

STATE OF MINNESOTA

EIGHTY-THIRD SESSION — 2003

 THIRTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 7, 2003

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 Rabbi Marcia Zimmerman, Temple Israel, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Heidgerken | Lanning | Olson, M. | Smith |
| Abrams | Demmer | Hilstrom | Larson | Opatz | Soderstrom |
| Adolphson | Dempsey | Hilty | Latz | Osterman | Solberg |
| Anderson, B. | Dill | Holberg | Lenczewski | Otremba | Stang |
| Anderson, I. | Dorman | Hoppe | Lesch | Otto | Strachan |
| Anderson, J. | Dorn | Hornstein | Lieder | Ozment | Swenson |
| Atkins | Eastlund | Howes | Lindgren | Paulsen | Sykora |
| Beard | Eken | Huntley | Lindner | Pelowski | Thao |
| Bernardy | Ellison | Jacobson | Lipman | Penas | Thissen |
| Biernat | Entenza | Jaros | Magnus | Peterson | Tingelstad |
| Blaine | Erhardt | Johnson, J. | Mahoney | Powell | Urdahl |
| Borrell | Erickson | Johnson, S. | Mariani | Pugh | Vandever |
| Boudreau | Finstad | Juhnke | Marquart | Rhodes | Wagenius |
| Bradley | Fuller | Kahn | McNamara | Rukavina | Walker |
| Brod | Gerlach | Kelliher | Meslow | Ruth | Walz |
| Buesgens | Goodwin | Kielkucki | Mullery | Samuelson | Wardlow |
| Carlson | Greiling | Klinzing | Murphy | Seagren | Wasiluk |
| Clark | Gunther | Knoblach | Nelson, C. | Seifert | Westerberg |
| Cornish | Haas | Koenen | Nelson, M. | Severson | Westrom |
| Cox | Hackbarth | Kohls | Nelson, P. | Sieben | Wilkin |
| Davids | Harder | Krinkie | Nornes | Simpson | Zellers |
| Davnie | Hausman | Kuisle | Olsen, S. | Slawik | Spk. Sviggum |

A quorum was present.

Paymar and Sertich were excused.

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

PETITIONS AND COMMUNICATIONS

The following 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 James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2003 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

| <i>S. F.</i> <i>No.</i> | <i>H. F.</i> <i>No.</i> | <i>Session Laws</i> <i>Chapter No.</i> | <i>Time and</i> <i>Date Approved</i> <i>2003</i> | <i>Date Filed</i> <i>2003</i> |
|----------------------------|----------------------------|---|--|----------------------------------|
| 726 | | 6 | 12:55 p.m. April 3 | April 3 |
| 512 | | 8 | 2:30 p.m. April 2 | April 3 |

Sincerely,

MARY KIFFMEYER
Secretary of State

REPORTS OF STANDING COMMITTEES

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

H. F. No. 30, A bill for an act relating to the metropolitan council; limiting the council to requiring a change of a local comprehensive plan only when the plan will have a substantial, demonstrable, and adverse impact on the infrastructure of a metropolitan system; amending Minnesota Statutes 2002, section 473.175, subdivision 1.

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. 230, A bill for an act relating to professions; establishing the board of licensed professional counseling; requiring professional counselors to be licensed; requiring rulemaking; appropriating money; amending Minnesota Statutes 2002, sections 116J.70, subdivision 2a; 148A.01, subdivision 5; 148B.60, subdivision 3; 214.01, subdivision 2; 214.04, subdivision 3; 214.10, subdivision 9; 609.341, subdivision 17; proposing coding for new law in Minnesota Statutes, chapter 148B.

Reported the same back with the following amendments:

Page 12, line 28, after "of" insert "licensed"

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.

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

H. F. No. 261, A bill for an act relating to public safety; enacting the Minnesota Citizens' Personal Protection Act of 2003; 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 2002, sections 13.871, by adding a subdivision; 609.66, subdivision 1d; 624.712, by adding a subdivision; 624.714, subdivisions 2, 3, 4, 6, 7, 8, 10, 12, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 624; repealing Minnesota Statutes 2002, section 624.714, subdivisions 1, 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 13.871, is amended by adding a subdivision to read:

Subd. 9. [PISTOL PERMIT DATA.] Data on persons permitted to carry pistols under the terms of a permit must be shared as required by section 624.714, subdivision 6.

Sec. 2. Minnesota Statutes 2002, section 609.66, subdivision 1d, is amended to read:

Subd. 1d. [~~FELONY; POSSESSION ON SCHOOL PROPERTY; PENALTY.~~] (a) Except as provided under paragraphs (c) and (e), whoever possesses, stores, or keeps a dangerous weapon or uses or brandishes a replica firearm or a BB gun while knowingly on school property is guilty of a felony and 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.

(b) Whoever possesses, stores, or keeps a replica firearm or a BB gun on school property is guilty of a gross misdemeanor.

(c) Notwithstanding paragraph (a) or (b), it is a petty misdemeanor for a person authorized to carry a firearm under the provisions of a permit or otherwise to carry a firearm on or about the person's clothes or person in a location the person knows is school property. Notwithstanding section 609.531, a firearm carried in violation of this paragraph is not subject to forfeiture.

(d) As used in this subdivision:

(1) "BB gun" means a device that fires or ejects a shot measuring .18 of an inch or less in diameter;

(2) "dangerous weapon" has the meaning given it in section 609.02, subdivision 6;

(3) "replica firearm" has the meaning given it in section 609.713; and

(4) "school property" means:

(i) a public or private elementary, middle, or secondary school building and its improved grounds, whether leased or owned by the school; ~~and~~

(ii) a child care center licensed under chapter 245A during the period children are present and participating in a child care program;

(iii) the area within a school bus when that bus is being used by a school to transport one or more elementary, middle, or secondary school students to and from school-related activities, including curricular, cocurricular, noncurricular, extracurricular, and supplementary activities; and

(iv) that portion of a building or facility under the temporary, exclusive control of a public or private school, a school district, or an association of such entities where conspicuous signs are prominently posted at each entrance that give actual notice to persons of the school-related use.

~~(d)~~ (e) This subdivision does not apply to:

(1) licensed peace officers, military personnel, or students participating in military training, who are on-duty, performing official duties;

(2) persons ~~who carry pistols according to the terms of a permit~~ authorized to carry a pistol under section 624.714 while in a motor vehicle or outside of a motor vehicle to directly place a firearm in, or retrieve it from, the trunk or rear area of the vehicle;

(3) persons who keep or store in a motor vehicle pistols in accordance with ~~sections~~ section 624.714 ~~and or~~ 624.715 or other firearms in accordance with section 97B.045;

(4) firearm safety or marksmanship courses or activities conducted on school property;

(5) possession of dangerous weapons, BB guns, or replica firearms by a ceremonial color guard;

(6) a gun or knife show held on school property; ~~or~~

(7) possession of dangerous weapons, BB guns, or replica firearms with written permission of the principal or other person having general control and supervision of the school or the director of a child care center; or

(8) persons who are on unimproved property owned or leased by a child care center, school, or school district unless the person knows that a student is currently present on the land for a school-related activity.

(f) Notwithstanding section 471.634, a school district or other entity composed exclusively of school districts may not regulate firearms, ammunition, or their respective components, when possessed or carried by nonstudents or nonemployees, in a manner that is inconsistent with this subdivision.

Sec. 3. Minnesota Statutes 2002, section 624.712, is amended by adding a subdivision to read:

Subd. 11. [COMMISSIONER.] "Commissioner" means the commissioner of public safety unless otherwise indicated.

Sec. 4. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 1a. [PERMIT REQUIRED; PENALTY.] A person, other than a peace officer, as defined in section 626.84, subdivision 1, who carries, holds, or possesses a pistol in a motor vehicle, snowmobile, or boat, or on or about the person's clothes or the person, or otherwise in possession or control in a public place, as defined in section 624.7181, subdivision 1, paragraph (c), without first having obtained a permit to carry the pistol is guilty of a gross misdemeanor. A person who is convicted a second or subsequent time is guilty of a felony.

Sec. 5. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 1b. [DISPLAY OF PERMIT; PENALTY.] (a) The holder of a permit to carry must have the permit card and a driver's license, state identification card, or other government-issued photo identification in immediate possession at all times when carrying a pistol and must display the permit card and identification document upon lawful demand by a peace officer, as defined in section 626.84, subdivision 1. A violation of this paragraph is a petty misdemeanor. The fine for a first offense must not exceed \$25. Notwithstanding section 609.531, a firearm carried in violation of this paragraph is not subject to forfeiture.

(b) A citation issued for violating paragraph (a) must be dismissed if the person demonstrates, in court or in the office of the arresting officer, that the person was authorized to carry the pistol at the time of the alleged violation.

(c) Upon the request of a peace officer, a permit holder must write a sample signature in the officer's presence to aid in verifying the person's identity.

Sec. 6. Minnesota Statutes 2002, section 624.714, subdivision 2, is amended to read:

Subd. 2. [WHERE APPLICATION MADE; AUTHORITY TO ISSUE PERMIT; CRITERIA; SCOPE.] (a) Applications by Minnesota residents for permits to carry shall be made to the chief of police of an organized full-time police department of the municipality where the applicant resides or to the county sheriff where there is no such local chief of police where the applicant resides. At the time of application, the local police authority shall provide the applicant with a dated receipt for the application. Nonresidents, as defined in section 171.01, subdivision 42, may apply to any sheriff.

(b) Unless a sheriff denies a permit under the exception set forth in subdivision 6, paragraph (a), clause (3), a sheriff must issue a permit to an applicant if the person:

(1) has training in the safe use of a pistol;

(2) is at least 21 years old and a citizen or a permanent resident of the United States;

(3) completes an application for a permit;

(4) is not prohibited from possessing a firearm under the following sections:

(i) 518B.01, subdivision 14;

(ii) 609.224, subdivision 3;

(iii) 609.2242, subdivision 3;

(iv) 609.749, subdivision 8;

(v) 624.713;

(vi) 624.719;

(vii) 629.715, subdivision 2; or

(viii) 629.72, subdivision 2; and

(5) is not listed in the criminal gang investigative data system under section 299C.091.

(c) A permit to carry a pistol issued or recognized under this section is a state permit and is effective throughout the state.

(d) A sheriff may contract with a police chief to process permit applications under this section. If a sheriff contracts with a police chief, the sheriff remains the issuing authority and the police chief acts as the sheriff's agent. If a sheriff contracts with a police chief, all of the provisions of this section will apply.

Sec. 7. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 2a. [TRAINING IN THE SAFE USE OF A PISTOL.] (a) An applicant must present evidence that the applicant received training in the safe use of a pistol within one year of the date of an original or renewal application. Training may be demonstrated by:

(1) employment as a peace officer in the state of Minnesota within the past year; or

(2) completion of a firearms safety or training course providing basic training in the safe use of a pistol and conducted by a certified instructor.

(b) Basic training must include:

(1) instruction in the fundamentals of pistol use;

(2) successful completion of an actual shooting qualification exercise; and

(3) instruction in the fundamental legal aspects of pistol possession, carry, and use, including self-defense and the restrictions on the use of deadly force.

(c) A person qualifies as a certified instructor if the person is certified as a firearms instructor within the past five years by:

(1) the bureau of criminal apprehension, training and development section;

(2) the Minnesota Association of Law Enforcement Firearms Instructors;

(3) the National Rifle Association;

(4) the American Association of Certified Firearms Instructors;

(5) the peace officer standards and training board of this state or a similar agency of another state that certifies firearms instructors; or

(6) the department of public safety of this state or a similar agency of another state that certifies firearms instructors.

(d) A sheriff must accept the training described in this subdivision as meeting the requirement in subdivision 2, paragraph (b), for training in the safe use of a pistol. A sheriff may also accept other satisfactory evidence of training in the safe use of a pistol.

Sec. 8. Minnesota Statutes 2002, section 624.714, subdivision 3, is amended to read:

Subd. 3. [FORM AND CONTENTS OF APPLICATION.] (a) Applications for permits to carry ~~shall~~ must be an official, standardized application form, adopted under section 624.7151, and must set forth in writing only the following information:

(1) the applicant's name, residence, telephone number, if any, and driver's license number or nonqualification certificate number, if any, of the applicant or state identification card number;

(2) the applicant's sex, date of birth, height, weight, and color of eyes and hair, and distinguishing physical characteristics, if any, of the applicant;

(3) all states of residence of the applicant in the last ten years, though not including specific addresses;

(4) a statement that the applicant authorizes the release to the ~~local police authority~~ sheriff of commitment information about the applicant maintained by the commissioner of human services or any similar agency or department of another state where the applicant has resided, to the extent that the information relates to the applicant's eligibility to possess a ~~pistol or semiautomatic military style assault weapon under section 624.713, subdivision 1~~ firearm; and

(5) a statement by the applicant that, to the best of the applicant's knowledge and belief, the applicant is not prohibited by ~~section 624.713~~ from possessing a ~~pistol or semiautomatic military style assault weapon; and~~ law from possessing a firearm.

