200
<u>Safe drinking water program</u> other organic compounds	\$1,200
<u>Resource conservation and recovery program</u> other organic compounds	\$1,200

(b) The total biennial certification fee is the base fee plus the applicable test category fees. ~~The biennial certification fee for a contract laboratory is 1.5 times the total certification fee.~~

(c) Laboratories located outside of this state that require an on-site survey will be assessed an additional ~~\$1,200~~ \$2,500 fee.

(d) Fees must be set so that the total fees support the laboratory certification program. Direct costs of the certification service include program administration, inspections, the agency's general support costs, and attorney general costs attributable to the fee function.

(e) A change fee shall be assessed if a laboratory requests additional analytes or methods at any time other than when applying for or renewing its certification. The change fee is equal to the test category certification fee for the analyte.

(f) A variance fee shall be assessed if a laboratory requests and is granted a variance from a rule adopted under this section. The variance fee is \$500 per variance.

(g) Refunds or credits shall not be made for analytes or methods requested but not approved.

(h) Certification of a laboratory shall not be awarded until all fees are paid.

Sec. 34. Minnesota Statutes 2000, section 145.881, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The advisory task force shall meet on a regular basis to perform the following duties:

(a) review and report on the health care needs of mothers and children throughout the state of Minnesota;

(b) review and report on the type, frequency and impact of maternal and child health care services provided to mothers and children under existing maternal and child health care programs, including programs administered by the commissioner of health;

(c) establish, review, and report to the commissioner a list of program guidelines and criteria which the advisory task force considers essential to providing an effective maternal and child health care program to low income populations and high risk persons and fulfilling the purposes defined in section 145.88;

(d) review staff recommendations of the department of health regarding maternal and child health grant awards before the awards are made;

(e) make recommendations to the commissioner for the use of other federal and state funds available to meet maternal and child health needs;

(f) make recommendations to the commissioner of health on priorities for funding the following maternal and child health services: (1) prenatal, delivery and postpartum care, (2) comprehensive health care for children, especially from birth through five years of age, (3) adolescent health services, (4) family planning services, (5) preventive dental care, (6) special services for chronically ill and handicapped children and (7) any other services which promote the health of mothers and children; ~~and~~

(g) make recommendations to the commissioner of health on the process to distribute, award and administer the maternal and child health block grant funds; and

(h) review the measures that are used to define the variables of the funding distribution formula in section 145.882, subdivision 4a, every two years and make recommendations to the commissioner of health for changes based upon principles established by the advisory task force for this purpose.

Sec. 35. Minnesota Statutes 2000, section 145.882, is amended by adding a subdivision to read:

Subd. 4a. [ALLOCATION TO COMMUNITY HEALTHBOARDS.] (a) Federal maternal and child health block grant money remaining after distributions made under subdivision 2 and money appropriated for allocation to community health boards must be allocated according to paragraphs (b) and (c) to community health boards as defined in section 145A.02, subdivision 5.

(b) The allocation to each community health board must be based on the following three variables:

(1) 25 percent based on the maternal and child population in the area served by the community health board;

(2) 50 percent based on the health risk factors of the maternal and child population in the area served by the community health board; and

(3) 25 percent based on the income of the maternal and child population in the area served by the community health board.

(c) Each variable must be expressed as a city or county score consisting of the city or county frequency of each variable divided by the statewide frequency of the variable. A total score for each city or county jurisdiction must be computed by totaling the scores of the three variables. Each community health board must be allocated an amount equal to the total score obtained for the city, county, or counties in its area multiplied by the amount of money available.

Sec. 36. Minnesota Statutes 2000, section 145.882, subdivision 7, is amended to read:

Subd. 7. [USE OF BLOCK GRANT MONEY.] ~~(a)~~ Maternal and child health block grant money allocated to a community health board or community health services area under this section must be used for qualified programs for high risk and low-income individuals. Block grant money must be used for programs that:

(1) specifically address the highest risk populations, particularly low-income and minority groups with a high rate of infant mortality and children with low birth weight, by providing services, ~~including~~ ~~excluding~~ pre-pregnancy family planning services, calculated to produce measurable decreases in infant mortality rates, instances of children with low birth weight, and medical complications associated with pregnancy and childbirth, including infant mortality, low birth rates, and medical complications arising from chemical abuse by a mother during pregnancy;

(2) specifically target pregnant women whose age, medical condition, maternal history, or chemical abuse substantially increases the likelihood of complications associated with pregnancy and childbirth or the birth of a child with an illness, disability, or special medical needs;

(3) specifically address the health needs of young children who have or are likely to have a chronic disease or disability or special medical needs, including physical, neurological, emotional, and developmental problems that arise from chemical abuse by a mother during pregnancy;

(4) provide ~~family planning and~~ preventive medical care, ~~excluding pre-pregnancy family planning services~~, for specifically identified target populations, such as minority and low-income teenagers, in a manner calculated to decrease the occurrence of ~~inappropriate pregnancy and~~ minimize the risk of complications associated with pregnancy and childbirth; or

(5) specifically address the frequency and severity of childhood injuries and other child and adolescent health problems in high-risk target populations by providing services, ~~excluding pre-pregnancy family planning services~~, calculated to produce measurable decreases in mortality and morbidity. ~~However, money may be used for this purpose only if the community health board's application includes program components for the purposes in clauses (1) to (4) in the proposed geographic service area and the total expenditure for injury-related programs under this clause does not exceed ten percent of the total allocation under subdivision 3.~~

~~(b) Maternal and child health block grant money may be used for purposes other than the purposes listed in this subdivision only under the following conditions:~~

~~(1) the community health board or community health services area can demonstrate that existing programs fully address the needs of the highest risk target populations described in this subdivision; or~~

~~(2) the money is used to continue projects that received funding before creation of the maternal and child health block grant in 1981.~~

~~(c) Projects that received funding before creation of the maternal and child health block grant in 1981, must be allocated at least the amount of maternal and child health special project grant funds received in 1989, unless (1) the local board of health provides equivalent alternative funding for the project from another source; or (2) the local board of health demonstrates that the need for the specific services provided by the project has significantly decreased as a result of changes in the demographic characteristics of the population, or other factors that have a major impact on the demand for services. If the amount of federal funding to the state for the maternal and child health block grant is decreased, these projects must receive a proportional decrease as required in subdivision 1. Increases in allocation amounts to local boards of health under subdivision 4 may be used to increase funding levels for these projects.~~

Sec. 37. Minnesota Statutes 2000, section 145.885, subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL REQUIREMENTS FOR COMMUNITY BOARDS OF HEALTH.] Applications by community health boards as defined in section 145A.02, subdivision 5, under section 145.882, subdivision 3 ~~4a~~, must also contain a summary of the process used to develop the local program, including evidence that the community health board notified local public and private providers of the availability of funding through the community health board for maternal and child health services; a list of all public and private agency requests for grants submitted to the community health board indicating which requests were included in the grant application; and an explanation of how priorities were established for selecting the requests to be included in the grant application. The community health board shall include, with the grant application, a written statement of the criteria to be applied to public and private agency requests for funding.

Sec. 38. Minnesota Statutes 2000, section 145.925, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBLE ORGANIZATIONS; PURPOSE.] The commissioner of health may make special grants to cities, counties, tribal governments, or groups of cities or counties, or nonprofit corporations or tribal governments to provide pre-pregnancy family planning services. A city, county, tribal government, or group of cities,

counties, or tribal governments that subcontracts for the provision of pre-pregnancy family planning services using grant funds provided under this section may only subcontract with cities, counties, tribal governments, or groups of cities, counties, or tribal governments for the provision of those services.

Sec. 39. [145.9257] [TEEN PREGNANCY PREVENTION.]

Subdivision 1. [GOAL.] It is the goal of the state to reduce teen pregnancy rates by 24 percent by 2006. To do so, the commissioner of health shall establish a grant program to reduce the rates of unintended teen pregnancies in the state. If this goal of reducing teen pregnancy rates by 24 percent is not met by December 31, 2006, this section expires June 30, 2007. No funds awarded under this section may be used for medical services or family planning services or for services that, directly or indirectly, encourage, counsel, refer, or provide abortions or abortion referrals.

Subd. 2. [STATE-COMMUNITY PARTNERSHIPS; PLAN.] The commissioner, in consultation with the commissioner of children, families, and learning; the commissioner of human services; the maternal and child health advisory task force under section 145.881; the Indian affairs council under section 3.922; the council on affairs of Chicano/Latino people under section 3.9223; the council on Black Minnesotans under section 3.9225; the council on Asian-Pacific Minnesotans under section 3.9226; community health boards as defined in section 145A.02; tribal governments; nonprofit community organizations; and others interested in teen pregnancy prevention, shall develop and implement a comprehensive, coordinated plan to reduce the number of teen pregnancies.

Subd. 3. [MEASURABLE OUTCOMES.] The commissioner, in consultation with the commissioners and community partners listed in subdivision 2, shall establish measurable outcomes to achieve the goal specified in subdivision 1 and to determine the effectiveness of the grants provided under this section in reducing teen pregnancies. The development of measurable outcomes must be completed before any funds are distributed under this section.

Subd. 4. [STATEWIDE ASSESSMENT.] The commissioner shall use and enhance current statewide assessments of teen pregnancy risk behaviors and attitudes among youth to establish a baseline to measure the statewide effect of teen pregnancy prevention activities. To the extent feasible, the commissioner shall conduct the assessment so that the results may be compared to national data.

Subd. 5. [PROCESS.] The commissioner, in consultation with the commissioners and community partners listed in subdivision 2, shall develop the criteria and procedures used to allocate grants under this section. In developing the criteria, the commissioner shall establish an administrative cost limit for grant recipients. At the time a grant is awarded, the commissioner must provide a grant recipient with information on the outcomes established according to subdivision 3.

Subd. 6. [TEEN PREGNANCY PREVENTION DISPARITY GRANTS.] (a) The commissioner shall award competitive grants to eligible applicants for projects to reduce disparities in unintended teen pregnancy rates for American Indians and populations of color, as compared with unintended teen pregnancy rates for whites.

(b) No funds awarded under this subdivision may be used for medical services or family planning services or for services that, directly or indirectly, encourage, counsel, refer, or provide abortions or abortion referrals.

(c) Eligible applicants may include, but are not limited to, nonprofit organizations, school districts, faith-based organizations, community health boards, and tribal governments. Applicants must submit proposals to the commissioner. A proposal must specify the strategies to be implemented and must take into account the need for a coordinated, statewide teen pregnancy prevention effort. Strategies may include youth development programs, after-school enrichment programs, youth mentoring programs, academic support programs, and abstinence-only education programs.

(d) The commissioner shall give priority to applicants who demonstrate that their proposed project:

(1) is research-based or based on proven, effective strategies;

(2) is designed to coordinate with related youth risk behavior reduction activities;

(3) involves youth and parents in the project's development and implementation;

(4) reflects racially and ethnically appropriate approaches; and

(5) will be implemented through or with community-based organizations that reflect the race or ethnicity of the population to be reached.

Subd. 7. [HIGH-RISK COMMUNITY TEEN PREGNANCY PREVENTION GRANTS.] (a) The commissioner shall award grants to communities that have significant risk factors for teen pregnancies, that currently have in place youth development programs, and that are interested in expanding existing efforts to prevent teen pregnancies.

(b) No funds awarded under this subdivision may be used for medical services or family planning services or for services that, directly or indirectly, encourage, counsel, refer, or provide abortions or abortion referrals.

(c) To be eligible for a grant under this subdivision, an applicant must be a tribal government or a community health board as defined in section 145A.02. Applicants must submit proposals to the commissioner. A proposal must specify the strategies to be implemented. Strategies may include, but are not limited to, youth development programs, youth mentoring programs, academic support programs, and abstinence-only education programs. Applicants must demonstrate that a proposed project:

(1) is research-based or based on proven, effective strategies;

(2) is designed to coordinate with related youth risk behavior reduction activities;

(3) involves youth and parents in the project's development and implementation;

(4) reflects racially and ethnically appropriate approaches; and

(5) will be implemented through or with community-based organizations that reflect the race or ethnicity of the population to be reached.

(d) Grants may be awarded to up to 15 community health boards and three tribal governments based on areas having the highest risk factors for teen pregnancies. The commissioner shall award grants based on the following risk factors:

(1) the proportion of teens in the applicant's service area who are sexually active;

(2) the proportion of births to teens in the applicant's service area; and

(3) the proportion of births to teens who are American Indian or of a population of color in the applicant's service area.

Subd. 8. [ADOLESCENT PARENT GRANTS.] The commissioner shall transfer funds to the commissioner of children, families, and learning to increase the number of adolescent parent grants currently provided by the commissioner of children, families, and learning.

Subd. 9. [COORDINATION.] The commissioner shall coordinate the projects and initiatives funded under this section with other efforts at the local, state, and national levels to avoid duplication and promote complementary efforts.

Subd. 10. [EVALUATION.] Using the outcome measures established according to subdivision 3, the commissioner shall conduct a biennial evaluation of the teen pregnancy prevention initiatives in this section. Grant recipients and the commissioner of children, families, and learning shall cooperate with the commissioner in the evaluation and shall provide the commissioner with the information needed to conduct the evaluation.

Subd. 11. [REPORT.] By January 15, 2002, and January 15 of each even-numbered year thereafter, the commissioner shall submit a report to the legislature on the projects funded under this section and the results of the biennial evaluation.

Sec. 40. [145.9268] [COMMUNITY CLINIC GRANTS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "eligible community clinic" means:

(1) a clinic that provides services under conditions as defined in Minnesota Rules, part 9505.0255, and utilizes a sliding fee scale to determine eligibility for charity care;

(2) an Indian tribal government or Indian health service unit; or

(3) a consortium of clinics comprised of entities under clause (1) or (2).

Subd. 2. [GRANTS AUTHORIZED.] The commissioner of health shall award grants to eligible community clinics to improve the ongoing viability of Minnesota's clinic-based safety net providers. Grants shall be awarded to support the capacity of eligible community clinics to serve low-income populations, reduce current or future uncompensated care burdens, or provide for improved care delivery infrastructure.

Subd. 3. [ALLOCATION OF GRANTS.] (a) To receive a grant under this section, an eligible community clinic must submit an application to the commissioner of health by the deadline established by the commissioner. A grant may be awarded upon the signing of a grant contract.

(b) An application must be on a form and contain information as specified by the commissioner but at a minimum must contain:

(1) a description of the project for which grant funds will be used;

(2) a description of the problem the proposed project will address; and

(3) a description of achievable objectives, a workplan, and a timeline for project completion.