(5) a recent color photograph of the applicant.

~~The application shall be signed and dated by the applicant.~~ (b) The statement under paragraph (a), clause ~~(3)~~ (4), must comply with any applicable requirements of Code of Federal Regulations, title 42, sections 2.31 to 2.35, with respect to consent to disclosure of alcohol or drug abuse patient records.

(c) An applicant must submit to the sheriff an application packet consisting only of the following items:

(1) a completed application form, signed and dated by the applicant;

(2) an accurate photocopy of a certificate, affidavit, or other document that is submitted as the applicant's evidence of training in the safe use of a pistol; and

(3) an accurate photocopy of the applicant's current driver's license, state identification card, or the photo page of the applicant's passport.

(d) Applications must be submitted in person.

(e) The sheriff may charge a new application processing fee in an amount not to exceed the actual and reasonable direct cost of processing the application or \$100, whichever is less. Of this amount, \$10 must be submitted to the commissioner of public safety and deposited into the general fund.

(f) This subdivision prescribes the complete and exclusive set of items an applicant is required to submit in order to apply for a new or renewal permit to carry. The applicant must not be asked or required to submit, voluntarily or involuntarily, any information, fees, or documentation beyond that specifically required by this subdivision. This paragraph does not apply to alternate training evidence accepted by the sheriff under subdivision 2a, paragraph (d).

(g) Forms for new and renewal applications must be available at all sheriffs' offices and the commissioner of public safety must make the forms available on the Internet.

(h) Application forms must clearly display a notice that a permit, if granted, is void and must be immediately returned to the sheriff if the permit holder is or becomes prohibited by law from possessing a firearm. The notice must list the applicable state criminal offenses and civil categories that prohibit a person from possessing a firearm.

(i) Upon receipt of an application packet and any required fee, the sheriff must provide a signed receipt indicating the date of submission.

Sec. 9. Minnesota Statutes 2002, section 624.714, subdivision 4, is amended to read:

Subd. 4. [INVESTIGATION.] ~~(a) The application authority shall~~ sheriff must check, by means of electronic data transfer, criminal records, histories, and warrant information on each applicant through the Minnesota Crime Information System. The chief of police or sheriff shall and, to the extent necessary, the National Instant Check System. The sheriff shall also make a reasonable effort to check other available and relevant federal, state, or local record keeping systems. The sheriff must obtain commitment information from the commissioner of human services as provided in section 245.041 or, if the information is reasonably available, as provided by a similar statute from another state.

(b) When an application for a permit is filed under this section, the sheriff must notify the chief of police, if any, of the municipality where the applicant resides. The police chief may provide the sheriff with any information relevant to the issuance of the permit.

(c) The sheriff must conduct a background check by means of electronic data transfer on a permit holder through the Minnesota Crime Information System and, to the extent necessary, the National Instant Check System at least yearly to ensure continuing eligibility. The sheriff may conduct additional background checks by means of electronic data transfer on a permit holder at any time during the period that a permit is in effect.

Sec. 10. Minnesota Statutes 2002, section 624.714, subdivision 6, is amended to read:

Subd. 6. ~~[FAILURE TO GRANT GRANTING AND DENIAL OF PERMITS.]~~ (a) The sheriff must, within 30 days after the date of receipt of the application packet described in subdivision 3:

(1) issue the permit to carry;

(2) deny the application for a permit to carry solely on the grounds that the applicant failed to qualify under the criteria described in subdivision 2, paragraph (b); or

(3) deny the application on the grounds that there exists a substantial likelihood that the applicant is a danger to self or the public if authorized to carry a pistol under a permit.

(b) Failure of the chief police officer or the county sheriff to deny the application or issue a permit to carry a pistol notify the applicant of the denial of the application within 24 30 days of after the date of receipt of the application shall be deemed to be a grant thereof. packet constitutes issuance of the permit to carry and the sheriff must promptly fulfill the requirements under paragraph (c). To deny the application, the local police authority shall sheriff must provide an the applicant with written notification of a denial and the specific reason for factual basis justifying the denial under paragraph (a), clause (2) or (3), including the source of the factual basis. The sheriff must inform the applicant of the applicant's right to submit, within 20 business days, any additional documentation relating to the propriety of the denial. A chief of police or a sheriff may charge a fee to cover the cost of conducting a background check, not to exceed \$10. The permit shall specify the activities for which it shall be valid. Upon receiving any additional documentation, the sheriff must reconsider the denial and inform the applicant within 15 business days of the result of the reconsideration. Any denial after reconsideration must be in the same form and substance as the original denial and must specifically address any continued deficiencies in light of the additional documentation submitted by the applicant. The applicant must be informed of the right to seek de novo review of the denial as provided in subdivision 12.

(c) Upon issuing a permit to carry, the sheriff must provide a laminated permit card to the applicant by first class mail unless personal delivery has been made. Within five business days, the sheriff must submit the information specified in subdivision 7, paragraph (a), to the commissioner of public safety for inclusion solely in the database required under subdivision 15, paragraph (a). The sheriff must transmit the information in a manner and format prescribed by the commissioner.

(d) Within five business days of learning that a permit to carry has been suspended or revoked, the sheriff must submit information to the commissioner of public safety regarding the suspension or revocation for inclusion solely in the databases required or permitted under subdivision 15.

(e) Notwithstanding paragraphs (a) to (c), the sheriff may suspend the application process if a charge is pending against the applicant that, if resulting in conviction, will prohibit the applicant from possessing a firearm.

Sec. 11. Minnesota Statutes 2002, section 624.714, subdivision 7, is amended to read:

Subd. 7. ~~[PERMIT CARD CONTENTS; EXPIRATION; RENEWAL.]~~ Permits to carry a pistol issued pursuant to this section shall expire after one year and shall thereafter be renewed in the same manner and subject to the same provisions by which the original permit was obtained, except that all renewed permits must comply with the standards adopted by the commissioner of public safety under section 624.7161. (a) Permits to carry must be on an official, standardized permit card adopted by the commissioner of public safety, containing only the name, residence, and driver's license number or state identification card number of the permit holder, if any.

(b) The permit card must also identify the issuing sheriff and state the expiration date of the permit. The permit card must clearly display a notice that a permit, if granted, is void and must be immediately returned to the sheriff if the permit holder becomes prohibited by law from possessing a firearm.

(c) A permit to carry a pistol issued under this section expires five years after the date of issue. It may be renewed in the same manner and under the same criteria which the original permit was obtained, subject to the following procedures:

(1) no earlier than 90 days prior to the expiration date on the permit, the permit holder may renew the permit by submitting to the appropriate sheriff the application packet described in subdivision 3 and a renewal processing fee not to exceed the actual and reasonable direct cost of processing the application or \$75, whichever is less. Of this amount, \$5 must be submitted to the commissioner of public safety and deposited into the general fund. The sheriff must process the renewal application in accordance with subdivisions 4 and 6; and

(2) a permit holder who submits a renewal application packet after the expiration date of the permit, but within 30 days after expiration, may renew the permit as provided in clause (1) by paying an additional late fee of \$10.

(d) The renewal permit is effective beginning on the expiration date of the prior permit to carry.

Sec. 12. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 7a. [CHANGE OF ADDRESS; LOSS OR DESTRUCTION OF PERMIT.] (a) Within 30 days after changing permanent address, or within 30 days of having lost or destroyed the permit card, the permit holder must notify the issuing sheriff of the change, loss, or destruction. Failure to provide notification as required by this subdivision is a petty misdemeanor. The fine for a first offense must not exceed \$25. Notwithstanding section 609.531, a firearm carried in violation of this paragraph is not subject to forfeiture.

(b) After notice is given under paragraph (a), a permit holder may obtain a replacement permit card by paying \$10 to the sheriff. The request for a replacement permit card must be made on an official, standardized application adopted for this purpose under section 624.7151, and, except in the case of an address change, must include a notarized statement that the permit card has been lost or destroyed.

Sec. 13. Minnesota Statutes 2002, section 624.714, subdivision 8, is amended to read:

Subd. 8. [PERMIT TO CARRY VOIDED.] (a) The permit to carry ~~shall be~~ is void and must be revoked at the time that the holder becomes prohibited by law from possessing a ~~pistol under section 624.713~~ firearm, in which event the holder ~~shall~~ must return the permit card to the issuing sheriff within five business days ~~to the application authority~~ after the holder knows or should know that the holder is a prohibited person. If a permit is revoked under this subdivision, the sheriff must give notice to the permit holder in writing in the same manner as a denial. Failure of the holder to return the permit within the five days is a gross misdemeanor unless the court finds that the circumstances or the physical or mental condition of the permit holder prevented the holder from complying with the return requirement.

(b) When a permit holder is convicted of an offense that prohibits the permit holder from possessing a firearm, the court must revoke the permit and, if it is available, take possession of it and send it to the issuing sheriff.

(c) The sheriff of the county where the application was submitted, or of the county of the permit holder's current residence, may file a petition with the district court therein, for an order revoking a permit to carry on the grounds set forth in subdivision 6, paragraph (a), clause (3). An order shall be issued only if the sheriff meets the burden of proof and criteria set forth in subdivision 12. If the court denies the petition, the court must award the permit holder reasonable costs and expenses, including attorney fees.

(d) A permit revocation must be promptly reported to the issuing sheriff.

Sec. 14. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 8a. [PROSECUTOR'S DUTY.] Whenever a person is charged with an offense that would, upon conviction, prohibit the person from possessing a firearm, the prosecuting attorney must ascertain whether the person is a permit holder under this section. If the person is a permit holder, the prosecutor must notify the issuing sheriff that the person has been charged with a prohibiting offense. The prosecutor must also notify the sheriff of the final disposition of the case.

Sec. 15. Minnesota Statutes 2002, section 624.714, subdivision 10, is amended to read:

Subd. 10. [FALSE REPRESENTATIONS.] A person who gives or causes to be given any false material information in applying for a permit to carry, knowing or having reason to know the information is false, is guilty of a gross misdemeanor.

Sec. 16. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 11a. [EMERGENCY ISSUANCE OF PERMITS.] A sheriff may immediately issue an emergency permit to a person if the sheriff determines that the person is in an emergency situation that may constitute an immediate risk to the safety of the person or someone residing in the person's household. A person seeking an emergency permit must complete an application form and must sign an affidavit describing the emergency situation. An emergency permit applicant does not need to provide evidence of training. An emergency permit is valid for 30 days, may not be renewed, and may be revoked without a hearing. No fee may be charged for an emergency permit. An emergency permit holder may seek a regular permit under subdivision 3 and is subject to the other applicable provisions of this section.

Sec. 17. Minnesota Statutes 2002, section 624.714, subdivision 12, is amended to read:

Subd. 12. [HEARING UPON DENIAL OR REVOCATION.] (a) Any person aggrieved by denial or revocation of a permit to carry may appeal ~~the denial~~ by petition to the district court having jurisdiction over the county or municipality ~~wherein the notification or denial occurred~~ where the application was submitted. The petition must list the sheriff as the respondent. The district court must hold a hearing at the earliest practicable date and in any event no later than 60 days following the filing of the petition for review. The court may not grant or deny any relief before the completion of the hearing. The record of the hearing must be sealed. The matter shall must be heard de novo without a jury.

(b) The court must issue its writ of mandamus directing that the permit be issued and order other appropriate relief unless the sheriff establishes by clear and convincing evidence:

(1) that the applicant is disqualified under the criteria described in subdivision 2, paragraph (b); or

(2) that there exists a substantial likelihood that the applicant is a danger to self or the public if authorized to carry a pistol under a permit. Incidents of alleged criminal misconduct that are not investigated and documented, and incidents for which the applicant was charged and acquitted, may not be considered.

(c) If an applicant is denied a permit on the grounds that the applicant is listed in the criminal gang investigative data system under section 299C.091, the person may challenge the denial, after disclosure under court supervision of the reason for that listing, based on grounds that the person:

(1) was erroneously identified as a person in the data system;

(2) was improperly included in the data system according to the criteria outlined in section 299C.091, subdivision 2, paragraph (b); or

(3) has demonstrably withdrawn from the activities and associations that led to inclusion in the data system.

(d) If the court grants a petition brought under paragraph (a), the court must award the applicant or permit holder reasonable costs and expenses including attorney fees.

Sec. 18. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 12a. [SUSPENSION AS CONDITION OF RELEASE.] The district court may order suspension of the application process for a permit or suspend the permit of a permit holder as a condition of release pursuant to the same criteria as the surrender of firearms under section 629.715. A permit suspension must be promptly reported to the issuing sheriff. If the permit holder has an out-of-state permit recognized under subdivision 16, the court must promptly report the suspension to the commissioner of public safety for inclusion solely in the database under subdivision 15, paragraph (a).

Sec. 19. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 14. [RECORDS.] (a) A sheriff must not maintain records or data collected, made, or held under this section concerning any applicant or permit holder that are not necessary under this section to support a permit that is outstanding or eligible for renewal under subdivision 7, paragraph (b). Notwithstanding section 138.163, sheriffs must completely purge all files and databases by March 1 of each year to delete all information collected under this section concerning all persons who are no longer current permit holders or currently eligible to renew their permit.

(b) Paragraph (a) does not apply to records or data concerning an applicant or permit holder who has had a permit denied or revoked under the criteria established in subdivision 2, paragraph (b), clause (1), or subdivision 6, paragraph (a), clause (3), for a period of six years from the date of the denial or revocation.

Sec. 20. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 15. [COMMISSIONER OF PUBLIC SAFETY; CONTRACTS; DATABASE.] (a) The commissioner of public safety must maintain an automated database of persons authorized to carry pistols under this section that is available 24 hours a day, seven days a week, only to law enforcement agencies, including prosecutors carrying out their duties under subdivision 8a, to verify the validity of a permit.

(b) The commissioner of public safety may maintain a separate automated database of denied applications for permits to carry and of revoked permits that is available only to sheriffs performing their duties under this section containing the date of, the statutory basis for, and the initiating agency for any permit application denied or permit revoked for a period of six years from the date of the denial or revocation.

(c) The commissioner of public safety may contract with one or more vendors to implement the commissioner's duties under this section.

Sec. 21. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 16. [RECOGNITION OF PERMITS FROM OTHER STATES.] (a) The commissioner of public safety must annually establish and publish a list of other states that have laws governing the issuance of permits to carry weapons that are not substantially similar to this section. The list must be available on the Internet. A person holding a carry permit from a state not on the list may use the license or permit in this state subject to the rights, privileges, and requirements of this section.

(b) Notwithstanding paragraph (a), no license or permit from another state is valid in this state if the holder is or becomes prohibited by law from possessing a firearm.

(c) Any sheriff or police chief may file a petition under subdivision 12 seeking an order suspending or revoking an out-of-state permit holder's authority to carry a pistol in this state on the grounds set forth in subdivision 6, paragraph (a), clause (3). An order shall only be issued if the petitioner meets the burden of proof and criteria set forth in subdivision 12. If the court denies the petition, the court must award the permit holder reasonable costs and expenses including attorney fees. The petition may be filed in any county in the state where a person holding a license or permit from another state can be found.

(d) The commissioner of public safety must, when necessary, execute reciprocity agreements regarding carry permits with jurisdictions whose carry permits are recognized under paragraph (c).

Sec. 22. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 17. [POSTING; TRESPASS.] (a) A person carrying a firearm on or about his or her person or clothes under a permit or otherwise who remains at a private establishment knowing that the operator of the establishment or its agent has made a reasonable request that firearms not be brought into the establishment may be ordered to leave the premises. A person who fails to leave when so requested is guilty of a petty misdemeanor. The fine for a first offense must not exceed \$25. Notwithstanding section 609.531, a firearm carried in violation of this subdivision is not subject to forfeiture.

(b) As used in this subdivision, the terms in this paragraph have the meanings given.

(1) "Reasonable request" means a request made under the following circumstances:

(i) the requester has prominently posted a conspicuous sign at every entrance to the establishment or event containing the following language: "(INDICATE IDENTITY OF OPERATOR) ALLOWS NO FIREARMS WITHIN THESE PREMISES."; and

(ii) the requester or its agent personally informs the person of the posted request and demands compliance.

(2) "Prominently" means readily visible and within four feet laterally of the entrance with the bottom of the sign at a height of four to six feet above the floor.

(3) "Conspicuous" means lettering in black block letters at least 1-1/2 inches in height against a contrasting background that is at least 216 square inches in area.

(4) "Private establishment" means a building, structure, or portion thereof that is owned, leased, controlled, or operated by a nongovernmental entity for a nongovernmental purpose, but does not include a parking facility, parking area, or private residence.

(c) This subdivision does not affect the rights of employers and employees to define the terms of their employment relationship while the employee is acting in the course and scope of that employment.

(d) Notwithstanding any inconsistent provisions in section 609.605, this subdivision sets forth the exclusive criteria to notify a person that firearm possession is not allowed in a private establishment and sets forth the exclusive penalty for such activity.

(e) This subdivision does not apply to an on-duty peace officer or security guard acting in the course and scope of employment.

Sec. 23. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 18. [IMMUNITY.] Neither a sheriff, police chief, any employee of a sheriff or police chief involved in the permit issuing process, nor any certified instructor is liable for damages resulting or arising from acts with a firearm committed by a permit holder, unless the person had actual knowledge at the time the permit was issued or the instruction was given that the applicant was prohibited by law from possessing a firearm.

Sec. 24. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 19. [MONITORING.] (a) By March 1, 2004, and each year thereafter, the commissioner of public safety must report to the legislature on:

(1) the number of permits applied for, issued, suspended, revoked, and denied, further categorized by the age, sex, and zip code of the applicant or permit holder, since the previous submission, and in total;

(2) the number of permits currently valid;

(3) the specific reasons for each suspension, revocation, and denial and the number of reversed, canceled, or corrected actions;

(4) the number of convictions and types of crimes committed since the previous submission, and in total, by individuals with permits including data as to whether a firearm lawfully carried solely by virtue of a permit was actually used in furtherance of the crime;

(5) to the extent known or determinable, data on the lawful and justifiable use of firearms by permit holders; and

(6) the status of the segregated funds reported to the commissioner under subdivision 19.

(b) Sheriffs and police chiefs must supply the department of public safety with the basic data the department requires to complete the report under paragraph (a). Sheriffs and police chiefs may submit data classified as private to the department of public safety under this paragraph.

(c) Copies of the report under paragraph (a) must be made available to the public at the actual cost of duplication.

(d) Nothing contained in any provision of this section or any other law requires or authorizes the registration, documentation, collection, or providing of serial numbers or other data on firearms or on firearms' owners.

Sec. 25. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 20. [USE OF FEES.] Fees collected by sheriffs under this section and not forwarded to the commissioner of public safety must be used only to pay the direct costs of administering this section. Fee money may be used to pay the costs of appeals of prevailing applicants or permit holders under subdivision 8, paragraph (c); subdivision 12, paragraph (e); and subdivision 16, paragraph (c). The revenues must be maintained in a segregated fund. Fund balances must be carried over from year to year and do not revert to any other fund. As part of the information supplied under subdivision 19, paragraph (b), by January 31 of each year, a sheriff must report to the commissioner on the sheriff's segregated fund for the preceding calendar year, including information regarding:

(1) nature and amount of revenues;

(2) nature and amount of expenditures; and

(3) nature and amount of balances.

Sec. 26. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 21. [SHORT TITLE; CONSTRUCTION; SEVERABILITY.] This section may be cited as the Minnesota Citizens' Personal Protection Act of 2003. The legislature of the state of Minnesota recognizes and declares that the second amendment of the United States Constitution guarantees the fundamental, individual right to keep and bear arms. The provisions of this section are declared to be necessary to accomplish compelling state interests in regulation of those rights. The terms of this section must be construed according to the compelling state interest test. The invalidation of any provision of this section shall not invalidate any other provision.

Sec. 27. Minnesota Statutes 2002, section 624.714, is amended by adding a subdivision to read:

Subd. 22. [EXCLUSIVITY.] This section sets forth the complete and exclusive criteria and procedures for the issuance of permits to carry and establishes their nature and scope. No sheriff, police chief, governmental unit, government official, government employee, or other person or body acting under color of law or governmental authority may change, modify, or supplement these criteria or procedures, or limit the exercise of a permit to carry.

Sec. 28. [624.7142] [CARRYING WHILE UNDER THE INFLUENCE OF ALCOHOL OR A CONTROLLED SUBSTANCE.]

Subdivision 1. [ACTS PROHIBITED.] A person may not carry a pistol on or about the person's clothes or person in a public place:

- (1) when the person is under the influence of a controlled substance, as defined in section 152.01, subdivision 4;
- (2) when the person is under the influence of a combination of any two or more of the elements named in clauses (1) and (4);
- (3) when the person is knowingly under the influence of any chemical compound or combination of chemical compounds that is listed as a hazardous substance in rules adopted under section 182.655 and that affects the nervous system, brain, or muscles of the person so as to impair the person's clearness of intellect or physical control;
- (4) when the person is under the influence of alcohol;
- (5) when the person's alcohol concentration is 0.10 or more; or
- (6) when the person's alcohol concentration is less than 0.10, but more than 0.04.

Subd. 2. [ARREST.] A peace officer may arrest a person for a violation under subdivision 1 without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.

Subd. 3. [PRELIMINARY SCREENING TEST.] When an officer authorized under subdivision 2 to make arrests has reason to believe that the person may be violating or has violated subdivision 1, the officer may require the person to provide a breath sample for a preliminary screening test using a device approved by the commissioner of public safety for this purpose. The results of the preliminary screening test must be used for the purpose of deciding whether an arrest should be made under this section and whether to require the chemical tests authorized in section 624.7143, but may not be used in any court action except: (1) to prove that the test was properly required of a person under section 624.7143, or (2) in a civil action arising out of the use of the pistol. Following the preliminary screening test, additional tests may be required of the person as provided under section 624.7143. A person who refuses a breath sample is subject to the provisions of section 624.7143 unless, in compliance with that section, the person submits to a blood, breath, or urine test to determine the presence of alcohol or a controlled substance.

Subd. 4. [EVIDENCE.] In a prosecution for a violation of subdivision 1, the admission of evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine is governed by section 169A.45.

Subd. 5. [SUSPENSION.] A person who is charged with a violation under this section may have their authority to carry a pistol in a public place on or about the person's clothes or person under the provisions of a permit or otherwise suspended by the court as a condition of release.

Subd. 6. [PENALTIES.] (a) A person who violates a prohibition under subdivision 1, clauses (1) to (5), is guilty of a misdemeanor. A second or subsequent violation is a gross misdemeanor.

(b) A person who violates subdivision 1, clause (6), is guilty of a misdemeanor.

(c) In addition to the penalty imposed under paragraph (a), if a person violates subdivision 1, clauses (1) to (5), the person's authority to carry a pistol in a public place on or about the person's clothes or person under the provisions of a permit or otherwise is revoked and the person may not reapply for a period of one year from the date of conviction.

(d) In addition to the penalty imposed under paragraph (b), if a person violates subdivision 1, clause (6), the person's authority to carry a pistol in a public place on or about the person's clothes or person under the provisions of a permit or otherwise is suspended for 180 days from the date of conviction.

(e) Notwithstanding section 609.531, a firearm carried in violation of subdivision 1, clause (6), is not subject to forfeiture.

Subd. 7. [REPORTING.] Suspensions and revocations under this section must be reported in the same manner as in section 624.714, subdivision 12a.

Sec. 29. [624.7143] [CHEMICAL TESTING.]

Subdivision 1. [MANDATORY CHEMICAL TESTING.] A person who carries a pistol in a public place on or about the person's clothes or person is required, subject to the provisions of this section, to take or submit to a test of the person's blood, breath, or urine for the purpose of determining the presence and amount of alcohol or a controlled substance. The test shall be administered at the direction of an officer authorized to make arrests under section 624.7142. Taking or submitting to the test is mandatory when requested by an officer who has probable cause to believe the person was carrying a pistol in violation of section 624.7142, and one of the following conditions exists:

(1) the person has been lawfully placed under arrest for violating section 624.7142;

(2) the person has been involved while carrying a firearm in a firearms-related accident resulting in property damage, personal injury, or death;

(3) the person has refused to take the preliminary screening test provided for in section 624.7142; or

(4) the screening test was administered and indicated an alcohol concentration of 0.04 or more.