(c) The commissioner shall review each application to determine whether the application is complete and whether the applicant and the project are eligible for a grant. In evaluating applications according to paragraph (e), the commissioner shall establish criteria including, but not limited to: the priority level of the project; the applicant's thoroughness and clarity in describing the problem; a description of the applicant's proposed project; the manner in which the applicant will demonstrate the effectiveness of the project; and evidence of efficiencies and effectiveness gained through collaborative efforts. The commissioner may also take into account other relevant factors, including, but not limited to, the percentage for which uninsured patients represent the applicant's patient base. During application review, the commissioner may request additional information about a proposed project, including information on project cost. Failure to provide the information requested disqualifies an applicant.

(d) A grant awarded to an eligible community clinic may not exceed \$300,000 per eligible community clinic. For an applicant applying as a consortium of clinics, a grant may not exceed \$300,000 per clinic included in the consortium. The commissioner has discretion over the number of grants awarded.

(e) In determining which eligible community clinics will receive grants under this section, the commissioner shall give preference to those grant applications that show evidence of collaboration with other eligible community clinics, hospitals, health care providers, or community organizations. In addition, the commissioner shall give priority, in declining order, to grant applications for projects that:

(1) establish, update, or improve information, data collection, or billing systems;

(2) procure, modernize, remodel, or replace equipment used in the delivery of direct patient care at a clinic;

(3) provide improvements for care delivery, such as increased translation and interpretation services;

(4) provide a direct offset to expenses incurred for charity care services; or

(5) other projects determined by the commissioner to improve the ability of applicants to provide care to the vulnerable populations they serve.

Subd. 4. [EVALUATION.] The commissioner of health shall evaluate the overall effectiveness of the grant program. The commissioner shall collect progress reports to evaluate the grant program from the eligible community clinics receiving grants.

Sec. 41. [145.928] [ELIMINATING HEALTH DISPARITIES.]

Subdivision 1. [GOAL.] It is the goal of the state, by 2010, to decrease by 50 percent the disparities in infant mortality rates and adult and child immunization rates for American Indians and populations of color, as compared with rates for whites. To do so, the commissioner of health shall establish a program to close the gap in the health status of American Indians and populations of color as compared with whites. If this goal of reducing disparities in infant mortality rates and adult and child immunization rates is not met by December 31, 2010, this section expires June 30, 2011.

Subd. 2. [STATE-COMMUNITY PARTNERSHIPS; PLAN.] The commissioner, in partnership with culturally-based community organizations; the Indian affairs council under section 3.922; the council on affairs of Chicano/Latino people under section 3.9223; the council on Black Minnesotans under section 3.9225; the council on Asian-Pacific Minnesotans under section 3.9226; community health boards as defined in section 145A.02; and tribal governments, shall develop and implement a comprehensive, coordinated plan to reduce health disparities in infant mortality and adult and child immunization rates.

Subd. 3. [MEASURABLE OUTCOMES.] The commissioner, in consultation with the community partners listed in subdivision 2, shall establish measurable outcomes to achieve the goal specified in subdivision 1 and to determine the effectiveness of the grants and other activities funded under this section in reducing health disparities. The development of measurable outcomes must be completed before any funds are distributed under this section.

Subd. 4. [STATEWIDE ASSESSMENT.] The commissioner shall enhance current data tools to ensure a statewide assessment of the risk behaviors associated with infant mortality and low adult and child immunization rates. The statewide assessment must be used to establish a baseline to measure the effect of activities funded under this section. To the extent feasible, the commissioner shall conduct the assessment so that the results may be compared to national data.

Subd. 5. [TECHNICAL ASSISTANCE.] The commissioner shall provide the necessary expertise to entities applying for grants to ensure that submitted proposals are likely to be successful in reducing the health disparities identified in subdivision 1. The commissioner shall provide grantees with guidance and training on best or most promising strategies to use to reduce the health disparities identified in subdivision 1. The commissioner shall also assist grant recipients in the development of materials and procedures to evaluate local community activities.

Subd. 6. [PROCESS.] (a) The commissioner, in consultation with the community partners listed in subdivision 2, shall develop the criteria and procedures used to allocate grants under this section. In developing the criteria, the commissioner shall establish an administrative cost limit for grant recipients. At the time a grant is awarded, the commissioner must provide a grant recipient with information on the outcomes established according to subdivision 3.

(b) A grant recipient must coordinate its activities to reduce health disparities with other entities receiving funds under this section that are in the grant recipient's service area.

Subd. 7. [COMMUNITY GRANT PROGRAM.] (a) The commissioner shall award grants to eligible applicants for local or regional projects and initiatives directed at reducing health disparities. Grant proposals must address one or both of the following priority areas:

- (1) decreasing racial and ethnic disparities in infant mortality rates; or
- (2) increasing adult and child immunization rates in nonwhite racial and ethnic populations.

(b) The commissioner may award up to 20 percent of the funds available as planning grants. Planning grants must be used to address such areas as community assessment, coordination activities, and development of community supported strategies.

(c) Eligible applicants may include, but are not limited to, faith-based organizations, social service organizations, community nonprofit organizations, community health boards, tribal governments, and community clinics. Applicants must submit proposals to the commissioner. A proposal must specify the strategies to be implemented to address one or both of the priority areas listed in paragraph (a) and must be targeted to achieve the outcomes established according to subdivision 3.

(d) The commissioner shall give priority to applicants who demonstrate that their proposed project or initiative:

- (1) is supported by the community the applicant will serve;
- (2) is research-based or based on promising strategies;
- (3) is designed to complement other related community activities;
- (4) utilizes strategies that positively impact both priority areas;
- (5) reflects racially and ethnically appropriate approaches; and
- (6) will be implemented through or with community-based organizations that reflect the race or ethnicity of the population to be reached.

Subd. 8. [REFUGEE AND IMMIGRANT HEALTH.] The commissioner shall distribute funds to community health boards for health screening and follow-up services for foreign-born persons. Funds shall be distributed based on a formula established by the commissioner, using the following criteria:

- (1) the number of foreign-born persons in the community health board's service area;

(2) the number of persons in the community health board's service area whose income is at or below 200 percent of federal poverty guidelines; and

(3) other relevant criteria determined by the commissioner.

Subd. 9. [COORDINATION.] The commissioner shall coordinate the projects and initiatives funded under this section with other efforts at the local, state, or national level to avoid duplication and promote complementary efforts.

Subd. 10. [EVALUATION.] Using the outcome measures established according to subdivision 3, the commissioner shall conduct a biennial evaluation of the community grant program under subdivision 7. Grant recipients shall cooperate with the commissioner in the evaluation and shall provide the commissioner with the information needed to conduct the evaluation.

Subd. 11. [REPORT.] By January 15, 2002, and January 15 of each even-numbered year thereafter, the commissioner shall submit a report to the legislature on the local community projects and community health board activities funded under this section. The report must include information on grant recipients, activities conducted using grant funds, and evaluation data and outcome measures if available.

Sec. 42. Minnesota Statutes 2000, section 145A.15, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The commissioner of health shall expand the current grant program to fund additional projects designed to prevent child abuse and neglect and reduce juvenile delinquency by promoting positive parenting, resiliency in children, and a healthy beginning for children by providing early intervention services for families in need. Programs funded under this section shall serve only those families who are not eligible for home visiting services from a program funded under section 145A.16. Grant dollars shall be available to train paraprofessionals to provide in-home intervention services and to allow public health nurses to do case management of services. The grant program shall provide early intervention services for families in need and will include:

(1) expansion of current public health nurse and family aide home visiting programs and public health home visiting projects which prevent child abuse and neglect, prevent juvenile delinquency, and build resiliency in children;

(2) early intervention to promote a healthy and nurturing beginning;

(3) distribution of educational and public information programs and materials in hospital maternity divisions, well-baby clinics, obstetrical clinics, and community clinics; and

(4) training of home visitors in skills necessary for comprehensive home visiting which promotes a healthy and nurturing beginning for the child.

Sec. 43. Minnesota Statutes 2000, section 145A.16, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] ~~The commissioner shall establish a grant program to fund universally offered home visiting programs designed to serve all live births in designated geographic areas to families at or below 200 percent of the federal poverty guidelines. The commissioner shall designate the geographic area to be served by each program. At least one program must provide home visiting services to families within the seven-county metropolitan area, and at least one program must provide home visiting services to families outside the metropolitan area. The purpose of the program is to strengthen families and to promote positive parenting and healthy child development.~~

Sec. 44. Minnesota Statutes 2000, section 145A.16, subdivision 3, is amended to read:

Subd. 3. [PROGRAM REQUIREMENTS.] The commissioner shall ~~award grants using a request for proposal system. Existing home visiting programs or a family services collaborative established under section 256F.13 may apply for the grants~~ distribute funds to county boards according to the formula in section 256J.625, subdivision 3, to be used by county public health boards to serve families at or below 200 percent of the federal poverty guidelines. Health information and assessment, counseling, social support, educational services, and referral to community resources must be offered to all families, ~~regardless of need or risk who are eligible for home visiting services under subdivision 1,~~ beginning prenatally or as soon after birth as possible, and continuing as needed. Each program ~~applying for a grant must have access to adequate community resources to complement the home visiting services and that receives funds~~ must be designed to:

(1) identify all newborn infants born to eligible families within the geographic area served by the program. Identification may be made prenatally or at the time of birth;

(2) offer a home visit by a trained home visitor. The offer of a home visit must be made in a way that guarantees that the existence of the pregnancy is not revealed to any other individual without the written consent of the pregnant female. If home visiting is accepted, the first visit must occur prenatally or as soon after birth as possible and must include a public health nursing assessment by a public health nurse;

(3) offer, at a minimum, information on infant care, child growth and development, positive parenting, the prevention of disease and exposure to environmental hazards, and support services available in the community;

(4) provide information on and referral to health care services, if needed, including information on health care coverage for which the individual or family may be eligible and information on family planning, pediatric preventive services, immunizations, and developmental assessments, and information on the availability of public assistance programs as appropriate;

(5) recruit home visit workers who will represent, to the extent possible, all the races, cultures, and languages spoken by eligible families in the designated geographic areas; and

(6) train and supervise home visitors in accordance with the requirements established under subdivision 5.

Sec. 45. Minnesota Statutes 2000, section 145A.16, subdivision 6, is amended to read:

Subd. 6. [EVALUATION.] (a) The commissioner shall evaluate the effectiveness of the home visiting programs, taking into consideration the following goals:

(1) appropriate child growth, development, and access to health care;

(2) appropriate utilization of preventive health care and medical care for acute illnesses;

(3) lower rates of substantiated child abuse and neglect;

(4) up-to-date immunizations;

(5) a reduction in unintended pregnancies;

(6) increasing families' understanding of lead poisoning prevention;

(7) lower rates of unintentional injuries; and

(8) fewer hospitalizations and emergency room visits.

(b) The commissioner shall compare overall outcomes of ~~universally offered~~ home visiting programs for infant care with targeted home visiting programs and report the findings to the legislature. The report must also include information on how home visiting programs will coordinate activities and preventive services provided by health plans and other organizations.

(c) ~~The commissioner shall report to the legislature by February 15, 1998, on the comprehensive plan for the universally offered home visiting programs and recommend any draft legislation needed to implement the plan.~~ The commissioner shall report to the legislature biennially beginning December 15, 2001, on the effectiveness of the ~~universally offered~~ home visiting programs. In the report due December 15, 2001, the commissioner shall include recommendations on the feasibility and cost of expanding the program statewide.

Sec. 46. Minnesota Statutes 2000, section 157.16, subdivision 3, is amended to read:

Subd. 3. [ESTABLISHMENT FEES; DEFINITIONS.] (a) The following fees are required for food and beverage service establishments, hotels, motels, lodging establishments, and resorts licensed under this chapter. Food and beverage service establishments must pay the highest applicable fee under paragraph (e), clause (1), (2), (3), or (4), and establishments serving alcohol must pay the highest applicable fee under paragraph (e), clause (6) or (7). The license fee for new operators previously licensed under this chapter for the same calendar year is one-half of the appropriate annual license fee, plus any penalty that may be required. The license fee for operators opening on or after October 1 is one-half of the appropriate annual license fee, plus any penalty that may be required.

(b) All food and beverage service establishments, except special event food stands, and all hotels, motels, lodging establishments, and resorts shall pay an annual base fee of ~~\$100~~ \$145.

(c) A special event food stand shall pay a flat fee of ~~\$30~~ \$35 annually. "Special event food stand" means a fee category where food is prepared or served in conjunction with celebrations, county fairs, or special events from a special event food stand as defined in section 157.15.

(d) In addition to the base fee in paragraph (b), each food and beverage service establishment, other than a special event food stand, and each hotel, motel, lodging establishment, and resort shall pay an additional annual fee for each fee category as specified in this paragraph:

(1) Limited food menu selection, ~~\$30~~ \$40. "Limited food menu selection" means a fee category that provides one or more of the following:

(i) prepackaged food that receives heat treatment and is served in the package;

(ii) frozen pizza that is heated and served;

(iii) a continental breakfast such as rolls, coffee, juice, milk, and cold cereal;

(iv) soft drinks, coffee, or nonalcoholic beverages; or

(v) cleaning for eating, drinking, or cooking utensils, when the only food served is prepared off site.

(2) Small establishment, including boarding establishments, ~~\$55~~ \$75. "Small establishment" means a fee category that has no salad bar and meets one or more of the following:

(i) possesses food service equipment that consists of no more than a deep fat fryer, a grill, two hot holding containers, and one or more microwave ovens;

(ii) serves dipped ice cream or soft serve frozen desserts;

(iii) serves breakfast in an owner-occupied bed and breakfast establishment;

(iv) is a boarding establishment; or

(v) meets the equipment criteria in clause (3), item (i) or (ii), and has a maximum patron seating capacity of not more than 50.

(3) Medium establishment, ~~\$150~~ \$210. "Medium establishment" means a fee category that meets one or more of the following:

(i) possesses food service equipment that includes a range, oven, steam table, salad bar, or salad preparation area;

(ii) possesses food service equipment that includes more than one deep fat fryer, one grill, or two hot holding containers; or

(iii) is an establishment where food is prepared at one location and served at one or more separate locations.

Establishments meeting criteria in clause (2), item (v), are not included in this fee category.

(4) Large establishment, ~~\$250~~ \$350. "Large establishment" means either:

(i) a fee category that (A) meets the criteria in clause (3), items (i) or (ii), for a medium establishment, (B) seats more than 175 people, and (C) offers the full menu selection an average of five or more days a week during the weeks of operation; or

(ii) a fee category that (A) meets the criteria in clause (3), item (iii), for a medium establishment, and (B) prepares and serves 500 or more meals per day.

(5) Other food and beverage service, including food carts, mobile food units, seasonal temporary food stands, and seasonal permanent food stands, ~~\$30~~ \$40.