Subd. 2. [PENALTIES; REFUSAL; REVOCATION.] (a) If a person refuses to take a test required under subdivision 1, none must be given but the officer shall report the refusal to the sheriff and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the incident occurred that gave rise to the test demand and refusal. On certification by the officer that probable cause existed to believe the person had been carrying a pistol on or about the person's clothes or person in a public place while under the influence of

alcohol or a controlled substance, and that the person refused to submit to testing, a court may impose a civil penalty of \$500 and may revoke the person's authority to carry a pistol in a public place on or about the person's clothes or person under the provisions of a permit or otherwise for a period of one year from the date of the refusal. The person shall be accorded notice and an opportunity to be heard prior to imposition of the civil penalty or the revocation.

(b) Revocations under this subdivision must be reported in the same manner as in section 624.714, subdivision 12a.

Subd. 3. [RIGHTS AND OBLIGATIONS.] At the time a test is requested, the person must be informed that:

(1) Minnesota law requires a person to take a test to determine if the person is under the influence of alcohol or a controlled substance;

(2) if the person refuses to take the test, the person is subject to a civil penalty of \$500 and is prohibited for a period of one year from carrying a pistol in a public place on or about the person's clothes or person, as provided under subdivision 2; and

(3) that the person has the right to consult with an attorney, but that this right is limited to the extent it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test.

Subd. 4. [REQUIREMENT OF BLOOD OR URINE TEST.] Notwithstanding subdivision 1, if there is probable cause to believe there is impairment by a controlled substance that is not subject to testing by a breath test, a blood or urine test may be required even after a breath test has been administered.

Subd. 5. [CHEMICAL TESTS.] Chemical tests administered under this section are governed by section 169A.51 in all aspects that are not inconsistent with this section.

Sec. 30. [APPROPRIATION.]

\$1,071,000 is appropriated in fiscal year 2004 and \$119,000 is appropriated in fiscal year 2005 from the general fund to the commissioner of public safety to implement the provisions of sections 1 to 29. The unencumbered balance in the first year does not cancel but is available for the second year.

Sec. 31. [TEMPORARY FEE PROVISION.]

Notwithstanding Minnesota Statutes, section 624.714, subdivision 3, paragraph (e), until July 1, 2004, the sheriff must submit \$21.50 to the commissioner of public safety for deposit into the general fund for each permit application submitted under Minnesota Statutes, section 624.714.

Sec. 32. [GRANDFATHER CLAUSE.]

Permits to carry pistols issued prior to the effective date of sections 1 to 29 remain in effect and are valid under the terms of issuance until the date of expiration applicable at the time of issuance. However, a person holding a permit that was issued prior to the effective date of sections 1 to 29 may nevertheless apply for a permit under the terms and conditions of sections 1 to 29.

Sec. 33. [REVISOR'S INSTRUCTION.]

In Minnesota Statutes, sections 624.713 to 624.717, the revisor of statutes shall change the term "commissioner of public safety" to "commissioner" wherever the term appears.

Sec. 34. [REPEALER.]

Minnesota Statutes 2002, section 624.714, subdivisions 1 and 5, are repealed.

Sec. 35. [EFFECTIVE DATE.]

Sections 1 to 34 are effective 30 days after final enactment and apply to crimes committed on or after that date, except that the commissioner of public safety must promulgate the list required under section 21 within 60 days of final enactment. The database required by section 20 must be operational within 180 days of the effective date."

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. 283, A bill for an act relating to taxation; individual income; providing an income tax checkoff to fund benefits for survivors of law enforcement officers and firefighters and providing for maintenance of peace officer and firefighter memorials; proposing coding for new law in Minnesota Statutes, chapter 290.

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

The report was adopted.

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

H. F. No. 293, A bill for an act relating to municipalities; allowing the prescribing of certain fees by a fee schedule; amending Minnesota Statutes 2002, section 462.353, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 462.353, subdivision 4, is amended to read:

Subd. 4. [FEES.] A municipality may prescribe fees sufficient to defray the costs incurred by it in reviewing, investigating, and administering an application for an amendment to an official control established pursuant to sections 462.351 to 462.364 or an application for a permit or other approval required under an official control established pursuant to those sections. Except as provided in subdivision 4a, fees as prescribed must be by ordinance ~~and~~. Fees must be fair, reasonable, and proportionate to the actual cost of the service for which the fee is imposed. A municipality shall adopt management and accounting procedures to ensure that fees are maintained and used only for the purpose for which they are collected.

If a dispute arises over a specific fee imposed by a municipality related to a specific application, the amount of the fee must be deposited and held in escrow, and the person aggrieved by the fee may appeal under section 462.361. An approved application may proceed as if the fee had been paid, pending a decision on the appeal.

Sec. 2. Minnesota Statutes 2002, section 462.353, is amended by adding a subdivision to read:

Subd. 4a. [FEE SCHEDULE ALLOWED.] A municipality that collects an annual cumulative total of \$5,000 or less in fees under this section may prescribe the fees or refer to a fee schedule in the ordinance governing the official control or permit. A municipality may adopt a fee schedule under this subdivision by ordinance or resolution, either annually or more frequently, following publication of notice of proposed action on a fee schedule at least ten days prior to a public hearing held to consider action on or approval of the fee schedule. A municipality that collects a cumulative total in excess of \$5,000 in fees under this section may prescribe a fee schedule by ordinance by following the notice and hearing procedures specified in this subdivision."

Amend the title as follows:

Page 1, line 4, before the period, insert ", by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 389, A bill for an act relating to the city of Minneapolis; providing for the establishment of certain positions in the unclassified service of the city of Minneapolis by the Minneapolis city council.

Reported the same back with the following amendments:

Page 1, line 9, delete "the Veterans Preference Act."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 414, A bill for an act relating to natural resources; updating soil and water conservation district law; changing requirements for petitions and elections relating to soil and water conservation districts; allowing counties the option to authorize soil and water conservation district levies; adding soil and water conservation districts to the definition of special taxing district; clarifying removal provisions for soil and water conservation district supervisors; amending Minnesota Statutes 2002, sections 103A.206; 103C.005; 103C.101, subdivisions 6, 9, by adding a subdivision; 103C.201, subdivisions 1, 2, 5, 6, 7, 8; 103C.205; 103C.211; 103C.225, subdivisions 1, 3, 4, 8; 103C.305, subdivision 1; 103C.311, subdivisions 1, 2; 103C.315, subdivisions 1, 2, 4, 5; 103C.331, subdivisions 11, 12, 16, 19, by adding a subdivision; 103C.401, subdivisions 1, 2; 275.066; 351.14, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 103C; repealing Minnesota Statutes 2002, section 103C.301.

Reported the same back with the following amendments:

Page 17, delete section 27

Pages 18 to 20, delete section 30

Pages 22 and 23, delete section 33

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete lines 6 to 8

Page 1, line 17, delete "16,"

Page 1, line 18, delete "275.066;"

Page 1, delete line 19

Page 1, line 20, delete "chapter 103C;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 476, A bill for an act relating to education; enacting the American Heritage Education in Minnesota Public Schools Act; proposing coding for new law in Minnesota Statutes, chapter 120B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [120B.25] [AMERICAN HERITAGE EDUCATION.]

(a) School districts must develop and implement a policy of grade-level instruction to assure the maintenance of freedom and encourage and provide the opportunity for all students to read and study America's founding documents that contribute to understanding the principles, character, and world view of America's founders. The documents covered under this policy are those that have contributed to the founding or maintaining of America's republican form of limited government, natural law, the free-market system, and patriotism. Districts must allow a principal or teacher to use, read, or post in a public school classroom or building or at a public school-sponsored event any document or document excerpt, including a document or document excerpt that contains religious content, related to the history, heritage, or foundation of the country or Minnesota. Examples of such documents include, but are not limited to:

(1) the Mayflower compact;

(2) the Declaration of Independence;

(3) the Constitutions of the United States and the state of Minnesota;

(4) the Northwest Ordinance of 1787;

(5) the Federalist Papers;

(6) the Pledge of Allegiance in its original and current forms;

(7) the national anthem and other patriotic songs;

(8) Patrick Henry's "give me liberty or give me death" speech, Washington's farewell address to the nation, Lincoln's Gettysburg address, and other writings such as those of George Washington Carver, Phyllis Wheatley, Florence Nightingale, and Reverend Doctor Martin Luther King Jr.;

(9) the acts and published records of Congress; and

(10) the United States Supreme Court decisions and records.

(b) Districts may not limit or restrain instruction in American or Minnesota state history or heritage based on religious references in documents, writings, speeches, proclamations, or records described under paragraph (a). These and any other materials must be used for educational purposes and not to establish any religion.

(c) Students may voluntarily choose to read, write, share, report, or otherwise study a topic which is religious in nature provided other students are provided with the same opportunity to freely choose a topic.

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

Sec. 2. [TITLE.]

Minnesota Statutes, section 120B.25, shall be known as the "American Heritage Education in Minnesota Public Schools Act."

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

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 505, A bill for an act relating to courts; allowing for expungement of certain court records; amending Minnesota Statutes 2002, section 484.014, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 484.014, subdivision 2, is amended to read:

Subd. 2. [DISCRETIONARY EXPUNGEMENT.] The court may order expungement of an eviction case court file only upon motion of a defendant and decision by the court, and only if the court finds makes an explicit written finding that the plaintiff's case is sufficiently without basis in fact or law, which may include lack of jurisdiction over the case, that expungement is clearly in the interests of justice and those interests are not outweighed by the public's interest in knowing about the record. A case's being stricken from the calendar, dismissed or settled, or any agreement between the parties to allow expungement are not determinative that the case was without basis in fact or law."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 517, A bill for an act relating to education; renaming the department of children, families, and learning to department of education; making conforming changes to reflect the department name change; amending Minnesota Statutes 2002, sections 15.01; 119A.01, subdivision 2; 119A.02, subdivisions 2, 3; 119B.011, subdivisions 8, 10; 120A.02; 120A.05, subdivisions 4, 7; 127A.05, subdivisions 1, 3; repealing Minnesota Statutes 2002, section 119A.01, subdivision 1.

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

The report was adopted.

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

H. F. No. 528, A bill for an act relating to emergency medical services; permitting four-year contracts for emergency medical services; modifying license plate provisions for volunteer ambulance attendants; permitting certain ambulance services to make claims against tax refunds; regulating use of police communication equipment; amending Minnesota Statutes 2002, sections 144E.50, subdivision 5; 168.12, subdivision 2e; 270A.03, subdivision 2; 299C.37, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 144E.01, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] (a) The emergency medical services regulatory board consists of the following members, all of whom must work in Minnesota, except for the person listed in clause (14):

- (1) an emergency physician certified by the American board of emergency physicians;
- (2) a representative of Minnesota hospitals;
- (3) a representative of fire chiefs;

(4) a full-time firefighter who serves as a first responder and who is a member of a professional firefighter's union;

(5) a volunteer firefighter who serves as a first responder;

(6) an attendant currently practicing on a licensed ambulance service who is a paramedic or an emergency medical technician;

(7) an ambulance director for a licensed ambulance service;

(8) a representative of sheriffs;

(9) a member of a local board of health to represent community health services;

(10) two representatives of regional emergency medical services programs, one of whom must be from the metropolitan regional emergency medical services program;

(11) a registered nurse currently practicing in a hospital emergency department;

(12) a pediatrician, certified by the American board of pediatrics, with experience in emergency medical services;

(13) a family practice physician who is currently involved in emergency medical services;

(14) a public member who resides in Minnesota ~~and is at least 65 years of age~~; and

(15) the commissioners of health and public safety or their designees.

(b) The governor shall appoint members under paragraph (a). Appointments under clauses (1) to (9) and (11) to (13) are subject to the advice and consent of the senate. In making appointments under clauses (1) to (9) and (11) to (13), the governor shall consider recommendations of the American college of emergency physicians, the Minnesota hospital association, the Minnesota and state fire chief's association, the Minnesota ambulance association, the Minnesota emergency medical services association, the Minnesota state sheriff's association, the association of Minnesota counties, the Minnesota nurses association, and the Minnesota chapter of the academy of pediatrics.

(c) No member appointed under paragraph (a) may serve consecutive terms.

(d) At least seven members appointed under paragraph (a) must reside outside of the seven-county metropolitan area, as defined in section 473.121.

Sec. 2. Minnesota Statutes 2002, section 144E.27, subdivision 1, is amended to read:

Subdivision 1. [TRAINING PROGRAMS.] Curriculum for initial and refresher training programs must meet the current standards of the United States Department of Transportation first responder curriculum or its equivalent as determined by the board. A training program instructor must be a first responder, EMT, EMT-I, EMT-P, physician, physician assistant, or registered nurse.

Sec. 3. Minnesota Statutes 2002, section 144E.27, subdivision 2, is amended to read:

Subd. 2. [REGISTRATION.] To be eligible for registration with the board as a first responder, an individual shall register the following persons as first responders:

(1) ~~a person who successfully completes~~ complete a board-approved initial ~~or refresher~~ first responder training program. ~~Registration under this clause is valid for two years and expires at the end of the month in which the registration was issued; or~~

(2) ~~a person who is~~ be credentialed as a first responder by the National Registry of Emergency Medical Technicians. ~~Registration under this clause expires the same day as the National Registry credential.~~

Sec. 4. Minnesota Statutes 2002, section 144E.27, subdivision 4, is amended to read:

Subd. 4. [EXPIRATION.] (a) A first responder registration issued by the board ~~or the commissioner of health before August 1, 1997, expires in 1999 at the end of the month in which it was issued.~~ as follows:

(1) for initial registration granted between January 1 and June 30 of an even-numbered year, the expiration date is September 30 of the next even-numbered year;

(2) for initial registration granted between July 1 and December 31 of an even-numbered year, the expiration date is September 30 of the second odd-numbered year;

(3) for initial registration granted between January 1 and June 30 of an odd-numbered year, the expiration date is September 30 of the next odd-numbered year; and

(4) for initial registration granted between July 1 and December 31 of an odd-numbered year, the expiration date is September 30 of the second even-numbered year.

(b) Subsequent registration renewals expire on September 30 and are valid for two years.

Sec. 5. Minnesota Statutes 2002, section 144E.286, is amended by adding a subdivision to read:

Subd. 3. [EXAMINER QUALIFICATIONS.] An examiner testing EMT, EMT-I, or EMT-P practical skills must be certified at or above the level the examiner is testing or must be a registered nurse, physician, or physician assistant. A physician must be available to answer questions relating to the evaluation of skill performance at the EMT-I and EMT-P practical examination.

Sec. 6. Minnesota Statutes 2002, section 144E.305, subdivision 2, is amended to read:

Subd. 2. [MANDATORY REPORTING.] (a) A licensee shall report to the board conduct by a first responder, EMT, EMT-I, or EMT-P that they reasonably believe constitutes grounds for disciplinary action under section 144E.27, subdivision 5, or 144E.28, subdivision 5. The licensee shall report to the board within 60 days of obtaining knowledge of the conduct constituting grounds for disciplinary action.

(b) A licensee shall report to the board any dismissal from employment of a first responder, EMT, EMT-I, or EMT-P. A licensee shall report the resignation of a first responder, EMT, EMT-I, or EMT-P before the conclusion of any disciplinary proceeding or before commencement of formal charges but after the first responder, EMT, EMT-I, or EMT-P has knowledge that formal charges are contemplated or in preparation. The licensee shall report to the board within 60 days of the resignation or initial determination to dismiss. An individual's exercise of rights under a collective bargaining agreement does not extend the licensee's time period for reporting under this subdivision.

Sec. 7. Minnesota Statutes 2002, section 144E.41, is amended to read:

144E.41 [PROGRAM ELIGIBILITY; QUALIFIED AMBULANCE SERVICE PERSONNEL.]

(a) Persons eligible to participate in the ambulance service personnel longevity award and incentive program are qualified ambulance service personnel.

(b) Qualified ambulance service personnel are ambulance attendants, ambulance drivers, and ambulance service medical directors or medical advisors who meet the following requirements:

(1) employment of the person by or provision by the person of service to an ambulance service that is licensed as such by the state of Minnesota and that provides ambulance services that are generally available to the public and are free of unfair discriminatory practices under chapter 363;

(2) performance by the person during the 12 months ending as of the immediately previous June 30 of all or a predominant portion of the person's services in the state of Minnesota or on behalf of Minnesota residents, as verified by August 1 annually in an affidavit from the chief administrative officer of the ambulance service;

(3) current certification of the person during the 12 months ending as of the immediately previous June 30 by the Minnesota department of health as an ambulance attendant, ambulance driver, or ambulance service medical director or medical advisor under section 144E.265 or 144E.28, and supporting rules, and current active ambulance service employment or service provision status of the person, as verified by August 1 annually in an affidavit from the chief administrative officer of the ambulance service; and

(4) conformance by the person with the definition of the phrase "volunteer ambulance attendant" under section 144E.001, subdivision 15, except that for the salary limit specified in that provision there must be substituted, for purposes of this section only, a limit of \$3,000 for calendar year 1993, and \$3,000 multiplied by the cumulative percentage increase in the national Consumer Price Index, all items, for urban wage earners and clerical workers, as published by the federal Department of Labor, Bureau of Labor Statistics, since December 31, 1993, and for an ambulance service medical director, conformance based solely on the person's hourly stipends or salary for service as a medical director.

(c) The term "active ambulance service employment or service provision status" means being in good standing with and on the active roster of the ambulance service making the certification.

~~(d) The maximum period of ambulance service employment or service provision for which a person may receive credit towards an award under this chapter, including prior service credit under section 144E.45, subdivision 2, paragraph (c), is 20 years.~~

~~(e)~~ For a person who is employed by or provides service to more than one ambulance service concurrently during any period during the 12-month period, credit towards an award under this chapter is limited to one ambulance service during any period. The creditable period is with the ambulance service for which the person undertakes the greatest portion of employment or service hours.

Sec. 8. Minnesota Statutes 2002, section 144E.50, subdivision 5, is amended to read:

Subd. 5. [DISTRIBUTION.] Money from the fund shall be distributed according to this subdivision. Ninety-three and one-third percent of the fund shall be distributed annually on a contract for services basis with each of the eight regional emergency medical services systems designated by the board. Contracts with the eight regional emergency medical services systems shall be for four-year terms contingent upon appropriation of adequate funds. If the emergency medical services regulatory board does not accept a contract proposal from a current contract

holder, the board shall initiate a contested case proceeding under sections 14.57 to 14.69, at the request of the current contract holder. The systems shall be governed by a body consisting of appointed representatives from each of the counties in that region and shall also include representatives from emergency medical services organizations. The board shall contract with a regional entity only if the contract proposal satisfactorily addresses proposed emergency medical services activities in the following areas: personnel training, transportation coordination, public safety agency cooperation, communications systems maintenance and development, public involvement, health care facilities involvement, and system management. If each of the regional emergency medical services systems submits a satisfactory contract proposal, then this part of the fund shall be distributed evenly among the regions. If one or more of the regions does not contract for the full amount of its even share or if its proposal is unsatisfactory, then the board may reallocate the unused funds to the remaining regions on a pro rata basis. Six and two-thirds percent of the fund shall be used by the board to support regionwide reporting systems and to provide other regional administration and technical assistance.

Sec. 9. Minnesota Statutes 2002, section 270A.03, subdivision 2, is amended to read:

Subd. 2. [CLAIMANT AGENCY.] "Claimant agency" means any state agency, as defined by section 14.02, subdivision 2, the regents of the University of Minnesota, any district court of the state, any county, any statutory or home rule charter city presenting a claim for a municipal hospital or a public library or ~~a municipal~~ an ambulance service licensed under chapter 144E, a hospital district, a private nonprofit hospital that leases its building from the county in which it is located, any public agency responsible for child support enforcement, any public agency responsible for the collection of court-ordered restitution, and any public agency established by general or special law that is responsible for the administration of a low-income housing program."

Delete the title and insert:

"A bill for an act relating to emergency medical services; modifying provisions relating to emergency medical services; permitting four-year contracts for emergency medical services; permitting certain ambulance services to make claims against tax refunds; amending Minnesota Statutes 2002, sections 144E.01, subdivision 1; 144E.27, subdivisions 1, 2, 4; 144E.286, by adding a subdivision; 144E.305, subdivision 2; 144E.41; 144E.50, subdivision 5; 270A.03, subdivision 2."

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

The report was adopted.

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

H. F. No. 561, A bill for an act relating to commerce; requiring uniform mandatory penalties against license holders and a licensee's employees for sales to minors; providing for mitigating circumstances in assessing penalties; amending Minnesota Statutes 2002, sections 461.12, subdivision 2; 461.19; repealing Minnesota Statutes 2002, section 461.12, subdivisions 2, 3.

Reported the same back with the following amendments:

Page 1, line 23, delete "must" and insert "may"

Page 1, line 25, after "~~and~~" insert "up to"

Page 3, delete section 3

Page 3, line 20, delete "4" and insert "3"

Amend the title as follows:

Page 1, line 7, delete "; repealing Minnesota Statutes" and insert a period

Page 1, delete line 8

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 606, A bill for an act relating to health; modifying prior authorization requirements for health care services; establishing requirements for provider contracting; modifying provisions for payment of claims; regulating disclosure of profiling data; amending Minnesota Statutes 2002, sections 62M.07; 62Q.74; 62Q.75, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 2002, section 62Q.745.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 62M.07, is amended to read:

62M.07 [PRIOR AUTHORIZATION OF SERVICES.]

(a) Utilization review organizations conducting prior authorization of services must have written standards that meet at a minimum the following requirements:

(1) written procedures and criteria used to determine whether care is appropriate, reasonable, or medically necessary;

(2) a system for providing prompt notification of its determinations to enrollees and providers and for notifying the provider, enrollee, or enrollee's designee of appeal procedures under clause (4);

(3) compliance with section 62M.05, subdivisions 3a and 3b, regarding time frames for approving and disapproving prior authorization requests;

(4) written procedures for appeals of denials of prior authorization which specify the responsibilities of the enrollee and provider, and which meet the requirements of sections 62M.06 and 72A.285, regarding release of summary review findings; and

(5) procedures to ensure confidentiality of patient-specific information, consistent with applicable law.

(b) No utilization review organization, health plan company, or claims administrator may conduct or require prior authorization of emergency confinement or emergency treatment. The enrollee or the enrollee's authorized representative may be required to notify the health plan company, claims administrator, or utilization review organization as soon after the beginning of the emergency confinement or emergency treatment as reasonably possible.

(c) If prior authorization for a health care service is required, the utilization review organization, health plan company, or claim administrator must allow providers to submit requests for prior authorization of such health care services without unreasonable delay by telephone, facsimile, voice mail, or through an electronic mechanism 24 hours a day, seven days a week. This paragraph does not apply to dental services covered under MinnesotaCare, general assistance medical care, or medical assistance.

Sec. 2. [62Q.732] [CITATION.]

Sections 62Q.732 to 62Q.752 may be cited as the "Minnesota Health Plan Contracting Act."

Sec. 3. [62Q.733] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For purposes of sections 62Q.732 to 62Q.752, the following definitions apply.

Subd. 2. [CONTRACT.] "Contract" means a written agreement between a health care provider and a health plan company to provide health care services.

Subd. 3. [HEALTH CARE PROVIDER OR PROVIDER.] "Health care provider" or "provider" means a physician, chiropractor, dentist, podiatrist, or other provider as defined under section 62J.03, other than hospitals.

Subd. 4. [HEALTH PLAN COMPANY.] (a) "Health plan company" means:

(1) a health maintenance organization operating under chapter 62D;

(2) a community integrated service network operating under chapter 62N;

(3) a preferred provider organization as defined in section 145.61, subdivision 4c; or

(4) an insurance company licensed under chapter 60A, nonprofit health service corporation operating under chapter 62C, fraternal benefit society operating under chapter 64B, or any other entity that establishes, operates, or maintains a health benefit plan or network of health care providers where the providers have entered into a contract with the entity to provide health care services.

(b) This subdivision does not apply to a health plan company with respect to coverage described in section 62A.011, subdivision 3, clauses (1) to (5) and (7) to (12).

Subd. 5. [FEE SCHEDULE.] "Fee schedule" means the total expected financial compensation paid to a health care provider for providing a health care service as determined by the contract between the health plan company and the provider, inclusive of withhold amounts and any amount for which the patient or other third party may be obligated to pay under the contract.

Sec. 4. [62Q.734] [EXEMPTION.]

Sections 62Q.735 to 62Q.739, 62Q.74, and 62Q.752 do not apply to health plan companies whose annual Minnesota health premium revenues are less than three percent of the total annual Minnesota health premium revenues, as measured by the assessment base of the Minnesota comprehensive health association. For purposes of this percentage calculation, a health plan company's premiums include the Minnesota health premium revenues of its affiliates.

Sec. 5. [62Q.735] [PROVIDER CONTRACTING PROCEDURES.]

Subdivision 1. [CONTRACT DISCLOSURE.] (a) Before requiring a health care provider to sign a contract, a health plan company shall give to the provider a complete copy of the proposed contract, including:

(1) all attachments and exhibits;

(2) operating manuals;

(3) a general description of the health plan company's health service coding guidelines and requirements for procedures and diagnoses with modifiers, and multiple procedures; and

(4) all guidelines and treatment parameters incorporated or referenced in the contract.