(6) Beer or wine table service, ~~\$30~~ \$40. "Beer or wine table service" means a fee category where the only alcoholic beverage service is beer or wine, served to customers seated at tables.

(7) Alcoholic beverage service, other than beer or wine table service, ~~\$75~~ \$105.

"Alcohol beverage service, other than beer or wine table service" means a fee category where alcoholic mixed drinks are served or where beer or wine are served from a bar.

(8) Lodging per sleeping accommodation unit, ~~\$4~~ \$6, including hotels, motels, lodging establishments, and resorts, up to a maximum of ~~\$400~~ \$600. "Lodging per sleeping accommodation unit" means a fee category including the number of guest rooms, cottages, or other rental units of a hotel, motel, lodging establishment, or resort; or the number of beds in a dormitory.

(9) First public swimming pool, ~~\$100~~ \$140; each additional public swimming pool, ~~\$50~~ \$80. "Public swimming pool" means a fee category that has the meaning given in Minnesota Rules, part 4717.0250, subpart 8.

(10) First spa, ~~\$50~~ \$80; each additional spa, ~~\$25~~ \$40. "Spa pool" means a fee category that has the meaning given in Minnesota Rules, part 4717.0250, subpart 9.

(11) Private sewer or water, ~~\$30~~ \$40. "Individual private water" means a fee category with a water supply other than a community public water supply as defined in Minnesota Rules, chapter 4720. "Individual private sewer" means a fee category with an individual sewage treatment system which uses subsurface treatment and disposal.

~~(e)~~ A fee is not required for a food and beverage service establishment operated by a school as defined in sections 120A.05, subdivisions 9, 11, 13, and 17 and 120A.22.

~~(f)~~ A fee of \$150 for review of the construction plans must accompany the initial license application for food and beverage service establishments, hotels, motels, lodging establishments, or resorts.

~~(g)~~ (f) When existing food and beverage service establishments, hotels, motels, lodging establishments, or resorts are extensively remodeled, a fee of \$150 must be submitted with the remodeling plans.

~~(h)~~ (g) Seasonal temporary food stands and special event food stands are not required to submit construction or remodeling plans for review.

Sec. 47. Minnesota Statutes 2000, section 157.22, is amended to read:

157.22 [EXEMPTIONS.]

This chapter shall not be construed to apply to:

- (1) interstate carriers under the supervision of the United States Department of Health and Human Services;
- (2) any building constructed and primarily used for religious worship;
- (3) any building owned, operated, and used by a college or university in accordance with health regulations promulgated by the college or university under chapter 14;
- (4) any person, firm, or corporation whose principal mode of business is licensed under sections 28A.04 and 28A.05, is exempt at that premises from licensure as a food or beverage establishment; provided that the holding of any license pursuant to sections 28A.04 and 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of this chapter or the rules of the state commissioner of health relating to food and beverage service establishments;
- (5) family day care homes and group family day care homes governed by sections 245A.01 to 245A.16;
- (6) nonprofit senior citizen centers for the sale of home-baked goods; ~~and~~
- (7) food not prepared at an establishment and brought in by individuals attending a potluck event for consumption at the potluck event. An organization sponsoring a potluck event under this clause may advertise the potluck event to the public through any means. Individuals who are not members of an organization sponsoring a potluck event under this clause may attend the potluck event and consume the food at the event. Licensed food establishments cannot be sponsors of potluck events. Potluck event food shall not be brought into a licensed food establishment kitchen; and
- (8) a home school in which a child is provided instruction at home.

Sec. 48. [REPEALER.]

Minnesota Statutes 2000, sections 145.882, subdivisions 3 and 4; 145.927; and 145A.16, subdivision 2, are repealed."

Delete the title and insert:

"A bill for an act relating to health; modifying fees related to wells and borings; extending deadlines related to a nuclear materials agreement; establishing fees for the licensing of radioactive material and source and special nuclear material; providing for inspections; extending the rural hospital grant program; determining eligibility for

hospital uncompensated care aid; modifying and creating loan forgiveness programs for certain health care workers; modifying maternal and child health provisions; modifying vital record and environmental laboratory certification fees; creating and modifying grant programs; modifying home visiting programs; modifying fees and provisions for food and beverage service and lodging establishments; repealing bone marrow donor education provisions; appropriating money; amending Minnesota Statutes 2000, sections 103I.101, subdivision 6; 103I.112; 103I.208, subdivisions 1, 2; 103I.235, subdivision 1; 103I.525, subdivisions 2, 6, 8, 9; 103I.531, subdivisions 2, 6, 8, 9; 103I.535, subdivisions 2, 6, 8, 9; 103I.541, subdivisions 2b, 4, 5; 103I.545; 144.1202, subdivision 4; 144.148, subdivision 8; 144.1494, by adding a subdivision; 144.1496, by adding a subdivision; 144.226, subdivision 4; 144.98, subdivision 3; 145.881, subdivision 2; 145.882, subdivision 7, by adding a subdivision; 145.885, subdivision 2; 145.925, subdivision 1; 145A.15, subdivision 1; 145A.16, subdivisions 1, 3, 6; 157.16, subdivision 3; 157.22; proposing coding for new law in Minnesota Statutes, chapters 144; 145; repealing Minnesota Statutes 2000, sections 145.882, subdivisions 3, 4; 145.927; 145A.16, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services Finance.

The report was adopted.

McElroy from the Committee on Jobs and Economic Development Finance to which was referred:

H. F. No. 1619, A bill for an act relating to housing; providing funding for existing and new housing programs; creating housing programs; appropriating money; amending Minnesota Statutes 2000, section 462A.201, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 462A.201, subdivision 2, is amended to read:

Subd. 2. [LOW-INCOME HOUSING.] (a) The agency may, in consultation with the advisory committee, use money from the housing trust fund account for operational costs for providing permanent housing and to provide loans or grants for projects for the development, construction, acquisition, preservation, and rehabilitation of low-income rental and limited equity cooperative housing units, including temporary and transitional housing, and homes for ownership. For purposes of this section, "transitional housing" means housing that is provided for a limited duration not exceeding 24 months, except that up to one-third of the residents may live in the housing for up to 36 months. Loans or grants for residential housing for migrant farmworkers may be made under this section. No more than 20 percent of available funds may be used for home ownership projects.

(b) A rental or limited equity cooperative permanent housing project must meet one of the following income tests:

(1) at least 75 percent of the rental and cooperative units must be rented to or cooperatively owned by persons and families whose income does not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2; or

(2) all of the units funded by the housing trust fund account must be used for the benefit of persons and families whose income does not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2.

The median family income may be adjusted for families of five or more.

(c) Homes for ownership must be owned or purchased by persons and families whose income does not exceed 50 percent of the metropolitan area median income, adjusted for family size.

(d) In making the grants, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required. To promote the geographic distribution of grants and loans, the agency may designate a portion of the grant or loan awards to be set aside for projects located in specified congressional districts or other geographical regions specified by the agency. The agency may adopt rules for awarding grants and loans under this subdivision.

Sec. 2. [462A.34] [LOCAL INITIATIVE BLOCK GRANT PROGRAM.]

The commissioner may make block grants to local governments or nonprofit organizations in partnership with local governments for housing production and preservation programs for persons with incomes at or below 80 percent of statewide median income. The commissioner may use existing processes for making grants or may establish a request for proposal process specifically for this block grant program. Grants shall be made to satisfy specific housing needs, however, grants do not need to be tied to any particular project, but rather, should be available to flexibly meet the identified need.

Sec. 3. [HOUSING FINANCE AGENCY; APPROPRIATION.]

Subdivision 1. [TOTAL APPROPRIATION.] \$294,018,000 is appropriated from the general fund for the fiscal biennium ending June 30, 2003, for transfer to the housing development fund for the programs specified. Except as otherwise indicated, this transfer is part of the agency's permanent budget base. The amounts that may be spent from this appropriation for certain programs are specified in the following subdivisions.

Subd. 2. [CHALLENGE PROGRAM.] \$40,000,000 is appropriated for transfer to the housing development fund for the economic development and housing challenge program created by Minnesota Statutes, section 462A.33.

Subd. 3. [RENTAL ASSISTANCE FOR MENTALLY ILL.] \$1,700,000 the first year and \$1,700,000 the second year are for a rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.2097.

Subd. 4. [FAMILY HOMELESS PREVENTION.] \$5,550,000 the first year and \$5,550,000 the second year is for the family homeless prevention and assistance program under Minnesota Statutes, section 462A.204, and is available until June 30, 2003.

Subd. 5. [MORTGAGE FORECLOSURE PREVENTION.] \$583,000 the first year and \$583,000 the second year are for the mortgage foreclosure prevention and assistance program under Minnesota Statutes, section 462A.207.

Subd. 6. [RENTAL ASSISTANCE FOR FAMILY STABILIZATION.] \$2,000,000 the first year and \$2,000,000 the second year are for rent subsidies provided to families receiving TANF assistance from the MFIP program under the rent assistance for family stabilization program under Minnesota Statutes, section 462A.205. If the appropriation in either year is insufficient, the appropriation for the other year is available.

Subd. 7. [HOUSING TRUST FUND.] \$37,500,000 the first year and \$37,500,000 the second year are for the housing trust fund to be deposited in the housing trust fund account created under Minnesota Statutes, section 462A.201, and used for the purposes provided in that section. Of this amount, \$550,000 each year must be used for transitional housing.

Subd. 8. [AFFORDABLE RENTAL INVESTMENT FUND.] \$32,993,000 the first year and \$32,993,000 the second year are for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b. Of this amount, \$22,500,000 the first year and \$22,500,000 the second year are to finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property and for making equity take-out

loans under Minnesota Statutes, section 462A.05, subdivision 39. The owner of the federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted. The owner must also enter into an agreement that gives local units of government, housing and redevelopment authorities, and nonprofit housing organizations the right of first refusal if the rental property is offered for sale. Priority must be given among comparable properties to properties with the longest remaining term under an agreement for federal rental assistance. Priority must also be given among comparable rental housing developments to developments that are or will be owned by local government units, a housing and redevelopment authority, or a nonprofit housing organization.

To the extent practicable, this appropriation shall be used so that an approximately equal number of housing units are financed in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, and in the nonmetropolitan area.

Subd. 9. [URBAN INDIAN HOUSING PROGRAM.] \$237,000 the first year and \$237,000 the second year are for the urban Indian housing program under Minnesota Statutes, section 462A.07.

Subd. 10. [TRIBAL INDIAN HOUSING PROGRAM.] \$1,683,000 the first year and \$1,683,000 the second year are for the tribal Indian housing program under Minnesota Statutes, section 462A.07, subdivision 14.

Subd. 11. [RURAL AND URBAN HOMESTEADING.] \$186,000 the first year and \$186,000 the second year are for the Minnesota rural and urban homesteading program under Minnesota Statutes, section 462A.057.

Subd. 12. [CAPACITY BUILDING GRANTS.] \$240,000 the first year and \$240,000 the second year are for nonprofit capacity building grants under Minnesota Statutes, section 462A.21, subdivision 3b.

Subd. 13. [COMMUNITY REHABILITATION PROGRAM.] \$12,350,000 the first year and \$12,350,000 the second year are for the community rehabilitation program under Minnesota Statutes, section 462A.206.

Of this appropriation, \$550,000 the first year and \$550,000 the second year are for full-cycle home ownership and purchase-rehabilitation lending initiatives under Minnesota Statutes, section 462A.21, subdivision 26.

Subd. 14. [HOUSING REHABILITATION AND ACCESSIBILITY.] \$4,287,000 the first year and \$4,287,000 the second year are for the housing rehabilitation and accessibility program under Minnesota Statutes, section 462A.05, subdivisions 14a and 15a.

Subd. 15. [HOME OWNERSHIP ASSISTANCE FUND.] \$900,000 the first year and \$900,000 the second year are for the home ownership assistance fund under Minnesota Statutes, section 462A.21, subdivision 8.

Subd. 16. [EMPLOYER MATCHING GRANTS.] \$800,000 in the first year and \$800,000 in the second year are for the employer matching grant program under Minnesota Statutes, section 462A.2092.

Subd. 17. [INNOVATIVE AND INCLUSIONARY HOUSING PROGRAM.] \$19,000,000 is for innovative and inclusionary housing programs. \$4,000,000 of this appropriation is for the nonmetropolitan innovative and inclusionary housing program under Minnesota Statutes, section 462A.2093. \$15,000,000 of this appropriation is for transfer to the metropolitan council for deposit in the inclusionary housing account created in Minnesota Statutes, section 473.251. The metropolitan council may use this transfer only for projects that are consistent with Minnesota Statutes, section 473.255.

Subd. 18. [RENTER ASSISTANCE.] \$2,000,000 is for grants to organizations providing case management for persons that need assistance to rehabilitate their rental history and find rental housing. Case management services include, but are not limited to, assisting tenants in correcting tenant screening reports, providing intensive training and certification for tenants, creating a bonding program to encourage landlords to accept high-risk tenants with poor rent histories, paying security deposits for high-risk tenants, and agreeing to pay landlord expenses for filing unlawful detainer actions.

Subd. 19. [LOCAL INITIATIVE BLOCK GRANTS.] \$20,000,000 is for the local initiative block grant program in Minnesota Statutes, section 462A.34.

Subd. 20. [LEAD HAZARD REDUCTION.] \$10,000,000 is for lead hazard reduction activities under Minnesota Statutes, section 462A.05, subdivision 15c.

Forty percent of the amount must be used for grants to eligible organizations, as defined in Minnesota Statutes, section 119A.46, subdivision 1, and to nonprofit organizations experienced in lead hazard reduction, for the purposes of Minnesota Statutes, section 119A.46.

Subd. 21. [SECTION 8 HOME OWNERSHIP.] \$1,000,000 is for grants to agencies administering the federal Section 8 housing program for administrative costs associated with the establishment and operation of Section 8 home ownership programs as provided by Code of Federal Regulations, title 24, parts 5, 903, and 982, and for the acquisition and rehabilitation of homes for resale to Section 8 eligible households using Section 8 certificates and vouchers to finance the home purchases. The housing finance agency, in conjunction with local Section 8 administering agencies, shall set guidelines for the sale of homes under this subdivision to ensure that a home buyer who later loses eligibility for Section 8 assistance will continue to have an opportunity to purchase the home and to retain any equity built up in the home."

With the recommendation that when so amended the bill be re-referred to the Committee on Local Government and Metropolitan Affairs without further recommendation.

The report was adopted.