(b) The health plan company shall make available to the provider the fee schedule or a method or process that allows the provider to determine the fee schedule for each health care service to be provided under the contract.

(c) Notwithstanding paragraph (b), a health plan company that is a dental plan organization, as defined in section 62Q.76, shall disclose information related to the individual contracted provider's expected reimbursement from the dental plan organization. Nothing in this section requires a dental plan organization to disclose the plan's aggregate maximum allowable fee table used to determine other providers' fees. The contracted provider must not release this information in any way that would violate any state or federal antitrust law.

Subd. 2. [PROPOSED AMENDMENTS.] (a) Any amendment or change in the terms of an existing contract between a health plan company and a provider must be disclosed to the provider at least 45 days prior to the effective date of the proposed change, with the exception of amendments required of the health plan company by law or governmental regulatory authority, when notice shall be given to the provider when the requirement is made known to the health plan company.

(b) Any amendment or change in the contract that alters the fee schedule or materially alters the written contractual policies and procedures governing the relationship between the provider and the health plan company must be disclosed to the provider not less than 45 days before the effective date of the proposed change and the provider must have the opportunity to terminate the contract before the amendment or change is deemed to be in effect.

(c) By mutual consent, evidenced in writing in amendments separate from the base contract and not contingent on participation, the parties may waive the disclosure requirements under paragraphs (a) and (b).

(d) Notwithstanding paragraphs (a) and (b), the effective date of contract termination shall comply with the terms of the contract when a provider terminates a contract.

Sec. 6. [62Q.736] [PAYMENT RATES.]

A contract between a health plan company and a provider shall comply with section 62A.64.

Sec. 7. [62Q.737] [SERVICE CODE CHANGES.]

(a) For purposes of this section, "service code" means current procedural terminology (CPT), current dental terminology (CDT), ICD-CM, diagnosis-related groups (DRGs), or other coding system.

(b) The health plan company shall determine the manner in which it adjudicates claims. The provider may request a description of the general coding guidelines applicable to the health care services the provider is reasonably expected to render pursuant to the contract. The health plan company or its designee shall provide the coding guidelines not later than 30 days after the date the health plan receives the request. The health plan company shall provide notice of material changes to the coding guidelines not later than 45 days prior to the date the changes take effect and shall not make retroactive revision to the coding guidelines, but may issue new guidelines. A provider who receives information under this section may use or disclose the information only for the purpose of practice management, billing activities, or other business operations and may not disclose the information to third parties without the consent of the health plan company.

(c) The health plan company may correct an error in a submitted claim that prevents the claim from being processed, provided that the health plan company:

(1) notifies the provider of the change and reason for the change according to federal HIPAA transaction standards; and

(2) offers the provider the opportunity to appeal any changes.

(d) Nothing in this section shall be interpreted to require a health plan company to violate copyright or other law by disclosing proprietary licensed software. In addition to the above, the health plan company shall, upon request of a contracted provider, disclose the name, edition, and model version of the software that the health plan company uses to determine bundling and unbundling of claims.

(e) This section does not apply to government programs, including state public programs, Medicare, and Medicare-related coverage.

Sec. 8. [62Q.739] [UNILATERAL TERMS PROHIBITED.]

(a) A contract between a health plan company and a health care provider shall not contain or require unilateral terms regarding indemnification or arbitration. Notwithstanding any prohibitions in this section, a contract between a health plan company and a health care provider may be unilaterally terminated by either party in accordance with the terms of the contract.

(b) A health plan company may not terminate or fail to renew a health care provider's contract without cause unless the company has given the provider a written notice of the termination or nonrenewal 120 days before the effective date.

Sec. 9. Minnesota Statutes 2002, section 62Q.74, is amended to read:

62Q.74 [NETWORK SHADOW CONTRACTING.]

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

~~(b) "category of coverage" means one of the following types of health-related coverage:~~

- ~~(1) health;~~
- ~~(2) no-fault automobile medical benefits; or~~
- ~~(3) workers' compensation medical benefits.~~

~~(c) "Health care provider" or "provider" means an individual licensed, registered, or regulated by the board of medical practice under chapter 147, a chiropractor licensed under sections 148.01 to 148.106, a dentist licensed under chapter 150A, or a hospital licensed under chapter 144.~~

~~(d) "Network organization" means a preferred provider organization as defined in section 145.61, subdivision 4e; a managed care organization as defined in section 62Q.01, subdivision 5; or other entity that uses or consists of a network of health care providers.~~

Subd. 2. [PROVIDER CONSENT REQUIRED.] (a) No ~~network organization~~ health plan company shall require a health care provider to participate in a network under a category of coverage that differs from the category or categories of coverage to which the existing contract between the ~~network organization~~ health plan company and the provider applies, without the affirmative consent of the provider obtained under subdivision 3.

~~(b) This section does not apply to situations in which the network organization wishes~~ No health plan company shall require, as a condition of participation in any health plan, product, or other arrangement, the provider to participate in a new or different health plan, product, or other arrangement within a category of coverage that is already provided for in an existing contract between the network organization and the provider results in a different underlying financial reimbursement methodology without the affirmative consent of the provider obtained under subdivision 3. This paragraph does not apply to participation in health plan products or other arrangements that provide health care services to government programs, including state public programs, Medicare, and Medicare-related coverage.

~~(c) Compliance with this section may not be waived in a contract or otherwise.~~

Subd. 3. [CONSENT PROCEDURE.] (a) The ~~network organization~~ health plan company, if it wishes to apply an existing contract with a provider to a different category of coverage or health plan, product, or other arrangement within a category of coverage that results in a different underlying financial reimbursement methodology, shall first notify the provider in writing. The written notice must include at least the following:

(1) the ~~network organization's~~ health plan company's name, address, and telephone number, and the name of the specific network, if it differs from that of the ~~network organization~~ health plan company;

(2) a description of the proposed new category of coverage or health plan, product, or other arrangement within a category of coverage;

(3) the names of all payers expected by the ~~network organization health plan company~~ to use the network for the new category of coverage or health plan, product, or other arrangement within a category of coverage;

(4) the approximate number of current enrollees of the ~~network organization health plan company~~ in that category of coverage or health plan, product, or other arrangement within a category of coverage within the provider's geographical area;

(5) a disclosure of all contract terms of the proposed new category of coverage or health plan, product, or other arrangement within a category of coverage, including the discount or reduced fees, care guidelines, utilization review criteria, prior notification process, prior authorization process, and dispute resolution process;

(6) a form for the provider's convenience in accepting or declining participation in the proposed new category of coverage or health plan, product, or other arrangement within a category of coverage, provided that the provider need not use that form in responding; and

(7) a statement informing the provider of the provisions of paragraph (b).

(b) Unless the provider has affirmatively agreed to participate within 60 days after the postmark date of the notice, the provider is deemed to have not accepted the proposed new category of coverage or health plan, product, or other arrangement within a category of coverage that results in a different underlying financial reimbursement methodology.

Subd. 4. [CONTRACT TERMINATION RESTRICTED.] A ~~network organization health plan company~~ must not terminate an existing contract with a provider, or fail to honor the contract in good faith, based solely on the provider's decision not to accept a proposed new category of coverage or health plan, product, or other arrangement within a category of coverage that results in a different underlying financial reimbursement methodology. The most recent agreed-upon contractual obligations remain in force until the existing contract's renewal or termination date.

Subd. 5. [REMEDY.] If a ~~network organization health plan company~~ violates this section by reimbursing a provider as if the provider had agreed under this section to participate in the network under a category of coverage or health plan, product, or other arrangement within a category of coverage that results in a different underlying financial reimbursement methodology to which the provider has not agreed, the provider has a cause of action against the ~~network organization health plan company~~ to recover two times the difference between the reasonable charges for claims affected by the violation and the amounts actually paid to the provider. The provider is also entitled to recover costs, disbursements, and reasonable attorney fees.

Sec. 10. Minnesota Statutes 2002, section 62Q.75, subdivision 2, is amended to read:

Subd. 2. [CLAIMS PAYMENTS.] (a) This section applies to clean claims submitted to a health plan company or third-party administrator for services provided by any:

- (1) health care provider, except a provider licensed under chapter 151;
- (2) home health care provider, as defined in section 144A.43, subdivision 4; or
- (3) health care facility.

All health plan companies and third-party administrators must pay or deny claims that are clean claims within 30 calendar days after the date upon which the health plan company or third-party administrator received the claim.

(b) The health plan company or third-party administrator shall, upon request, make available to the provider information about the status of a claim submitted by the provider consistent with section 62J.581.

(c) If a health plan company or third-party administrator does not pay or deny a clean claim within the period provided in paragraph (a), the health plan company or third-party administrator must pay interest on the claim for the period beginning on the day after the required payment date specified in paragraph (a) and ending on the date on which the health plan company or third-party administrator makes the payment or denies the claim. In any payment, the health plan company or third-party administrator must itemize any interest payment being made separately from other payments being made for services provided. ~~The health plan company or third-party administrator may, at its discretion, require the health care provider to bill the health plan company or third-party administrator for the interest required under this section before any interest payment is made.~~ Interest payments must be made to the health care provider no less frequently than quarterly.

(~~e~~) (d) The rate of interest paid by a health plan company or third-party administrator under this subdivision shall be 1.5 percent per month or any part of a month.

(~~d~~) (e) A health plan company or third-party administrator is not required to make an interest payment on a claim for which payment has been delayed for purposes of reviewing potentially fraudulent or abusive billing practices.

(~~e~~) The commissioner may not assess a financial administrative penalty against a health plan company for violation of this subdivision.

(f) The commissioner may assess a financial administrative penalty against a health plan company for violation of this subdivision when there is a pattern of abuse that demonstrates a lack of good faith effort and a systematic failure of the health plan company to comply with this subdivision.

Sec. 11. [62Q.752] [DISCLOSURE OF PROFILING DATA.]

Subdivision 1. [DISCLOSURE.] Before releasing provider identifiable profiling data to consumers or health plan members, health plan companies shall provide a provider with an opportunity to review the provider's identifiable data and a summary describing the underlying analysis and methodology. A provider shall be given 30 days after receipt of the identifiable data and summary to comment. This subdivision does not apply to the release of provider-identifiable data to plan sponsors, group purchasers, or government agencies.

Subd. 2. [RELEASE OF DATA; APPEAL.] Before a health plan company or health plan sponsor may release any data covered by this section, the health plan company or plan sponsor must provide the subject of the data the opportunity to provide the health plan company or plan sponsor with information supporting or critical to the methodology procedure or information utilized in assembling the data to be released. The health plan company or plan sponsor must consider any information provided by the data subject and provide a written response to the data subject before releasing the data. A health plan company or plan sponsor must provide the subject of the data with a timely appeal process if the subject of the data, after receiving the health plan company or plan sponsor's written response, continues to contest the methodology, procedure, or information utilized by the health plan company or plan sponsor.

Subd. 3. [DENTAL PROFILING.] Utilization profiling conducted by a dental plan organization is not affected by this section but is subject to section 62Q.78.

Sec. 12. [REPEALER.]

Minnesota Statutes 2002, section 62Q.745, is repealed.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective July 1, 2003."

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.

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

H. F. No. 643, A bill for an act relating to motor vehicles; modifying definition of registered owner of motor vehicle; regulating temporary registration permits for vehicles; modifying registration renewal notice procedures; modifying procedures relating to vehicle transactions with dealers; clarifying regulatory responsibilities for vehicle insurance; requiring trucks weighing over 10,000 pounds to submit to weighing; modifying provisions governing expiration dates for drivers' licenses and identification cards; making clarifying changes; amending Minnesota Statutes 2002, sections 168.011, subdivision 5a; 168.09, subdivision 7; 168.11, subdivision 3; 168.187, by adding a subdivision; 168A.11; 169.798, subdivision 1; 169.85, subdivision 1; 171.07, subdivision 4; 171.27.

Reported the same back with the following amendments:

Page 4, line 10, reinstate "~~need~~" and delete "shall"

Page 5, line 3, delete "shall" and insert "may"

Page 5, line 7, after "~~time~~" insert "that is titled or registered in Minnesota"

With the recommendation that when so amended the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 646, A bill for an act relating to gambling; state lottery; providing for gaming machines; establishing horse racing purse payments; requiring a report; amending Minnesota Statutes 2002, sections 240.13, by adding a subdivision; 299L.07, subdivisions 2, 2a; 340A.410, subdivision 5; 349A.01, subdivision 10, by adding subdivisions; 349A.10, subdivision 3; 349A.13; 541.20; 541.21; 609.75, subdivision 3; 609.761, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 297A; 349A.