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

H. F. No. 1629, A bill for an act relating to family law; providing for a study of the proposed Uniform Parentage Act.

Reported the same back with the following amendments:

Page 2, line 9, delete "and"

Page 2, line 10, before the period, insert "; and

(20) noncustodial parents"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 1671, A bill for an act relating to natural resources; proposing an amendment to the Minnesota Constitution, article XI; dedicating the sales tax receipts equal to a sales tax of 3/16 of one percent on taxable sales for natural resource purposes; creating a heritage enhancement fund and a heritage enhancement council; modifying the disposition of the payments in lieu of sales tax for lottery tickets; amending Minnesota Statutes 2000, sections 97A.055, subdivision 2; 297A.94; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

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

H. F. No. 1697, A bill for an act relating to crimes; authorizing dismissal of a charge of nonsupport of spouse or child under certain circumstances; amending Minnesota Statutes 2000, section 609.375, 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 519.05, is amended to read:

519.05 [LIABILITY OF HUSBAND AND WIFE.]

(a) A spouse is not liable to a creditor for any debts of the other spouse. Where husband and wife are living together, they shall be jointly and severally liable for ~~all~~ necessary medical services that have been furnished to either spouse, and necessary household articles and supplies furnished to and used by the family. Notwithstanding this paragraph, in a proceeding under chapter 518 the court may apportion such debt between the spouses.

(b) Either spouse may close a credit card account or other unsecured consumer line of credit on which both spouses are contractually liable, by giving written notice to the creditor.

Sec. 2. Minnesota Statutes 2000, section 609.375, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] Whoever is legally obligated to provide care and support to a spouse or child, whether or not ~~its~~ the child's custody has been granted to another, and knowingly omits and fails ~~without lawful excuse~~ to do so is guilty of a misdemeanor, and upon conviction may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both.

Sec. 3. Minnesota Statutes 2000, section 609.375, subdivision 2, is amended to read:

Subd. 2. [GROSS MISDEMEANOR VIOLATION.] ~~If the violation of subdivision 1 continues for a period in excess of 90 days but not more than 180 days, the~~ A person who violates subdivision 1 is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both, if:

(1) the violation continues for a period in excess of 90 days but not more than 180 days; or

(2) the person is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than six times but less than nine times the person's total monthly support and maintenance payments.

Sec. 4. Minnesota Statutes 2000, section 609.375, subdivision 2a, is amended to read:

Subd. 2a. [FELONY VIOLATION.] ~~If the violation of subdivision 1 continues for a period in excess of 180 days, the~~ A person who violates subdivision 1 is guilty of a felony and upon conviction may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$5,000, or both, if:

(1) the violation continues for a period in excess of 180 days; or

(2) the person is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than nine times the person's total monthly support and maintenance payments.

Sec. 5. Minnesota Statutes 2000, section 609.375, is amended by adding a subdivision to read:

Subd. 8. [DEFENSE.] It is an affirmative defense to criminal liability under this section if the defendant proves by a preponderance of the evidence that the omission and failure to provide care and support were with lawful excuse.

Sec 6. Minnesota Statutes 2000, section 609.375, is amended by adding a subdivision to read:

Subd. 9. [TERMS AND CONDITIONS.] If any person who has not been previously convicted of a felony crime under the laws of this state or elsewhere or who has not been previously convicted of a violation of this section or of a similar offense in this state or elsewhere or who has not previously participated in or completed a diversion program or who has not previously been placed on probation without a judgment of guilty for violation of this section, the court may after trial or upon a plea of guilty, without entering a judgment of guilty and with the consent of the person, defer further proceedings and place the person on probation upon such reasonable conditions as it may require and for a period not to exceed the maximum sentence provided for the violation. Such conditions shall include:

(1) the defendant must provide the public authority responsible for child support enforcement with an affidavit attesting to the defendant's present address, occupation, employer, current income, assets, and account information, as defined in section 13B.06; and

(2) the defendant must execute a written payment agreement regarding both current support and arrearages that is approved by the court. In determining whether to approve a payment agreement under this paragraph, the court shall apply the provisions of chapter 518.

Sec. 7. Minnesota Statutes 2000, section 609.375, is amended by adding a subdivision to read:

Subd. 10. [PROBATION VIOLATION.] Upon violation of a condition of the probation, including a failure to comply with the written payment agreement approved by the court under clause (2) of subdivision 9, the court may enter an adjudication of guilt and proceed as otherwise provided.

Sec. 8. Minnesota Statutes 2000, section 609.375, is amended by adding a subdivision to read:

Subd. 11. [DISMISSAL OF PROCEEDINGS.] The court may, in its discretion, dismiss the proceedings against the person and discharge the person from probation before the expiration of the maximum period prescribed for the person's probation but may do so only if the full amount of any arrearages has been brought current.

Sec. 9. Minnesota Statutes 2000, section 609.375, is amended by adding a subdivision to read:

Subd. 12. [DISCHARGE AND DISMISSAL.] If during the period of probation the person does not violate any of the conditions of the probation, then upon expiration of the period, the court shall discharge the person and dismiss the proceedings against that person. Discharge and dismissal under this subdivision shall be without court adjudication of guilt, but a not public record of it shall be retained by the bureau of criminal apprehension for the purpose of use by the courts in determining the merits of subsequent proceedings against the person. The not public record may also be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing. Upon request by law enforcement, prosecution, or corrections authorities, the bureau shall notify the requesting party of the existence of the not public record and the right to seek a court order to open it pursuant to this section. The court shall forward a record of any discharge and dismissal under this subdivision to the bureau which shall make and maintain the not public record of it as provided under this subdivision. The discharge or dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime or for any other purpose. For purposes of this subdivision, "not public" has the meaning given in section 13.02, subdivision 8a.

Sec. 10. [EFFECTIVE DATE.]

Sections 2 to 9 are effective August 1, 2001, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crime; clarifying and modifying the crime of nonsupport of a spouse or child; specifying spousal liability for medical necessities; imposing criminal penalties; amending Minnesota Statutes 2000, sections 519.05; 609.375, subdivisions 1, 2, 2a, by adding subdivisions."

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. 1859, A bill for an act relating to state government; creating the department of economic and workforce development; transferring certain duties of the departments of trade and economic development, economic security, and labor and industry; providing for a transition team; appropriating money; amending Minnesota Statutes 2000, section 15.01.

Reported the same back with the following amendments:

Page 3, after line 15, insert:

"(e) The head of the workforce transition team shall consult and meet with the representatives of the collective bargaining units for state employees affected by the transfers of responsibilities under this act, including the representatives of the two affected AFL-CIO affiliates and the representative of another affected major statewide labor organization."

Reletter the paragraphs in sequence

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

The report was adopted.

Knoblach from the Committee on Capital Investment to which was referred:

H. F. No. 1861, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 5; allowing general obligation bonds to be issued for highways.

Reported the same back with the following amendments:

Page 1, line 12, after "buildings" insert ", trunk highways."

Page 1, lines 23 and 24, reinstate the stricken language

Page 2, line 20, after "bonds" insert "payable from the state general fund" and after "construction" insert "and improvement"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation Finance.

The report was adopted.

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

H. F. No. 1887, A bill for an act relating to special education; establishing an interagency committee to coordinate state efforts to serve children with autism.

Reported the same back with the following amendments:

Page 2, after line 2, insert:

"The committee expires June 30, 2003."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on K-12 Education Finance.

The report was adopted.

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

H. F. No. 1892, A bill for an act relating to human rights; making technical changes; amending Minnesota Statutes 2000, sections 363.03, subdivision 8; 363.05, subdivision 1; 363.073, subdivision 1; and 363.074; repealing Minnesota Statutes 2000, sections 363.01, subdivision 20; and 363.03, subdivision 8b.

Reported the same back with the following amendments:

Page 1, line 19, after "discriminate" insert "in the extension of personal or commercial credit"

Page 1, line 21, delete " or"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1907, A bill for an act relating to education finance; making the general education levy a state-determined, state-collected levy; amending Minnesota Statutes 2000, sections 126C.13, subdivision 4; 273.1382, subdivisions 1, 2; 275.02; 275.065, subdivision 1; repealing Minnesota Statutes 2000, sections 126C.13, subdivisions 1, 2, 3; 273.1382, subdivision 3.

Reported the same back with the following amendments:

Page 4, after line 27, insert:

"Sec. 6. [SCHOOL DISTRICT CASH FLOW.]

For fiscal year 2003 and later, the commissioner of children, families, and learning must adjust the state aid payment schedule under Minnesota Statutes, section 127A.45, so that replacement of property tax levies with state aid under this act has a neutral effect on school districts' cash flow."

Page 4, line 28, delete "6" and insert "7"

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes without further recommendation.

The report was adopted.

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

H. F. No. 1918, A bill for an act relating to public defense; providing for the salary of the state public defender; amending Minnesota Statutes 2000, sections 15A.083, subdivision 4; and 611.23.

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

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1928, A bill for an act relating to human services; modifying provisions in health care access programs; amending Minnesota Statutes 2000, sections 245B.02, by adding a subdivision; 245B.03, subdivision 1; 252.28, subdivisions 3a and 3b; 256B.056, subdivisions 1a, 4, and 5a; 256B.0595, subdivisions 1 and 2; 256B.0625, subdivision 9; 256B.0635, subdivision 1; 256B.071, subdivision 2; 256B.094, subdivisions 6 and 8; 256B.5013, subdivision 1; 256B.69, subdivision 3a; 256D.03, subdivision 3; and 256L.15, subdivision 1a; Laws 1996, chapter 451, article 2, sections 61 and 62; repealing Minnesota Statutes 2000, section 256B.071, subdivision 5; Laws 1995, chapter 178, article 2, section 46, subdivision 10; Laws 1996, chapter 451, article 2, sections 12, 14, 16, 18, 29, and 30.

Reported the same back with the following amendments:

Pages 3 and 4, delete section 6

Pages 9 and 10, delete section 11

Page 27, after line 34, insert:

"Sec. 17. Laws 1995, chapter 178, article 2, section 36, is amended to read:

Sec. 36. [EMPOWERMENT ZONES; ADMINISTRATIVE SIMPLIFICATION OF WELFARE LAWS.]

(a) The commissioner of human services shall make recommendations to effectuate the changes in federal laws and regulations, state laws and rules, and the state plan to improve the administrative efficiency of the aid to families with dependent children, general assistance, work readiness, family general assistance, medical assistance, general assistance medical care, and food stamp programs. At a minimum, the following administrative standards and procedures must be changed.

The commissioner shall:

(1) require income or eligibility reviews no more frequently than annually for cases in which income is normally invariant, as in aid to families with dependent children cases where the only source of household income is Supplemental Social Security Income;

(2) permit households to report income annually when the source of income is excluded, such as a minor's earnings;

~~(3) require income or eligibility reviews no more frequently than annually for extended medical assistance cases;~~

~~(4) require income or eligibility reviews no more frequently than annually for a medical assistance postpartum client, where the client previously had eligibility under a different basis prior to pregnancy or if other household members have eligibility with the same income/basis that applies to the client;~~

~~(5) (4) permit all income or eligibility reviews for foster care medical assistance cases to use the short application form; and~~

~~(6) (5) make dependent care expenses declaratory for medical assistance; and~~

~~(7) permit households to only report gifts worth \$100 or more per month.~~

(b) The county's administrative savings resulting from these changes may be allocated to fund any lawful purpose.

(c) The recommendations must be provided in a report to the chairs of the appropriate legislative committees by August 1, 1995. The recommendations must include a list of the administrative standards and procedures that require approval by the federal government before implementation, and also which administrative simplification standards and procedures may be implemented by a county prior to receiving a federal waiver.

(d) The commissioner shall seek the necessary waivers from the federal government as soon as possible to implement the administrative simplification standards and procedures."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete ", 4,"

Page 1, line 8, delete "256B.0635, subdivision 1;"

Page 1, line 11, after the second semicolon, insert "Laws 1995, chapter 178, article 2, section 36;"

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. 1933, A bill for an act relating to state government; requiring life-cycle costing in state contracts; amending Minnesota Statutes 2000, sections 16C.03, subdivision 3; 16C.25; 161.32, subdivision 1b.

Reported the same back with the following amendments:

Page 2, line 13, delete "shall" and insert "must"

Page 3, line 3, delete "shall" and insert "must"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

Mares from the Committee on Education Policy to which was referred:

H. F. No. 1936, A bill for an act relating to education; amending charter schools provisions; obligating charter school operators to incorporate before entering into contracts; making teachers a majority of the members of the charter school board of directors by the end of a school's third year of operation; increasing the amount available to a sponsor to evaluate the performance of a charter school in its first three years of operation; establishing criteria the commissioner must use to approve or disapprove a charter school's application for building lease aid; amending Minnesota Statutes 2000, sections 124D.10, subdivisions 4, 15; 124D.11, subdivision 4.

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

The report was adopted.

Mares from the Committee on Education Policy to which was referred:

H. F. No. 1939, A bill for an act relating to education; imposing a fiduciary responsibility on the sponsor of a charter school; requesting the legislative auditor to study and report on charter school operations; amending Minnesota Statutes 2000, section 124D.10, subdivision 25.

Reported the same back with the following amendments:

Page 1, line 21, after the period, insert "This fiduciary responsibility becomes effective immediately for any new sponsor of a charter school. It becomes effective upon renewal of the charter school contract for any current sponsor."

With the recommendation that when so amended the bill be re-referred to the Committee on K-12 Education Finance without further recommendation.

The report was adopted.

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

H. F. No. 1943, A bill for an act relating to state employment; extending a civil service pilot project; amending Laws 1995, chapter 248, article 13, section 2, subdivision 2, as amended.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Laws 1993, chapter 301, section 1, subdivision 4, as amended by Laws 1999, chapter 47, section 1, is amended to read:

Subd. 4. [WAIVER.] (a) Upon receipt of the committee report required by subdivision 3, each entity head shall submit the list of recommended waivers to the commissioner of employee relations. The commissioner shall then grant the waivers requested by each entity, effective for the requesting entity, for a period ending June 30, 1997, except the waivers granted for the Minnesota housing finance agency shall extend to June 30, ~~2001~~ 2003, subject to the restrictions in paragraph (b) and to revision in accordance with subdivision 5. The commissioner shall waive a rule by granting a variance under Minnesota Statutes, section 14.05, subdivision 4.

(b) The commissioner may not grant a waiver if it would result in the layoff of classified employees or unclassified employees covered by a collective bargaining agreement except as provided in a plan negotiated under Minnesota Statutes, chapter 179A, that provides options to layoff for employees who would be affected. If a proposed waiver would violate the terms of a collective bargaining agreement reached under Minnesota Statutes, chapter 179A, the waiver may not be granted without the consent of the exclusive representative that is a party to the agreement.

Sec. 2. Laws 1995, chapter 248, article 12, section 2, as amended by Laws 1999, chapter 47, section 2, is amended to read:

Sec. 2. [TERMINATION.]