Reported the same back with the following amendments:

Page 2, line 12, after "by" insert "(1) until June 30, 2005, 51 percent, (2) from July 1, 2005 to June 30, 2007, 34 percent, and (3) on and after July 1, 2007,"

Page 7, line 15, delete "45 percent" and insert "the following percentages"

Page 7, line 16, after "revenue" insert "; (1) until June 30, 2005, 34 percent, (2) from July 1, 2005, to June 30, 2007, 51 percent, and (3) on and after July 1, 2007, 45 percent"

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

The report was adopted.

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

H. F. No. 676, A bill for an act relating to mental health; clarifying that persons who are voluntary patients for treatment of a mental illness are not subject to civil commitment; amending Minnesota Statutes 2002, sections 253B.04, subdivision 1; 253B.05, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 18, delete "accepting" and insert "participating in"

Page 2, line 24, delete "accepting" and insert "participating in" and delete "reasonable" and insert "appropriate" and after "treatment" insert ", including clinically appropriate and lawful use of neuroleptic medication and electroconvulsive therapy"

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.

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

H. F. No. 687, A bill for an act relating to utilities; requiring at least two members of the public utilities commission to be from outside the metropolitan area; amending Minnesota Statutes 2002, section 216A.03, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 17, after the period, insert "Of these two commissioners, at least one must be domiciled outside a city of the first or second class, as defined in section 410.01, at the time of initial appointment."

Page 2, after line 5, insert:

"Sec. 2. [UTILITY REGULATORY REVIEW; RURAL CONCERNS.]

(a) The chair of the public utilities commission and the commissioner of commerce shall jointly review the organizational structure and regulatory procedures by which energy and telecommunications service providers are regulated by the state. By January 15, 2004, the chair and the commissioner shall issue a report on that review to the

chairs of the house and senate committees with jurisdiction over utility regulation, and shall include recommendations for executive and legislative action to ensure the state has the most representative, cost-effective, and efficient utility regulatory system possible.

(b) A primary focus of this review must be to consider and make recommendations for actions that could be taken to ensure the utility regulatory structure and process takes into account the issues and concerns of rural and center city service providers, residents, and businesses. Items for consideration must include:

(1) requiring the commission to hold hearings in rural Minnesota, both on a regular basis and when an issue of special concern to rural Minnesota is before the commission; and

(2) the establishment of a screening process for applicants for the public utilities commission to demonstrate their understanding and experience with regard to rural and center city utility service issues.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective June 30, 2004. Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring utility regulatory review and report;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 730, A bill for an act relating to real property; statutory home warranties; amending the exclusions for liability of the vendor and home improvement contractor; specifying limitation of actions based on breach; amending Minnesota Statutes 2002, sections 327A.03; 541.051, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 327A.02, is amended by adding a subdivision to read:

Subd. 4. [ACTION ALLOWED; LIMITATION.] An owner or vendee has one year following the expiration of each of the warranty periods provided in subdivisions 1 and 3, to discover a defect which has occurred within the warranty period. Notwithstanding any law to the contrary, no action under this section may be brought more than three years after the expiration of each of the warranty periods provided in subdivisions 1 and 3."

Delete the title and insert:

"A bill for an act relating to real property; statutory warranties; specifying limitation of certain actions and providing for a discovery period of defects; amending Minnesota Statutes 2002, section 327A.02, by adding a subdivision."

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. 772, A bill for an act relating to agriculture; eliminating the expiration date for the Minnesota agriculture education leadership council; repealing Minnesota Statutes 2002, section 41D.01, subdivision 4.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2002, section 41D.01, subdivision 4, is amended to read:

Subd. 4. [EXPIRATION.] This section expires on June 30, ~~2003~~ 2006."

Amend the title as follows:

Page 1, line 2, delete "eliminating" and insert "extending"

Page 1, line 4, delete "repealing" and insert "amending"

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

The report was adopted.

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

H. F. No. 793, A bill for an act relating to public employees; instituting a freeze on salaries and wage rates for government employees.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SALARY FREEZE.]

Subdivision 1. [SALARY INCREASES PROHIBITED.] (a) From the effective date of this section through June 30, 2005, a state employer must not increase the rate of salary or wages for any employee. This section prohibits any increase including, but not limited to, across-the-board increases, cost of living adjustments, increases based on longevity, increases as a result of step and lane changes, increases in the form of lump-sum payments, increases in employer contributions to deferred compensation plans, or any other pay grade adjustments of any kind. For purposes of this section, salary or wages does not include employer contributions toward the cost of medical or dental insurance premiums provided that employee contributions to the costs of medical or dental insurance premiums are not decreased.

(b) This section does not prohibit an increase in the rate of salary and wages for an employee who is promoted or transferred to a position that the employer determines has greater job responsibilities.

(c) Notwithstanding any law to the contrary, the terms of a collective bargaining agreement in effect on June 30, 2003, may not be extended after that date if the extension would increase a salary in a manner prohibited by this section.

Subd. 2. [FUTURE CONTRACTS.] A contract or collective bargaining agreement or compensation plan entered into after June 30, 2005, must not provide a retroactive salary, or wage increase that applies to a period before June 30, 2005, if that increase would be prohibited by this section if granted before June 30, 2005.

Subd. 3. [ARBITRATION AND STRIKES.] Notwithstanding any law to the contrary:

(1) an employee may not legally strike due to a state employer's refusal to grant a salary or wage increase if the refusal is required to comply with this section; and

(2) neither a state employer nor an exclusive representative may request interest arbitration in relation to an increase in the rate of salary or wages that is prohibited by this section, and an arbitrator may not issue an award that would increase salary or wages in a manner prohibited by this section.

Subd. 4. [DEFINITIONS.] For purposes of this section:

(1) "state employer" means an appointing authority in the executive, legislative, or judicial branches as defined in Minnesota Statutes, section 43A.02, subdivisions 5, 22, 25, and 27; and

(2) "employee" has the meaning given in Minnesota Statutes, section 43A.02, subdivision 21.

Subd. 5. [RELATION TO OTHER LAW.] This section supersedes Minnesota Statutes, chapter 179A, and any other law to the contrary. It is not an unfair labor practice under Minnesota Statutes, chapter 179A, for a state employer to take any action required to comply with this section.

Sec. 2. [UNIVERSITY OF MINNESOTA; SALARY AND WAGE RATE FREEZE RECOMMENDED.]

The legislature strongly recommends that the University of Minnesota comply with section 1 as if it were defined as a state employer under that section.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 2003."

Amend the title as follows:

Page 1, line 2, delete "public" and insert "state"

Page 1, line 3, delete "government" and insert "state"

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.

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

H. F. No. 810, A bill for an act relating to state lands; providing for certain state land acquisition; modifying the Mississippi whitewater trail; modifying provisions of the outdoor recreation system; establishing a mineral coordinating committee; adding to and deleting from state parks, state recreation areas, state forests, and wildlife management areas; authorizing public and private sales and conveyances of certain state lands; requiring certain land exchanges; amending Minnesota Statutes 2002, sections 85.013, subdivision 1; 85.0156, subdivision 1; 86A.04; proposing coding for new law in Minnesota Statutes, chapter 93.

Reported the same back with the following amendments:

Page 3, after line 31, insert:

"Sec. 5. [GREENLEAF LAKE STATE PARK.]

Subdivision 1. [85.012] [Subd. 24b.] [GREENLEAF LAKE STATE PARK, MEEKER COUNTY.] Greenleaf Lake state park is established in Meeker county.

Subd. 2. [BOUNDARIES.] The following described lands are added to Greenleaf Lake state park, all in Township 118 North, Range 30 West, Meeker county:

(1) all of Government Lots 1 and 2, the East Half of the South 23.61 acres of Government Lot 3, and Government Lot 4, excepting that part described as follows: Beginning at a point 109 feet South of a point on the section line which is 4301.5 feet East of the northwest corner of Section 20; thence in a southwesterly direction South 14 degrees 36 seconds West 403.0 feet; thence in a southeasterly direction South 75 degrees 24 minutes East 402 feet, to a point on the meandered line of Sioux Lake; thence in a northeasterly direction along the meandered line North 14 degrees 36 minutes East 553 feet; thence in a southwesterly direction along the meandered line South 84 degrees 00 minutes West 431 feet, to the point of beginning, said exception containing 4.4 acres more or less; all in Section 20;

(2) all of Government Lot 2, the Southeast Quarter except that described as follows: Beginning at the northeast corner of said Southwest Quarter of the Southeast Quarter; thence on an assumed bearing of South 0 degrees 08 minutes 46 seconds West, along the east line of said Southwest Quarter of the Southeast Quarter, a distance of 306.24 feet; thence on a bearing of North 84 degrees 17 minutes 23 seconds West, 628.50 feet; thence on a bearing of North 0 degrees 08 minutes 46 seconds East, 338.05 feet; thence on a bearing of South 86 degrees 08 minutes East, 626.86 feet to the east line of the Northwest Quarter of the Southeast Quarter; thence on a bearing of South 0 degrees 08 minutes 46 seconds West, along last said line, 52.07 feet to the point of beginning. Containing 2.5 acres, more or less. Subject to the rights of the public in County Road No. 172; and excepting the north nine and eighty-four hundredths (9.84) acres of the Southeast Quarter of the Southeast Quarter described as follows: Beginning at the northeast corner of the Southeast Quarter of the Southeast Quarter and running; thence West nineteen and ninety-two hundredths chains (19.92) to the 1/16 section corner; thence South on the 1/16 section line four and sixty-four hundredths (4.64) chains; thence East nineteen and ninety-three hundredths (19.93) chains to the section line; thence North on section line five and twenty-four hundredths (5.24) chains to the place of beginning; all in Section 21;

(3) the Northeast Quarter of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, and the Northwest Quarter of the Northwest Quarter, all in Section 28;

(4) all of Section 29, except that part of Government Lot 4 bounded by the following described lines: Beginning at a point of intersection with the center line of County Road No. 169 and the north line of said Section 29; thence North 90 degrees 00 minutes East, 994.8 feet along the north line of said Section 29; thence South 00 degrees 00

minutes West, 17.9 feet; thence South 75 degrees 28 minutes West, 1051.4 feet, to the center line of County Road No. 169; thence North 04 degrees 39 minutes East, 282.7 feet along the center line of County Road No. 169 to the point of beginning; Including all riparian rights to the contained 3.4 acres more or less and subject to existing road easements; all in Section 29;

(5) the Southeast Quarter of the Southeast Quarter, the Northeast Quarter of the Southeast Quarter, the Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Northeast Quarter, all in Section 30; and

(6) the West 15 acres of the Northwest Quarter of the Northwest Quarter of Section 32."

Page 9, line 19, delete "21" and insert "22"

Page 21, after line 14, insert:

"Sec. 25. [PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis county may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general for a consideration of taxes due on the property and any penalties, interest, and costs.

(c) The land to be sold is located in St. Louis county and is described as: Lots 54 and 55, Lake Nichols, town of Northland (parcel code 490-0020-00560).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership."

Page 24, line 1, delete "27" and insert "29"

Page 24, line 5, delete "13 and 25" and insert "14 and 27"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before "adding" insert "establishing a new state park;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 850, A bill for an act relating to natural resources; requiring the commissioner of natural resources to enter into an agreement for local management of the Rush river wayside unit of the Minnesota Valley state recreation area.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DELETIONS FROM MINNESOTA VALLEY STATE RECREATION AREA.] [85.013] [Subd. 17a.] [MINNESOTA VALLEY STATE RECREATION AREA; SIBLEY COUNTY.] The following areas are deleted from the Minnesota Valley state recreation area, Sibley county:

(1) Tract 43 (Sibley County to the State of Minnesota; 160 acres, more or less) Southeast Quarter (SE1/4) of Section Fifteen (15), Township One Hundred Twelve (112) North, of Range Twenty-Six (26) West;

(2) Tract 89 (Nagel to the State of Minnesota; 45.7 acres, more or less) The West One-half of the Northeast Quarter of the Northwest Quarter (W1/2 NE1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West;

(3) The South One-half of the North One-half of the Northeast Quarter (S1/2 N1/2 NE1/4), except the East 960 feet thereof, Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West;

(4) Tract 90 (Nagel to the State of Minnesota; 20 acres, more or less) The East One-half of the Northeast Quarter of the Northwest Quarter (E1/2 NE1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West; and

(5) Tract 91 (Nagel to the State of Minnesota; 60 acres, more or less) Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4), Section Fourteen (14), Township One Hundred Twelve (112) North, Range Twenty-six (26) West, and the East One-half of the Northwest Quarter of the Northwest Quarter (E1/2 NW1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West, containing 60 acres, more or less.

Sec. 2. [CONVEYANCE OF LAND; SIBLEY COUNTY.]