Section 1 and the civil service pilot project in the housing finance agency as authorized by Laws 1993, chapter 301, terminate June 30, ~~2001~~ 2003, or at any earlier time by a method agreed upon by the commissioners of employee relations and housing finance and the affected exclusive bargaining representative of state employees."

Page 2, line 8, delete "Section 1 is" and insert "Sections 1 to 3 are"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "extending certain waivers for the Minnesota housing finance agency;" and delete "a"

Page 1, line 3, delete "project" and insert "projects" and after "amending" insert "Laws 1993, chapter 301, section 1, subdivision 4, as amended; Laws 1995, chapter 248, article 12, section 2, as amended;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1947, A bill for an act relating to health; modifying the Vital Statistics Act; modifying access to adoption records; providing criminal penalties; amending Minnesota Statutes 2000, sections 144.212, subdivisions 2a, 3, 5, 7, 8, 9, and 11; 144.214, subdivisions 1, 3, and 4; 144.215, subdivisions 1, 3, 4, 6, and 7; 144.217; 144.218; 144.221, subdivisions 1 and 3; 144.222, subdivision 2; 144.223; 144.225, subdivisions 1, 2, 3, 4, and 7; 144.226, subdivisions 1 and 3; 144.227; and 260C.317, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 2000, sections 144.1761; 144.217, subdivision 4; and 144.219.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 144.212, subdivision 2a, is amended to read:

Subd. 2a. [DELAYED REGISTRATION.] "Delayed registration" means registration of a certificate record of birth or death filed one or more years after the date ~~established by law for filing a certificate~~ of birth or death.

Sec. 2. Minnesota Statutes 2000, section 144.212, subdivision 3, is amended to read:

Subd. 3. [FILE.] "File" means to present a vital record or report for registration to the office of the state registrar and to have the vital record or report accepted for registration by the office of the state registrar.

Sec. 3. Minnesota Statutes 2000, section 144.212, subdivision 5, is amended to read:

Subd. 5. [REGISTRATION.] "Registration" means the ~~acceptance of a vital record for filing by a registrar of vital statistics process by which vital records are completed, filed, and incorporated into the official records of the office of the state registrar.~~

Sec. 4. Minnesota Statutes 2000, section 144.212, subdivision 7, is amended to read:

Subd. 7. [SYSTEM OF VITAL STATISTICS.] "System of vital statistics" includes the registration, collection, preservation, amendment, and certification of vital records, the collection of other reports required by sections 144.211 to 144.227, and related activities including the tabulation, analysis ~~and~~ publication, and dissemination of vital statistics.

Sec. 5. Minnesota Statutes 2000, section 144.212, subdivision 8, is amended to read:

Subd. 8. [VITAL RECORD.] "Vital record" means ~~certificates or reports~~ a record or report of birth, death, marriage, dissolution and annulment, and data related thereto.

Sec. 6. Minnesota Statutes 2000, section 144.212, subdivision 9, is amended to read:

Subd. 9. [VITAL STATISTICS.] "Vital statistics" means the data derived from ~~certificates and records~~ and reports of birth, death, fetal death, induced abortion, marriage, dissolution and annulment, and related reports.

Sec. 7. Minnesota Statutes 2000, section 144.212, subdivision 11, is amended to read:

Subd. 11. [CONSENT TO DISCLOSURE.] "Consent to disclosure" means an affidavit filed with the state registrar which sets forth the following information:

- (a) (1) the current name and address of the affiant;
- (b) (2) any previous name by which the affiant was known;
- (c) (3) the original and adopted names, if known, of the adopted child whose original birth ~~certificate record~~ is to be disclosed;
- (d) (4) the place and date of birth of the adopted child;
- (e) (5) the biological relationship of the affiant to the adopted child; and
- (f) (6) the affiant's consent to disclosure of information from the original ~~unaltered~~ birth ~~certificate record~~ of the adopted child.

Sec. 8. Minnesota Statutes 2000, section 144.214, subdivision 1, is amended to read:

Subdivision 1. [DISTRICTS.] ~~Each county~~ The counties of the state, and the city of St. Paul, shall constitute the ~~88 87~~ registration districts of the state. ~~The A~~ local registrar in each county shall be ~~the court administrator of district court in that county~~ designated by the county board of commissioners. The local registrar in any city which maintains local registration of vital statistics shall be the agent of a board of health as authorized under section 145A.04. In addition, the state registrar may establish registration districts on United States government reservations; and may appoint a local registrar for each registration district so established.

Sec. 9. Minnesota Statutes 2000, section 144.214, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] ~~The local registrar shall examine each certificate of birth and death received pursuant to the rules of the commissioner. If the certificate is complete it shall be registered.~~ The local registrar shall enforce the provisions of sections 144.211 to 144.227 and the rules promulgated thereunder within the registration district; and shall promptly report violations of the laws or rules to the state registrar.

Sec. 10. Minnesota Statutes 2000, section 144.214, subdivision 4, is amended to read:

Subd. 4. [DESIGNATED MORTICIANS.] The state registrar may designate licensed morticians to receive records of death for filing ~~certificates of death~~, to issue burial permits, and to issue permits for the transportation of dead bodies or dead fetuses within a designated territory. The designated morticians shall perform duties as prescribed by rule of the commissioner.

Sec. 11. Minnesota Statutes 2000, section 144.215, subdivision 1, is amended to read:

Subdivision 1. [WHEN AND WHERE TO FILE.] ~~A certificate record~~ of birth for each live birth which occurs in this state shall be filed with the state registrar ~~or the local registrar of the district in which the birth occurred;~~ within five days after the birth.

Sec. 12. Minnesota Statutes 2000, section 144.215, subdivision 3, is amended to read:

Subd. 3. [FATHER'S NAME; CHILD'S NAME.] In any case in which paternity of a child is determined by a court of competent jurisdiction, a declaration of parentage is executed under section 257.34, or a recognition of parentage is executed under section 257.75, the name of the father shall be entered on the birth certificate record. If the order of the court declares the name of the child, it shall also be entered on the birth certificate record. If the order of the court does not declare the name of the child, or there is no court order, then upon the request of both parents in writing, the surname of the child shall be ~~that of the father~~ defined by both parents.

Sec. 13. Minnesota Statutes 2000, section 144.215, subdivision 4, is amended to read:

Subd. 4. [SOCIAL SECURITY NUMBER REGISTRATION.] (a) Parents of a child born within this state shall give ~~their~~ the parents' social security numbers to the office of ~~vital statistics~~ the state registrar at the time of filing the birth certificate record, but the numbers shall not appear on the certificate.

(b) The social security numbers are classified as private data, as defined in section 13.02, subdivision 12, on individuals, but the office of ~~vital statistics~~ the state registrar shall provide ~~the a~~ social security number to the public authority responsible for child support services upon request by the public authority for use in the establishment of parentage and the enforcement of child support obligations.

Sec. 14. Minnesota Statutes 2000, section 144.215, subdivision 6, is amended to read:

Subd. 6. [BIRTHS OCCURRING OUTSIDE AN INSTITUTION.] When a birth occurs outside of an institution as defined in subdivision 5, the certificate record of birth shall be ~~prepared and~~ filed by one of the following persons, in the indicated order of preference:

- (1) the physician present at the time of the birth or immediately thereafter;
- (2) in the absence of a physician, a person, other than the mother, present at the time of the birth or immediately thereafter;
- (3) the father ~~or mother~~ of the child; ~~or~~
- (4) the mother of the child; or
- (5) in the absence of the father and if the mother is unable, the person with primary responsibility for the premises where the child was born.

Sec. 15. Minnesota Statutes 2000, section 144.215, subdivision 7, is amended to read:

Subd. 7. [EVIDENCE REQUIRED TO REGISTER A NONINSTITUTION BIRTH WITHIN THE FIRST YEAR OF BIRTH.] When a birth occurs in this state outside of an institution, as defined in subdivision 5, and the birth ~~certificate record~~ is filed before the first birthday, evidence in support of the facts of birth shall be required ~~when neither the state nor local registrar has personal knowledge regarding the facts of birth~~. Evidence shall be presented by the individual responsible for filing the certificate vital record under subdivision 6. Evidence shall consist of proof that the child was born alive, proof of pregnancy, ~~or and~~ evidence of the mother's presence in this state on the date of the birth. If the evidence is not acceptable, the state registrar shall advise the applicant of the reason for not filing a birth certificate record and shall further advise the applicant of the right of appeal to a court of competent jurisdiction.

Sec. 16. Minnesota Statutes 2000, section 144.217, is amended to read:

144.217 [DELAIED ~~CERTIFICATES~~ RECORDS OF BIRTH.]

Subdivision 1. [EVIDENCE REQUIRED FOR FILING.] Before a delayed certificate record of birth is registered, the person presenting the delayed certificate vital record for registration shall offer evidence of the facts contained in the certificate vital record, as required by the rules of the commissioner. In the absence of the evidence required, the delayed certificate vital record shall not be registered. No delayed record of birth shall be registered for a deceased person.

Subd. 2. [COURT PETITION.] If a delayed certificate record of birth is rejected under subdivision 1, a person may petition the appropriate court for an order establishing a record of the date and place of the birth and the parentage of the person whose birth is to be registered. The petition shall state:

- (a) (1) that the person for whom a delayed certificate record of birth is sought was born in this state;
- (b) (2) that no certificate record of birth can be found in the office of the state ~~or local~~ registrar;
- (c) (3) that diligent efforts by the petitioner have failed to obtain the evidence required in subdivision 1;
- (d) (4) that the state registrar has refused to register a delayed certificate record of birth; and
- (e) (5) other information as may be required by the court.

Subd. 3. [COURT ORDER.] The court shall fix a time and place for a hearing on the petition and shall give the state registrar ten days' notice of the hearing. The state registrar may appear and testify in the proceeding. If the court is satisfied from the evidence received at the hearing of the truth of the statements in the petition, the court shall order the registration of the delayed certificate vital record.

Subd. 4. ~~[FILING THE ORDER.] A certified copy of the order shall be filed with the state registrar, who shall forward a copy to the local registrar in the district of birth. Certified copies of the order shall be evidence of the truth of their contents and be admissible as birth certificates.~~

Sec. 17. Minnesota Statutes 2000, section 144.218, is amended to read:

144.218 [REPLACEMENT ~~CERTIFICATES OF BIRTH RECORDS.~~]

Subdivision 1. [ADOPTION.] Upon receipt of a certified copy of an order, decree, or certificate of adoption, the state registrar shall register a replacement certificate vital record in the new name of the adopted person. The original certificate record of birth ~~and the certified copy are~~ is confidential pursuant to section 13.02, subdivision 3, and shall not be disclosed except pursuant to court order or section ~~144.1761~~ 144.2252. ~~A certified copy of the original birth certificate from which the registration number has been deleted and which has been marked "Not for Official Use," or~~ The information contained on the original birth certificate record, except for the registration number, shall be provided on request to a parent who is named on the original birth certificate record. Upon the receipt of a certified copy of a court order of annulment of adoption the state registrar shall restore the original certificate vital record to its original place in the file.

Subd. 2. [ADOPTION OF FOREIGN PERSONS.] In proceedings for the adoption of a person who was born in a foreign country, the court, upon evidence presented by the commissioner of human services from information secured at the port of entry; or upon evidence from other reliable sources, may make findings of fact as to the date and place of birth and parentage. Upon receipt of certified copies of the court findings and the order or decree of adoption, a certificate of adoption, or a certified copy of a decree issued under section 259.60, the state registrar shall register a birth certificate record in the new name of the adopted person. The certified copies of the court findings and the order; or decree of adoption, certificate of adoption, or decree issued under section 259.60 are confidential, pursuant to section 13.02, subdivision 3, and shall not be disclosed except pursuant to court order or section ~~144.1761~~ 144.2252. The birth certificate record shall state the place of birth as specifically as possible; and that the certificate vital record is not evidence of United States citizenship.

Subd. 3. [SUBSEQUENT MARRIAGE OF BIRTH PARENTS.] If, in cases in which a certificate record of birth has been registered pursuant to section 144.215 and the birth parents of the child marry after the birth of the child, a replacement certificate record of birth shall be registered upon presentation of a certified copy of the marriage certificate of the birth parents, and either a recognition of parentage or court adjudication of paternity. ~~The information presented and the~~ original certificate record of birth ~~are~~ is confidential, pursuant to section 13.02, subdivision 3, and shall not be disclosed except pursuant to court order.

Subd. 4. [INCOMPLETE, INCORRECT, AND MODIFIED ~~CERTIFICATES VITAL RECORDS.~~] If a court finds that a birth certificate record is incomplete, inaccurate, or false; or if it is being issued pursuant to section 259.10, subdivision 2, ~~it~~ the court may order the registration of a replacement certificate vital record, and, if necessary, set forth the correct information in the order. Upon receipt of the order, ~~the~~ state registrar shall register a replacement certificate vital record containing the findings of the court; ~~and~~. The prior certificate vital record shall be confidential pursuant to section 13.02, subdivision 3, and shall not be disclosed except pursuant to court order.

Subd. 5. [REPLACEMENT OF VITAL RECORDS.] Upon the order of a court of this state, upon the request of a court of another state, upon the filing of a declaration of parentage under section 257.34, or upon the filing of a recognition of parentage with a registrar, a replacement birth record must be registered consistent with the findings of the court, the declaration of parentage, or the recognition of parentage.

Sec. 18. Minnesota Statutes 2000, section 144.221, subdivision 1, is amended to read:

Subdivision 1. [WHEN AND WHERE TO FILE.] A death certificate record for each death which occurs in the state shall be filed with the state registrar or local registrar ~~of the district in which the death occurred~~ or with a mortician ~~appointed~~ designated pursuant to section 144.214, subdivision 4, within five days after death and prior to final disposition.

Sec. 19. Minnesota Statutes 2000, section 144.221, subdivision 3, is amended to read:

Subd. 3. [WHEN NO BODY IS FOUND.] When circumstances suggest that a death has occurred although a dead body cannot be produced to confirm the fact of death, a death ~~certificate record~~ shall not be registered until a court has adjudicated the fact of death. ~~A certified copy of the court finding shall be attached to the death certificate when it is registered.~~

Sec. 20. Minnesota Statutes 2000, section 144.222, subdivision 2, is amended to read:

Subd. 2. [SUDDEN INFANT DEATH.] Each infant death which is diagnosed as sudden infant death syndrome shall be reported ~~promptly~~ within five days to the state registrar.

Sec. 21. Minnesota Statutes 2000, section 144.223, is amended to read:

144.223 [REPORT OF MARRIAGE.]

Data relating to certificates of marriage registered shall be reported to the state registrar by the ~~local registrars~~ responsible authority in each of the 87 registration districts pursuant to the rules of the commissioner. The information in clause (1) necessary to compile the report shall be furnished by the applicant prior to the issuance of the marriage license. The report shall contain the following ~~information~~:

~~A:~~ (1) personal information on bride and groom:

~~1:~~ (i) name;

~~2:~~ (ii) residence;

~~3:~~ (iii) date and place of birth;

~~4:~~ (iv) race;

~~5:~~ (v) if previously married, how terminated; and

~~6:~~ (vi) signature of applicant ~~and~~, date signed, and social security number; and

~~B:~~ (2) information concerning the marriage:

~~1:~~ (i) date of marriage;

~~2:~~ (ii) place of marriage; and

~~3:~~ (iii) civil or religious ceremony.

Sec. 22. Minnesota Statutes 2000, section 144.225, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC INFORMATION; ACCESS TO VITAL RECORDS.] Except as otherwise provided for in this section and section ~~144.1761~~ 144.2252, information contained in vital records shall be public information. Physical access to vital records shall be subject to the supervision and regulation of state and local registrars and their employees pursuant to rules promulgated by the commissioner in order to protect vital records from loss, mutilation or destruction and to prevent improper disclosure of vital records which are confidential or private data on individuals, as defined in section 13.02, subdivisions 3 and 12.

Sec. 23. Minnesota Statutes 2000, section 144.225, subdivision 2, is amended to read:

Subd. 2. [DATA ABOUT BIRTHS.] (a) Except as otherwise provided in this subdivision, data pertaining to the birth of a child to a woman who was not married to the child's father when the child was conceived nor when the child was born, including the original ~~certificate~~ record of birth and the certified ~~copy~~ vital record, are confidential data. At the time of the birth of a child to a woman who was not married to the child's father when the child was conceived nor when the child was born, the mother may designate ~~on the birth registration form whether~~ demographic data pertaining to the birth ~~will be as~~ public data. Notwithstanding the designation of the data as confidential, it may be disclosed:

- (1) to a parent or guardian of the child;
- (2) to the child when the child is ~~18~~ 16 years of age or older;
- (3) under paragraph (b) or (e); or
- (4) pursuant to a court order. For purposes of this section, a subpoena does not constitute a court order.

(b) Unless the child is adopted, data pertaining to the birth of a child that are not accessible to the public become public data if 100 years have elapsed since the birth of the child who is the subject of the data, or as provided under section 13.10, whichever occurs first.

(c) If a child is adopted, data pertaining to the child's birth are governed by the provisions relating to adoption records, including sections 13.10, subdivision 5; ~~144.1761~~; 144.218, subdivision 1; 144.2252; and 259.89. The birth and death records of the commissioner of health shall be open to inspection by the commissioner of human services and it shall not be necessary for the commissioner of human services to obtain an order of the court in order to inspect records or to secure certified copies of them.

(d) The name and address of a mother under paragraph (a) and the child's date of birth may be disclosed to the county social services or public health member of a family services collaborative for purposes of providing services under section 124D.23.

(e) The commissioner of human services shall have access to birth records for:

(1) the purposes of administering medical assistance, general assistance medical care, and the MinnesotaCare program; and

(2) for child support enforcement purposes.

Sec. 24. Minnesota Statutes 2000, section 144.225, subdivision 2a, is amended to read:

Subd. 2a. [HEALTH DATA ASSOCIATED WITH BIRTH REGISTRATION.] Information from which an identification of risk for disease, disability, or developmental delay in a mother or child can be made, that is collected in conjunction with birth registration or fetal death reporting, is private data as defined in section 13.02, subdivision 12. The commissioner may disclose to a local board of health, as defined in section 145A.02, subdivision 2, health data associated with birth registration which identifies a mother or child at high risk for serious disease, disability, or developmental delay in order to assure access to appropriate health, social, or educational services. Notwithstanding the designation of the private data, the commissioner of human services shall have access to health data associated with birth registration for purposes of administering medical assistance, general assistance medical care, and the MinnesotaCare program.

Sec. 25. Minnesota Statutes 2000, section 144.225, subdivision 3, is amended to read:

Subd. 3. [~~LAWS AND RULES FOR PREPARING CERTIFICATES~~ VITAL RECORDS.] No person shall prepare or issue any ~~certificate~~ vital record which purports to be an original, certified copy, or copy of a vital record except as authorized in sections 144.211 to 144.227 or the rules of the commissioner.

Sec. 26. Minnesota Statutes 2000, section 144.225, subdivision 4, is amended to read:

Subd. 4. [~~ACCESS TO~~ VITAL RECORDS FOR RESEARCH PURPOSES.] The state registrar may permit persons performing medical research access to the information restricted in ~~subdivision~~ subdivisions 2 and 2a if those persons agree in writing not to disclose private or confidential data on individuals.

Sec. 27. Minnesota Statutes 2000, section 144.225, subdivision 7, is amended to read:

Subd. 7. [~~CERTIFIED COPY OF BIRTH OR DEATH CERTIFICATE RECORD~~.] (a) The state or local registrar shall issue a certified ~~copy of a birth or death certificate record~~ or a statement of no vital record found to an individual upon the individual's proper completion of an attestation provided by the commissioner:

(1) to a person who has a tangible interest in the requested ~~certificate~~ vital record. A person who has a tangible interest is:

(i) the subject of the ~~certificate~~ vital record;

(ii) a child of the subject;

(iii) the spouse of the subject;

(iv) a parent of the subject;

(v) the grandparent or grandchild of the subject;

(vi) the party responsible for filing the ~~certificate~~ vital record;

(vii) the legal custodian or guardian of the subject;

(viii) a personal representative of the estate of the subject or a successor of the subject, as defined in section 524.1-201, if the subject is deceased;

(ix) a representative authorized by a person under clauses (1) to (3); or

(x) a person or entity who demonstrates that a certified ~~copy of the certificate~~ vital record is necessary for the determination or protection of a personal or property right, pursuant to rules adopted by the commissioner;

(2) to any local, state, or federal governmental agency upon request if the certified ~~certificate~~ vital record is necessary for the governmental agency to perform its authorized duties. An authorized governmental agency includes the department of human services, the department of revenue, and the United States Immigration and Naturalization Service; or

(3) pursuant to a court order issued by a court of competent jurisdiction. For purposes of this section, a subpoena does not constitute a court order.

(b) The state or local registrar shall also issue a certified death record to an individual described in paragraph (a), clause (1), items (ii) to (vii), if, on behalf of the individual, a mortician designated to receive death records under section 144.214, subdivision 4, furnishes the registrar with a properly completed attestation in the form provided by the commissioner within 180 days of the time of death of the subject of the death record. This paragraph is not subject to the requirements specified in Minnesota Rules, part 4601.2600, subpart 5, item B.

Sec. 28. [144.2252] [ACCESS TO ORIGINAL BIRTH RECORD AFTER ADOPTION.]

(a) Whenever an adopted person requests the state registrar to disclose the information on the adopted person's original birth record, the state registrar shall act according to section 259.89.

(b) The state registrar shall provide a transcript of an adopted person's original birth record to an authorized representative of a federally recognized American Indian tribe for the sole purpose of determining the adopted person's eligibility for enrollment or membership. Information contained in the birth record may not be used to provide the adopted person information about the person's birth parents, except as provided in this section or section 259.83.

Sec. 29. Minnesota Statutes 2000, section 144.226, subdivision 1, is amended to read:

Subdivision 1. [WHICH SERVICES ARE FOR FEE.] The fees for the following services shall be the following or an amount prescribed by rule of the commissioner:

(a) The fee for the issuance of a certified ~~copy or certification of a~~ vital record; or a certification that the vital record cannot be found is \$8. No fee shall be charged for a certified birth or death record that is reissued within one year of the original issue, if an amendment is made to the vital record and if the previously issued vital record is surrendered.

(b) The fee for the replacement of a birth record for all events, ~~except adoption when filing a recognition of parentage pursuant to section 257.73, subdivision 1,~~ is \$20.

(c) The fee for the filing of a delayed registration of birth or death is \$20.

(d) The fee for the amendment of any vital record when requested more than ~~one year~~ 45 days after the filing of the vital record is \$20. No fee shall be charged for an amendment requested within ~~one year~~ 45 days after the filing of the certificate vital record.

(e) The fee for the verification of information from vital records is \$8 when the applicant furnishes the specific information to locate the vital record. When the applicant does not furnish specific information, the fee is \$20 per hour for staff time expended. Specific information ~~shall include~~ includes the correct date of the event and the correct name of the registrant. Fees charged shall approximate the costs incurred in searching and copying the vital records. The fee shall be payable at the time of application.

(f) The fee for issuance of a ~~certified or noncertified~~ copy of any document on file pertaining to a vital record or ~~a certification statement that the record~~ a related document cannot be found is \$8.

Sec. 30. Minnesota Statutes 2000, section 144.226, subdivision 3, is amended to read:

Subd. 3. [~~BIRTH CERTIFICATE COPY RECORD SURCHARGE.~~] In addition to any fee prescribed under subdivision 1, there shall be a nonrefundable surcharge of \$3 for each certified ~~copy of a birth certificate, record~~ and for a certification that the vital record cannot be found. The local or state registrar shall forward this amount to the commissioner of finance for deposit into the account for the children's trust fund for the prevention of child abuse established under section 119A.12. This surcharge shall not be charged under those circumstances in which no fee for a certified ~~copy of a birth certificate record~~ is permitted under subdivision 1, paragraph (a). Upon certification by the commissioner of finance that the assets in that fund exceed \$20,000,000, this surcharge shall be discontinued.

Sec. 31. Minnesota Statutes 2000, section 144.227, is amended to read:

144.227 [PENALTIES.]

Subdivision 1. [FALSE STATEMENTS.] ~~Whoever~~ A person who intentionally makes ~~any~~ a false statement in a certificate, vital record, or report required to be filed under sections 144.211 to 144.214 or 144.216 to 144.227, or in an application for an amendment thereof, or in an application for a certified ~~copy of a~~ vital record; or who supplies false information intending that the information be used in the preparation of ~~any~~ a report, vital record, certificate, or amendment thereof, is guilty of a misdemeanor.

Subd. 2. [FRAUD.] ~~Any~~ A person who, without lawful authority and with the intent to deceive, willfully and knowingly makes, counterfeits, alters, obtains, possesses, uses, or sells ~~any~~ a certificate, vital record, or report required to be filed under sections 144.211 to 144.227; or a certified ~~copy of a~~ certificate, vital record, or report, is guilty of a gross misdemeanor.

Subd. 3. [BIRTH REGISTRATION.] ~~Whoever~~ A person who intentionally makes a false statement in a registration required under section 144.215 or in an application for an amendment to such a registration; or who intentionally supplies false information intending that the information be used in the preparation of a registration under section 144.215 is guilty of a gross misdemeanor. This offense shall be prosecuted by the county attorney.

Sec. 32. Minnesota Statutes 2000, section 260C.317, subdivision 4, is amended to read:

Subd. 4. [RIGHTS OF TERMINATED PARENT.] Upon entry of an order terminating the parental rights of any person who is identified as a parent on the original birth certificate of the child as to whom the parental rights are terminated, the court shall cause written notice to be made to that person setting forth:

~~(a)~~ (1) the right of the person to file at any time with the state registrar of vital statistics a consent to disclosure, as defined in section 144.212, subdivision 11;

~~(b)~~ (2) the right of the person to file at any time with the state registrar of vital statistics an affidavit stating that the information on the original birth certificate shall not be disclosed as provided in section ~~144.1761~~ 144.2252; and

~~(c)~~ (3) the effect of a failure to file either a consent to disclosure, as defined in section 144.212, subdivision 11, or an affidavit stating that the information on the original birth certificate shall not be disclosed.

Sec. 33. [REVISOR'S INSTRUCTION.]

(a) The revisor of statutes shall change the terms "certificate of birth," "birth certificate," or similar terms to "record of birth," "birth record," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules.

(b) The revisor of statutes shall change the terms "certificate of death," "death certificate," or similar terms to "record of death," "death record," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules.

(c) The revisor of statutes shall change the term "office of vital statistics" to "office of the state registrar" wherever it appears in Minnesota Statutes and Minnesota Rules.

Sec. 34. [REPEALER.]

Minnesota Statutes 2000, sections 144.1761; 144.217, subdivision 4; and 144.219, are repealed."

Delete the title and insert:

"A bill for an act relating to health; modifying the Vital Statistics Act; modifying access to adoption records; amending Minnesota Statutes 2000, sections 144.212, subdivisions 2a, 3, 5, 7, 8, 9, 11; 144.214, subdivisions 1, 3, 4; 144.215, subdivisions 1, 3, 4, 6, 7; 144.217; 144.218; 144.221, subdivisions 1, 3; 144.222, subdivision 2; 144.223;

144.225, subdivisions 1, 2, 2a, 3, 4, 7; 144.226, subdivisions 1, 3; 144.227; 260C.317, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 2000, sections 144.1761; 144.217, subdivision 4; 144.219."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Civil Law.

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 1948, A bill for an act relating to transportation; providing for advertising, submitting, receiving, or posting highway construction and maintenance bids, security guarantees, or contract bid records electronically or over the Internet; amending Minnesota Statutes 2000, section 161.32, subdivisions 1, 1a, 1b, and 1e.

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

The report was adopted.

Bradley from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1958, A resolution memorializing the President and the Congress of the United States to take whatever action is necessary to reduce or eliminate the disparities between the states in Medicare+Choice benefits.

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

The report was adopted.

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

H. F. No. 1960, A bill for an act relating to crime prevention; clarifying provisions of the sex offender registration law, registration law for other offenders, and law requiring submission of a biological specimen for DNA testing; providing criminal penalties; requiring additional offenders to submit a biological specimen for DNA testing; amending Minnesota Statutes 2000, sections 243.166, subdivisions 1, 3, 4a, 6; 243.167, subdivision 1; 609.117, subdivision 2; repealing Minnesota Statutes 2000, section 243.166, subdivision 10.

Reported the same back with the following amendments:

Page 2, line 30, before the period, insert "regardless of the date of the person's conviction or delinquency adjudication"

Page 4, line 17, after "person's" insert "Minnesota"

Page 4, line 19, after the period, insert "If the person returns to live in the state, the person must resume registration for the duration of the person's original registration period, if any."

Page 4, line 28, after "register" insert "in Minnesota"

Page 4, line 30, after the period, insert "If the person returns to work or to attend school in the state, the person must resume registration for the duration of the person's original registration period, if any."

Page 9, line 5, after "enactment" insert ", except that section 2, subdivision 3, paragraphs (b) and (c), are effective retroactively"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary Finance.

The report was adopted.

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

H. F. No. 1994, A bill for an act relating to liquor; authorizing the use of machines to premix and dispense intoxicating liquor; amending Minnesota Statutes 2000, section 340A.508, 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 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 Theater, 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 theaters 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, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue South, ~~and~~ the Hollywood Theatre located at 2815 Johnson Street Northeast, the Brave New Institute located at 2605 Hennepin Avenue South, and the Loring Playhouse located at 1633 Hennepin Avenue South, 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 2000, section 340A.404, subdivision 2b, is amended 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, and on-sale wine and on-sale malt liquor licenses to the Great American History Theater at 30 East 10th Street and Flanagan's Wake at the Palace Theatre at 17 West Seventh Place, 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 2000, section 340A.508, is amended by adding a subdivision to read:

Subd. 4. [PREMIX AND DISPENSING MACHINES.] Nothing in this section prohibits use by an on-sale intoxicating liquor licensee of a machine to premix and dispense frozen or iced cocktails, provided that the machine is emptied on a daily basis. A machine described in this subdivision need not be visible to the consuming public.

Sec. 4. [CITY OF BLAINE; LIQUOR LICENSES.]

The city of Blaine may issue six 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. 5. [CITY OF ELK RIVER; LIQUOR LICENSES.]

The city of Elk River may issue six on-sale 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 by this section.

Sec. 6. [CITY OF MOORHEAD; LIQUOR LICENSES.]

The city of Moorhead may issue six 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. 7. [CITY OF ST. LOUIS PARK; LIQUOR LICENSES.]

The city of St. Louis Park may issue 12 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 by this section.

Sec. 8. [EFFECTIVE DATE.]

Sections 1, 2, 4, 5, 6, and 7 are each effective the day after the governing body of the city named in each section and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3. Section 3 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; authorizing issuance of on-sale wine and beer licenses to the Brave New Institute and Loring Playhouse in Minneapolis and to the Great American History Theater and Flanagan's Wake at the Palace Theatre in St. Paul; permitting use of premix and dispensing machines to dispense

frozen and iced cocktails; authorizing additional on-sale intoxicating liquor licenses in Blaine, Elk River, Moorhead, and St. Louis Park; amending Minnesota Statutes 2000, sections 340A.404, subdivisions 2, 2b; 340A.508, by adding a subdivision."

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. 2040, A bill for an act relating to public safety; eliminating provisions relating to the registration of certain intoxicating liquor brand labels, the hiring of subversives in emergency management organizations, public service announcements, the use of waste burners, flammable liquids and explosives, fire drills in schools, fire extinguishers in certain buildings, fire alarm systems, and the reporting of malicious false fire alarms; amending Minnesota Statutes 2000, sections 299F.18; 340A.311; repealing Minnesota Statutes 2000, sections 12.43; 169.219; 299F.015; 299F.19; 299F.30; 299F.361; 299F.451; 299F.452.

Reported the same back with the following amendments:

Page 3, delete lines 4 and 5

Page 3, line 6, delete "3" and insert "2"

Page 3, line 8, delete "4" and insert "3"

Page 3, line 10, delete "5" and insert "4"

Page 3, line 12, delete "6" and insert "5"

Page 3, line 15, delete "7" and insert "6"

Page 3, line 17, delete "8" and insert "7"

Amend the title as follows:

Page 1, lines 5 and 6, delete "public service announcements,"

Page 1, line 12, delete "169.219;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 2047, A bill for an act relating to the environment; providing direction to public entities for developing bid specifications and procurement of commodities and services to promote recycled materials; amending Minnesota Statutes 2000, section 16B.121; proposing coding for new law in Minnesota Statutes, chapter 16C.

Reported the same back with the following amendments:

Page 1, line 13, after "commissioner" insert "and state agencies"

Page 1, line 15, reinstate the stricken language

Page 2, line 2, after "shall" insert ", to the extent practicable"

Page 2, line 20, delete everything after "shall"

Page 2, line 21, delete "procedures to"

Page 2, delete section 2 and insert:

"(d) The commissioner shall rescind the delegated purchasing authority of an agency or an individual that fails to comply with the requirements of this section.

Sec. 2. Minnesota Statutes 2000, section 16B.122, subdivision 2, is amended to read:

Subd. 2. [PURCHASES; PRINTING.] (a) Whenever practicable, a public entity shall:

- (1) purchase uncoated office paper and printing paper;
 - (2) purchase recycled content paper with at least ten percent postconsumer material by weight;
 - (3) purchase paper which has not been dyed with colors, excluding pastel colors;
 - (4) until July 1, 2004, purchase recycled content paper that is manufactured using little or no chlorine bleach or chlorine derivatives;
 - (5) use no more than two colored inks, standard or processed, except in formats where they are necessary to convey meaning;
 - (6) use reusable binding materials or staples and bind documents by methods that do not use glue;
 - (7) use soy-based inks; and
 - (8) produce reports, publications, and periodicals that are readily recyclable within the state resource recovery program.
- (b) Paragraph (a), clause (1), does not apply to coated paper that is made with at least 50 percent postconsumer material.
- (c) A public entity shall print documents on both sides of the paper where commonly accepted publishing practices allow.
- (d) Notwithstanding paragraph (a), clause (2), and section 16B.121, copier paper purchased by a state agency must contain at least ~~ten~~ 30 percent postconsumer material by fiber content.

(e) Beginning July 1, 2004, a state agency shall purchase paper that is manufactured without chlorine or chlorine compounds, including but not limited to chlorine dioxide.

[EFFECTIVE DATE.] Paragraph (d) is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "providing for certain environmental requirements;"

Page 1, line 6, delete "section" and insert "sections" and delete everything after "16B.121" and insert "; 16B.122, subdivision 2"

Page 1, line 7, delete everything before the period

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

The report was adopted.

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

H. F. No. 2054, A bill for an act relating to public safety; establishing a grant program; appropriating money.

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

The report was adopted.

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

H. F. No. 2064, A bill for an act relating to education; establishing a task force to oversee revision of the profile of learning and develop statewide testing consistent with the revised profile of learning; providing for interim applicability of profile of learning requirements; appropriating money.

Reported the same back with the following amendments:

Page 1, line 19, after "force" insert "by June 15, 2001"

Page 1, line 26, delete "the council for basic education (CBE)" and insert "a widely recognized independent nonprofit organization that has experience nationally and internationally, that has more than ten years of experience writing standards, and that has specific knowledge of Minnesota's profile of learning standards and the evaluation of them"

Page 2, line 1, after "standards" insert ". The content standards must be"

Page 2, line 3, delete "generally"

Page 2, lines 5 and 23, delete "CBE" and insert "the contractor"

Page 2, line 18, after "The" insert "commissioner of administration, in consultation with the" and after "force" insert a comma

Page 2, line 29, delete "CBE by an expedited process and" and insert "the contractor. The rules must be adopted under Minnesota Statutes, section 14.389. Minnesota Statutes, section 14.389, subdivision 5, applies to these rules. The commissioner must"

Page 3, line 18, delete "council for basic education" and insert "contractor"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on K-12 Education Finance.

The report was adopted.

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

H. F. No. 2116, A bill for an act relating to state government; repealing certain obsolete and redundant trade and economic development department programs and duties; repealing Minnesota Statutes 2000, sections 41A.066; 116J.541; 116J.542; 116J.8755; 116J.9671; 116J.980, subdivision 4; 116J.992.

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

The report was adopted.

Mares from the Committee on Education Policy to which was referred:

H. F. No. 2134, A bill for an act relating to education; prescribing certain requirements for statewide tests; amending Minnesota Statutes 2000, section 120B.30, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 25, delete "core"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on K-12 Education Finance.

The report was adopted.

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

H. F. No. 2170, A bill for an act relating to insurance; regulating disclosures of nonpublic personal information; proposing coding for new law in Minnesota Statutes, chapter 72A.

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

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 2174, A bill for an act relating to motor vehicles; authorizing use of unmarked motor vehicles by investigators of gambling control board and exempting their vehicles from payment of registration tax; amending Minnesota Statutes 2000, sections 16B.54, subdivision 2; 168.012, subdivision 1.

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

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 2189, A bill for an act relating to transportation; creating local road improvement program; proposing an amendment to the Minnesota Constitution by adding a section to article XIV to dedicate all proceeds from the sales tax on motor vehicles to the highway user tax distribution fund; appropriating money for greater Minnesota transit; proposing coding for new law in Minnesota Statutes, chapter 174.

Reported the same back with the following amendments:

Page 2, line 3, delete "area"

Page 2, delete line 4

Page 2, line 5, before "transportation" insert "department of" and delete "districts" and insert "district"

Page 2, line 7, after "each" insert "department of transportation district in consultation with the"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation Finance.

The report was adopted.

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

H. F. No. 2253, A bill for an act relating to insurance; modifying minimum education requirements for insurance agents; amending Minnesota Statutes 2000, section 60K.19, subdivision 8.

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

The report was adopted.

Workman from the Committee on Transportation Policy to which was referred:

H. F. No. 2309, A bill for an act relating to highways; prohibiting the commissioner of transportation from using certain considerations in programming or constructing trunk highway projects.

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

The report was adopted.

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

S. F. No. 225, A bill for an act relating to civil commitment; modifying the prohibition on the use of restraints; amending Minnesota Statutes 2000, section 253B.03, subdivision 1.

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

The report was adopted.

McElroy from the Committee on Jobs and Economic Development Finance to which was referred:

S. F. No. 960, A bill for an act relating to iron range resources and rehabilitation; authorizing the commissioner to acquire certain discontinued mining property; amending Minnesota Statutes 2000, section 298.22, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 5, delete "any or all of the"

Page 2, line 6, before "by" insert "currently used for public purposes"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 404, 694, 966, 992, 1025, 1071, 1155, 1218, 1250, 1338, 1360, 1379, 1394, 1396, 1549, 1580, 1629, 1697, 1892, 1928, 1936, 1943, 1948, 1958, 1994, 2040, 2116, 2170 and 2253 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 991, 1404, 1435, 1502, 225 and 960 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Paulsen, Jennings, Wolf, Workman and Holsten introduced:

H. F. No. 2378, A bill for an act relating to telecommunications; clarifying provisions allowing later, subsequent telecommunications access to multiple-resident dwellings; amending Minnesota Statutes 2000, sections 238.23; 238.24, subdivision 10.

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

Kielkucki introduced:

H. F. No. 2379, A bill for an act relating to natural resources; providing for reimbursement to property owners for damage caused by snowmobiles; appropriating money; amending Minnesota Statutes 2000, sections 84.81, subdivision 1; 84.82, subdivision 3; 84.83, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Sykora introduced:

H. F. No. 2380, A bill for an act relating to education; providing students with additional opportunities to learn to read; appropriating money.

The bill was read for the first time and referred to the Committee on K-12 Education Finance.

Stang and Seifert introduced:

H. F. No. 2381, A bill for an act relating to higher education; increasing funding for medical education; modifying certain endowments; amending Minnesota Statutes 2000, sections 62J.694, subdivision 2, by adding a subdivision; 144.395, subdivisions 1, 2; repealing Minnesota Statutes 2000, section 16A.87.

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

McElroy, Greiling, Dempsey and Mares introduced:

H. F. No. 2382, A bill for an act relating to education; expanding the use of the building lease levy; amending Minnesota Statutes 2000, section 126C.40, subdivision 1.

The bill was read for the first time and referred to the Committee on K-12 Education Finance.

Seifert and Pelowski introduced:

H. F. No. 2383, A bill for an act relating to taxes; requiring school districts to report lobbying and other expenditures related to transmit information and supporting or opposing government-proposed initiatives affecting district education programs and facilities; amending Minnesota Statutes 2000, section 275.065, subdivision 5a.

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

Kalis and Gunther introduced:

H. F. No. 2384, A bill for an act relating to local government; establishing a town road maintenance revolving loan fund; appropriating money; amending Minnesota Statutes 2000, section 12.09, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 162.

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

Westrom introduced:

H. F. No. 2385, A bill for an act relating to appropriations; appropriating money for a study of environmental issues relating to hog feedlots.

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

Solberg introduced:

H. F. No. 2386, A bill for an act relating to health; allowing persons performing genealogy research to obtain certified copies of certain birth certificates; amending Minnesota Statutes 2000, section 144.225, by adding a subdivision.

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

Daggett introduced:

H. F. No. 2387, A bill for an act relating to taxes; sales and use taxes; exempting the purchase of construction materials and equipment used in constructing a fire hall in the city of Sebeka; amending Minnesota Statutes 2000, sections 297A.71, by adding a subdivision; 297A.75.

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

Tuma introduced:

H. F. No. 2388, A bill for an act relating to human services; providing an exception to the nursing home moratorium; appropriating money; amending Minnesota Statutes 2000, section 144A.071, subdivision 4a.

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

Finseth and Peterson introduced:

H. F. No. 2389, A bill for an act relating to agriculture; creating an agricultural processing revolving loan account; providing funding for a germ and fiber recovery process at an existing ethanol facility; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41B.

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

Goodno introduced:

H. F. No. 2390, A bill for an act relating to human services; including coverage under medical assistance for targeted case management services; providing targeted case management services; amending Minnesota Statutes 2000, section 256B.0625, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Westrom, Nornes and Cassell introduced:

H. F. No. 2391, A bill for an act relating to the environment; exempting Church Lake in Grant County from certain public access rights while it is used for aquaculture.

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

Huntley introduced:

H. F. No. 2392, A bill for an act relating to telecommunications; providing catalyst grants for the provision of Internet services; appropriating money.

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

Finseth, Skoe and Holsten introduced:

H. F. No. 2393, A bill for an act relating to natural resources; modifying disposition of lottery ticket in lieu tax; adding to state forest lands; providing for certain land exchanges; permitting the sale of certain consolidated conservation land in Roseau county; amending Minnesota Statutes 2000, section 297A.94.

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

Winter introduced:

H. F. No. 2394, A bill for an act relating to human services; providing a rate increase for an 88-bed nursing facility and a 52-bed nursing facility located in Worthington; amending Minnesota Statutes 2000, section 256B.434, by adding a subdivision.

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

Hilty, Murphy and Solberg introduced:

H. F. No. 2395, A bill for an act relating to local government; authorizing a special taxing district for emergency medical services in Carlton and Aitkin counties; authorizing property tax levies; adding to the list of special taxing districts; amending Minnesota Statutes 2000, section 275.066.

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

Skoglund introduced:

H. F. No. 2396, A bill for an act relating to courts; amending and deleting obsolete references to the judicial system; amending Minnesota Statutes 2000, section 609.103; repealing Minnesota Statutes 2000, sections 260.022; 260.023; 260.024; 260.025; and 260B.193, subdivision 3; Laws 1997, chapter 239, article 3, section 23.

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

Daggett introduced:

H. F. No. 2397, A bill for an act relating to taxation; property; adding maple syrup to definition of agricultural products; amending Minnesota Statutes, section 273.13, subdivision 23.

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

Seifert and Kubly introduced:

H. F. No. 2398, A bill for an act relating to Yellow Medicine county; allowing an extended duration for a redevelopment tax increment financing district.

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

Wenzel introduced:

H. F. No. 2399, A bill for an act relating to education finance; restoring categorical aid for pupil transportation; appropriating money; amending Minnesota Statutes 2000, sections 123B.92, subdivision 1, by adding subdivisions; 126C.10, subdivisions 1, 19; repealing Minnesota Statutes 2000, section 126C.10, subdivisions 17, 18.

The bill was read for the first time and referred to the Committee on K-12 Education Finance.

Rhodes, Gunther and Dibble introduced:

H. F. No. 2400, A bill for an act relating to housing; providing for affordable housing; appropriating money; amending Minnesota Statutes 2000, sections 462.358, subdivision 2b; and 473.255, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 462 and 473.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 556, A bill for an act relating to peace officers; authorizing federal law enforcement officers to exercise their arrest authority in this state under certain circumstances; amending Minnesota Statutes 2000, section 626.77.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Stanek moved that the House concur in the Senate amendments to H. F. No. 556 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 556, A bill for an act relating to peace officers; authorizing federal law enforcement officers to exercise their arrest authority in this state under certain circumstances; amending Minnesota Statutes 2000, section 626.77.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

S. F. No. 1157.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1157, A bill for an act relating to corrections; requiring the commissioners of corrections and human services to develop alternative equivalent standards for chemical dependency treatment programs for correctional facilities under certain circumstances; amending Minnesota Statutes 2000, section 241.021, subdivision 4a.

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

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Pawlenty from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day, immediately following the remaining bills on the Calendar for the Day, for Wednesday, April 4, 2001:

H. F. No. 1383; S. F. No. 400; H. F. Nos. 285 and 1084; S. F. No. 9; H. F. No. 1280; S. F. Nos. 480, 249 and 971; H. F. No. 553; S. F. Nos. 327 and 972; H. F. No. 903; S. F. No. 570; H. F. No. 1637; S. F. No. 615; and H. F. No. 1616.

CALENDAR FOR THE DAY

H. F. No. 208 was reported to the House.

Kahn, Kelliher, Hausman and Dibble moved to amend H. F. No. 208, the first engrossment, as follows:

Page 3, line 33, after "of" insert "accurate information regarding the economic, environmental, and engineering aspects of"

Page 3, line 35, after "Congress" insert ", after a thorough and completed review of the scientific and economic data regarding the lock and dam system (including the National Research Council's report entitled "Inland Navigation System Planning: The Upper Mississippi River-Illinois Waterway")"

Page 3, line 35, delete "authorize" and insert "consider"

A roll call was requested and properly seconded.

The Speaker called Abrams to the Chair.

The question was taken on the Kahn et al amendment and the roll was called. There were 44 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Bernardy	Evans	Hilty	Koskinen	Osthoff	Tuma
Biernat	Folliard	Huntley	Leighton	Paymar	Wagenius
Carlson	Gleason	Jaros	Lenczewski	Pugh	Walker
Clark, K.	Goodwin	Jennings	McGuire	Sertich	Wasiluk
Davnie	Gray	Johnson, R.	Milbert	Skoglund	
Dawkins	Greiling	Johnson, S.	Mullery	Slawik	
Dibble	Hausman	Kahn	Murphy	Swapinski	
Entenza	Hilstrom	Kelliher	Opatz	Thompson	

Those who voted in the negative were:

Anderson, B.	Bishop	Buesgens	Daggett	Dempsey	Erickson
Anderson, I.	Boudreau	Cassell	Davids	Dorman	Finseth
Bakk	Bradley	Clark, J.	Dehler	Eastlund	Fuller

Gerlach	Kielkucki	Mares	Paulsen	Seifert	Wenzel
Goodno	Knoblach	Marko	Pawlenty	Skoe	Westrom
Gunther	Krinkie	Marquart	Pelowski	Smith	Wilkin
Haas	Kubly	McElroy	Penas	Solberg	Winter
Hackbarth	Kuisle	Molnau	Peterson	Stanek	Wolf
Harder	Larson	Mulder	Rhodes	Stang	Workman
Howes	Leppik	Ness	Rifenberg	Swenson	Spk. Sviggum
Jacobson	Lieder	Nornes	Rukavina	Sykora	
Johnson, J.	Lindner	Olson	Ruth	Tingelstad	
Juhnke	Lipman	Osskopp	Schumacher	Vandever	
Kalis	Mahoney	Ozment	Seagren	Walz	

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

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

H. F. No. 208, A resolution urging authorization of funding for modernization of waterways.

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

The question was taken on the passage of the bill and the roll was called. There were 83 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Erickson	Juhnke	Milbert	Pugh	Swenson
Bakk	Finseth	Kalis	Molnau	Rhodes	Sykora
Bishop	Fuller	Kielkucki	Mulder	Rifenberg	Tingelstad
Boudreau	Gerlach	Kubly	Murphy	Rukavina	Tuma
Bradley	Goodno	Kuisle	Ness	Ruth	Vandever
Buesgens	Gunther	Larson	Nornes	Schumacher	Walz
Cassell	Hackbarth	Lenczewski	Olson	Seagren	Wenzel
Clark, J.	Harder	Lieder	Opatz	Seifert	Westerberg
Daggett	Holberg	Lindner	Osskopp	Sertich	Westrom
Davids	Howes	Lipman	Ozment	Skoe	Wilkin
Dehler	Huntley	Mahoney	Pawlenty	Smith	Winter
Dempsey	Jacobson	Mares	Pelowski	Solberg	Workman
Dorman	Jennings	Marquart	Penas	Stanek	Spk. Sviggum
Eastlund	Johnson, J.	McElroy	Peterson	Stang	

Those who voted in the negative were:

Bernardy	Entenza	Haas	Kahn	Paymar	Wasiluk
Biernat	Evans	Hausman	Kelliher	Skoglund	Wolf
Carlson	Folliard	Hilstrom	Koskinen	Slawik	
Clark, K.	Gleason	Hilty	Leighton	Swapinski	
Davnie	Goodwin	Jaros	McGuire	Thompson	
Dawkins	Gray	Johnson, R.	Mullery	Wagenius	
Dibble	Greiling	Johnson, S.	Osthoff	Walker	

The bill was passed and its title agreed to.

H. F. No. 1383 was reported to the House.

Workman moved that H. F. No. 1383 be continued on the Calendar for the Day. The motion prevailed.

S. F. No. 400, A bill for an act relating to the town of Hokah; authorizing the town of Hokah in Houston county to vacate a road in an emergency situation.

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

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Abeler	Dawkins	Hackbarth	Kuise	Olson	Smith
Abrams	Dehler	Harder	Larson	Opatz	Stanek
Anderson, B.	Dempsey	Hilstrom	Lenczewski	Osskopp	Stang
Anderson, I.	Dibble	Hilty	Leppik	Osthoff	Swenson
Bakk	Dorman	Holberg	Lieder	Ozment	Sykora
Bernardy	Eastlund	Holsten	Lindner	Paulsen	Tingelstad
Bishop	Entenza	Howes	Lipman	Pawlenty	Tuma
Boudreau	Erhardt	Jacobson	Mares	Paymar	Vandever
Bradley	Erickson	Jennings	Marquart	Pelowski	Walz
Carlson	Finseth	Johnson, J.	McElroy	Penas	Wenzel
Cassell	Folliard	Johnson, R.	Milbert	Rhodes	Westerberg
Clark, J.	Fuller	Kalis	Molnau	Rifenberg	Westrom
Clark, K.	Gerlach	Kielkucki	Mulder	Ruth	Wilkin
Daggett	Goodno	Knoblach	Murphy	Seagren	Wolf
Davids	Gunther	Krinkie	Ness	Seifert	Workman
Davnie	Haas	Kubly	Nornes	Skoe	Spk. Sviggum

Those who voted in the negative were:

Biernat	Greiling	Kahn	McGuire	Sertich	Wagenius
Buesgens	Hausman	Kelliher	Mullery	Skoglund	Walker
Evans	Huntley	Koskinen	Peterson	Slawik	Wasiluk
Gleason	Jaros	Leighton	Pugh	Solberg	Winter
Goodwin	Johnson, S.	Mahoney	Rukavina	Swapinski	
Gray	Juhnke	Mariani	Schumacher	Thompson	

The bill was passed and its title agreed to.

H. F. No. 285, A bill for an act relating to liens; regulating agricultural liens; revising and consolidating crop liens and agricultural liens on livestock; amending Minnesota Statutes 2000, section 514.19; proposing coding for new law in Minnesota Statutes, chapter 514; repealing Minnesota Statutes 2000, sections 514.23; 514.24; 514.25; 514.26; 514.27; 514.28; 514.29; 514.30; 514.31; 514.32; 514.33; 514.34; 514.62; 514.63; 514.65; 514.66; 514.92; 514.950; 514.952; 514.954; 514.956; 514.958; 514.959; 514.960; 557.12; and 559.2091; Minnesota Rules, parts 8271.0010; 8271.0020; 8271.0030; 8271.0040; 8271.0050; 8271.0060; 8271.0070; 8271.0080; 8271.0090; 8271.0100; 8271.0200; 8271.0300; and 8271.0350.

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

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

The bill was passed and its title agreed to.

H. F. No. 1084, A bill for an act relating to financial institutions; modifying investment authority and recordkeeping requirements; regulating certain rates, charges, fees, and disclosures; exempting certain unstaffed after-hour drop boxes from detached facilities regulation; amending Minnesota Statutes 2000, sections 47.10, subdivision 1; 47.51; 48.03, subdivisions 1 and 2; 48.16; 48.61, subdivision 7; 56.04; 58.02, by adding a subdivision; 58.14, subdivision 5; and 58.15, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 2000, section 48.03, subdivision 3; and 58.135.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Boudreau	Davids	Entenza	Gleason	Harder
Abrams	Bradley	Davnie	Erhardt	Goodno	Hausman
Anderson, B.	Buesgens	Dawkins	Erickson	Goodwin	Hilstrom
Anderson, I.	Carlson	Dehler	Evans	Gray	Hilty
Bakk	Cassell	Dempsey	Finseth	Greiling	Holberg
Bernardy	Clark, J.	Dibble	Folliard	Gunther	Holsten
Biernat	Clark, K.	Dorman	Fuller	Haas	Howes
Bishop	Daggett	Eastlund	Gerlach	Hackbarth	Huntley

Jacobson	Kuisle	Milbert	Paymar	Skoglund	Walker
Jaros	Larson	Molnau	Pelowski	Slawik	Walz
Jennings	Leighton	Mulder	Penas	Smith	Wasiluk
Johnson, J.	Lenczewski	Mullery	Peterson	Solberg	Wenzel
Johnson, R.	Leppik	Murphy	Pugh	Stanek	Westerberg
Johnson, S.	Lieder	Ness	Rhodes	Stang	Westrom
Juhnke	Lindner	Nornes	Rifenberg	Swapinski	Wilkin
Kalis	Lipman	Olson	Rukavina	Swenson	Winter
Kelliher	Mahoney	Opatz	Ruth	Sykora	Wolf
Kielkucki	Mares	Osskopp	Schumacher	Thompson	Workman
Knoblach	Mariani	Osthoff	Seagren	Tingelstad	Spk. Sviggum
Koskinen	Marquart	Ozment	Seifert	Tuma	
Krinkie	McElroy	Paulsen	Sertich	Vandever	
Kubly	McGuire	Pawlenty	Skoe	Wagenius	

The bill was passed and its title agreed to.

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

MOTIONS AND RESOLUTIONS

Pawlenty moved that the name of Marquart be added as an author on H. F. No. 400. The motion prevailed.

Howes moved that his name be stricken as an author on H. F. No. 697. The motion prevailed.

Gunther moved that the name of Clark, K., be added as an author on H. F. No. 1086. The motion prevailed.

Daggett moved that the name of Penas be added as an author on H. F. No. 1288. The motion prevailed.

Abeler moved that his name be stricken as an author on H. F. No. 1877. The motion prevailed.

Biernat moved that the name of Greiling be added as an author on H. F. No. 1907. The motion prevailed.

Kuisle moved that the name of Westerberg be added as an author on H. F. No. 1954. The motion prevailed.

Goodno moved that the name of Westerberg be added as an author on H. F. No. 1958. The motion prevailed.

Vandever moved that the names of Gerlach, Wilkin and Holberg be added as authors on H. F. No. 1965. The motion prevailed.

Johnson, J., moved that the name of Dempsey be added as an author on H. F. No. 2107. The motion prevailed.

Abeler moved that the name of Haas be added as an author on H. F. No. 2195. The motion prevailed.

Pawlenty moved that the name of Abeler be added as an author on H. F. No. 2205. The motion prevailed.

Erickson moved that the name of Abeler be added as an author on H. F. No. 2286. The motion prevailed.

Davnie moved that the name of Folliard be added as an author on H. F. No. 2299. The motion prevailed.

McGuire moved that the name of Abeler be added as an author on H. F. No. 2311. The motion prevailed.

Rhodes moved that the name of Marquart be added as an author on H. F. No. 2318. The motion prevailed.

Carlson moved that the name of Slawik be added as an author on H. F. No. 2335. The motion prevailed.

Olson moved that the name of Mulder be added as an author on H. F. No. 2354. The motion prevailed.

Gunther moved that the name of Westerberg be added as an author on H. F. No. 2363. The motion prevailed.

Harder moved that the name of Mulder be added as an author on H. F. No. 2366. The motion prevailed.

Carlson moved that the name of Westerberg be added as an author on H. F. No. 2376. The motion prevailed.

Sykora moved that H. F. No. 699 be recalled from the Committee on Governmental Operations and Veterans Affairs Policy and be re-referred to the Committee on Judiciary Finance. The motion prevailed.

Hilty moved that H. F. No. 781, now on the General Register, be re-referred to the Committee on State Government Finance. The motion prevailed.

Davids moved that H. F. No. 1293 be recalled from the Committee on Ways and Means and be re-referred to the Committee on Jobs and Economic Development Finance. The motion prevailed.

Mullery moved that H. F. No. 1668 be recalled from the Committee on Jobs and Economic Development Finance and be re-referred to the Committee on Health and Human Services Finance. The motion prevailed.

ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, April 5, 2001. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and Speaker pro tempore Abrams declared the House stands adjourned until 3:00 p.m., Thursday, April 5, 2001.

EDWARD A. BURDICK, Chief Clerk, House of Representatives