(a) The commissioner of natural resources shall convey to Sibley county for no consideration the lands described in section 1, upon receipt of a resolution requesting the conveyance from Sibley county.

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the owner does not keep it open to the general public, provided that the owner may manage the land in the manner it deems appropriate, including charging a fee for use of the land or certain services, and contracting with a private nonprofit organization for management of the park.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; providing for a land conveyance in Sibley county."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 852, A bill for an act relating to commerce; regulating motor vehicle retail installment sales; amending Minnesota Statutes 2002, sections 168.66, subdivision 14; 168.71, subdivision 2; 168.75.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 2002, section 47.59, subdivision 4a, is amended to read:

Subd. 4a. [FINANCE CHARGE FOR MOTOR VEHICLE RETAIL INSTALLMENT SALES.] A retail installment contract evidencing the retail installment sale of a motor vehicle as defined in section 168.66 is subject to the finance charge limitations in paragraphs (a) and (b).

(a) The finance charge authorized by this subdivision in a retail installment sale may not exceed the following annual percentage rates applied to the principal balance determined in the same manner as in section 168.71, subdivision 2, clause (5):

(1) Class 1. A motor vehicle designated by the manufacturer by a year model of the same or not more than one year before the year in which the sale is made, 18 percent per year.

(2) Class 2. A motor vehicle designated by the manufacturer by a year model of two to three years before the year in which the sale is made, 19.75 percent per year.

(3) Class 3. Any motor vehicle not in Class 1 or Class 2, 23.25 percent per year.

(b) A sale of a manufactured home made after July 31, 1983, is governed by this subdivision for purposes of determining the lawful finance charge rate, except that the maximum finance charge for a Class 1 manufactured home may not exceed 14.5 percent per year. A retail installment sale of a manufactured home that imposes a finance charge that is greater than the rate permitted by this subdivision is lawful and enforceable in accordance with its terms until the indebtedness is fully satisfied if the rate was lawful when the sale was made."

Page 1, line 7, delete "Section 1." and insert "Sec. 2."

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

Page 3, line 2, delete "3" and insert "4"

Page 5, line 3, after "2" insert "or 3"

Page 5, line 35, after "2" insert "or 3"

Page 6, line 24, delete "4" and insert "5"

Page 6, line 25, delete "and 2" and insert "to 3"

Page 6, line 26, delete "3" and insert "4"

Amend the title as follows:

Page 1, line 4, after "sections" insert "47.59, subdivision 4a;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 859, A bill for an act relating to natural resources; modifying provisions for the sale of state timber; providing criminal penalties; amending Minnesota Statutes 2002, sections 90.01, by adding a subdivision; 90.101; 90.121; 90.14; 90.151, subdivisions 1, 2; 90.161, subdivision 1; 90.173; 90.191, subdivisions 3, 4; 90.251, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 90.

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. 864, A bill for an act relating to higher education; making changes to the higher education services office; amending Minnesota Statutes 2002, sections 136A.03; 136A.031, subdivisions 2, 5; repealing Minnesota Statutes 2002, sections 15A.081, subdivision 7b; 136A.011; 136A.031, subdivisions 1, 3, 4; 136A.07.

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

The report was adopted.

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

H. F. No. 865, A bill for an act relating to health; modifying provisions relating to the board of psychology; amending Minnesota Statutes 2002, sections 13.383, subdivision 8; 148.89, subdivision 5; 148.925, subdivision 1; 148.941, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

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

The report was adopted.

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

H. F. No. 873, A bill for an act relating to counties; changing certain auditing requirements; amending Minnesota Statutes 2002, sections 6.48; 6.49; 6.54; 6.55; 6.64; 6.65; 6.66; 6.67; 6.68, subdivision 1; 6.70; 6.71.

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

The report was adopted.

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

H. F. No. 885, A bill for an act relating to health; exempting certain food establishments from certain equipment design and construction rules; amending Minnesota Statutes 2002, section 157.011, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 892, A bill for an act relating to telecommunications; deregulating independent telephone companies; amending Minnesota Statutes 2002, section 237.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 237.01, subdivision 3, is amended to read:

Subd. 3. [INDEPENDENT TELEPHONE COMPANY.] "Independent telephone company" means a telephone company organized and operating under chapter 301 or 302A or authorized to do business in Minnesota under chapter 303 as of January 1, 1983, and providing local exchange service to fewer than ~~30,000~~ 50,000 subscribers within the state.

Sec. 2. [237.414] [EXPANDED CALLING AREAS; TRANSPORT FACILITIES; TERMINATIONS.]

Subdivision 1. [EXPANDED CALLING AREAS.] An independent telephone company may expand the area to which it can provide calling to its customers upon filing with the commission any agreements between the independent telephone company and other telephone companies and telecommunications carriers entered into under subdivision 3. Calling to these expanded areas must be optional to customers. The independent telephone company may determine the quantity of expanded calling to provide, the prices for such calling, and whether to offer calling alone or in combination with one or more other telephone or unregulated services. Customers must be notified of local service options, including options that do not include expanded calling, as required under section 237.66. The independent telephone company is not required to offer unlimited flat-rate calling to these expanded calling areas.

The independent telephone company shall file tariffs setting forth the expanded calling area along with the applicable prices and quantities of calling. This section does not apply to extended area service or to calling areas previously or hereafter established by order of the commission. This section does not limit the existing rights and obligations of telephone companies and telecommunications carriers to provide local calling or expanded calling.

Subd. 2. [OBTAINING TRANSPORT FACILITIES.] An independent telephone company may construct, purchase, lease, or rent transport facilities to provide the expanded calling. An independent telephone company may petition the commission to resolve issues regarding prices, terms, and conditions for use of any transport facilities that are subject to the jurisdiction of the commission if the independent telephone company is unable to reach agreement with other telephone companies or telecommunications carriers.

Subd. 3. [RESOLVING MULTIPLE LOCAL SERVICE PROVIDER ISSUES.] (a) An independent telephone company providing an expanded calling area under this section may enter into an agreement to terminate calls with telephone companies and telecommunications carriers providing local service within the expanded calling area. The rates paid by the independent telephone company to terminate expanded calling into such areas must be the intrastate access charges of the telephone company or telecommunications carrier providing local service in the expanded calling area or such other rates as the companies may mutually agree.

(b) If two telephone companies provide expanded calling between their respective areas, the telephone companies may also enter into "bill and keep" arrangements for exchange of the expanded calling traffic.

(c) The independent telephone company shall file with the commission any agreements for termination of calling by telephone companies and telecommunications carriers providing local service within the expanded calling area.

Subd. 4. [AMENDING OR TERMINATING EXPANDED CALLING SERVICE.] Except for calling areas that result from a prior or subsequent order of the commission, an independent telephone company may amend or terminate the expanded calling service upon 30 days' written notice to customers, the commission, and other telephone companies and telecommunications carriers providing local service in the expanded area.

Sec. 3. [237.43] [ANNUAL UNIVERSAL SERVICE FUNDING CERTIFICATION.]

In determining whether to provide the annual certification of any eligible telecommunications carrier for continued receipt of federal universal service funding, the commission shall apply the same standards and criteria to all eligible telecommunications carriers."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 927, A bill for an act relating to traffic regulations; establishing the speed limit on a segment of I-35E; amending Minnesota Statutes 2002, section 169.14, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 929, A bill for an act relating to the metropolitan mosquito control district; including the rest of Carver county in the district; adding a second member for Carver county; providing for pesticide application for mosquito control; clarifying the exception to prohibiting entry upon private property if objected to; making the district subject to the Minnesota Uniform Municipal Contracting Law; eliminating per diems for commissioners; making expense payments permissive rather than mandatory; making conforming changes; amending Minnesota Statutes 2002, sections 18B.07, subdivision 2; 473.702; 473.703, subdivision 1; 473.704, subdivision 17; 473.705; 473.714, subdivision 1; repealing Minnesota Statutes 2002, section 473.714, subdivision 2.

Reported the same back with the following amendments:

Page 4, line 11, after the period, insert "The commission must make a reasonable attempt to contact the objecting property owner before entry."

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

The report was adopted.

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

H. F. No. 943, A bill for an act relating to state government; modifying practices and procedures relating to state finance; transferring state treasurer duties to the commissioner of finance; amending Minnesota Statutes 2002, sections 7.26; 15.62, subdivisions 2, 3; 16A.10, subdivisions 1, 2; 16A.11, subdivision 3; 16A.127, subdivision 4; 16A.1285, subdivision 3; 16A.129, subdivision 3; 16A.133, subdivision 1; 16A.27, subdivision 5; 16A.46; 16A.626; 16A.642, subdivision 1; 16D.09, subdivision 1; 16D.13, subdivisions 1, 2; 35.08; 35.09, subdivision 3; 49.24, subdivisions 13, 16; 84A.11; 84A.23, subdivision 4; 84A.33, subdivision 4; 84A.40; 85A.05, subdivision 2; 94.53; 115A.58, subdivision 2; 116.16, subdivision 4; 116.17, subdivision 2; 122A.21; 126C.72, subdivision 2; 127A.40; 161.05, subdivision 3; 161.07; 167.50, subdivision 2; 174.51, subdivision 2; 176.181, subdivision 2; 176.581; 190.11; 241.08, subdivision 1; 241.10; 241.13, subdivision 1; 244.19, subdivision 7; 245.697, subdivision 2a; 246.15, subdivision 1; 246.18, subdivision 1; 246.21; 276.11, subdivision 1; 280.29; 293.06; 299D.03, subdivision 5; 352.05; 352B.03, subdivision 2; 354.06, subdivision 3; 354.52, subdivision 5; 385.05; 475A.04; 475A.06, subdivision 2; 481.01; 490.123, subdivision 2; 525.161; 525.841; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 2002, sections 7.21; 16A.06, subdivision 10; 16A.131, subdivision 1; 16D.03, subdivision 3; 16D.09, subdivision 2.

Reported the same back with the following amendments:

Page 2, delete section 3

Page 5, lines 9 to 19, delete the new language and reinstate the stricken language

Page 5, line 20, reinstate everything before the second "~~the~~"

Page 5, line 21, after the stricken "numbered" insert "November 30 in each even-numbered" and reinstate the stricken "year and to"

Page 5, lines 22 to 26, reinstate the stricken language

Page 6, after line 31, insert:

"Sec. 10. Minnesota Statutes 2002, section 16A.14, subdivision 3, is amended to read:

Subd. 3. [SPENDING PLAN.] An appropriation to an agency may not be made available for spending in the next allotment period until the agency has ~~submitted~~ met all the requirements related to the policies and procedures of the Minnesota accounting and procurement system. A spending plan shall be submitted by July 31 to the commissioner on the commissioner's form ~~with.~~ The spending plan must certify that: the amount required for each activity ~~and each is accurate and is consistent with legislative intent; revenue estimates are reasonable; and the plan is structurally balanced, with all legal restrictions on spending having been met for the purpose for which money is to be spent. The spending plan must also be approved or modified by the commissioner and funds allotted for the plan before the money is made available.~~

Sec. 11. Minnesota Statutes 2002, section 16A.17, is amended by adding a subdivision to read:

Subd. 10. [DIRECT DEPOSIT.] Notwithstanding section 177.23, the commissioner may require direct deposit for all state employees who are being paid by the state payroll system.

Sec. 12. Minnesota Statutes 2002, section 16A.40, is amended to read:

16A.40 [WARRANTS AND ELECTRONIC FUND TRANSFERS.]

Money must not be paid out of the state treasury except upon the warrant of the commissioner or an electronic fund transfer approved by the commissioner. Warrants must be drawn on printed blanks that are in numerical order. The commissioner shall enter, in numerical order in a warrant register, the number, amount, date, and payee for every warrant issued.

The commissioner may require payees receiving more than ten payments or \$10,000 per year must to supply the commissioner with their bank routing information to enable the payments to be made through an electronic fund transfer."

Page 7, after line 16, insert:

"Sec. 14. Minnesota Statutes 2002, section 16A.501, is amended to read:

16A.501 [REPORT ON EXPENDITURE OF BOND PROCEEDS.]

The commissioner of finance must report annually to the legislature on the degree to which entities receiving appropriations for capital projects in previous omnibus capital improvement acts have encumbered or expended that money. The report must be submitted to the chairs of the house of representatives ways and means committee and the senate finance committee by ~~February~~ January 1 of each year."

Page 7, line 27, strike "February" and insert "January"

Page 8, line 4, strike "February" and insert "January"

Page 11, after line 5, insert:

"Sec. 20. [CARRYFORWARD.]

Notwithstanding Minnesota Statutes, section 16A.28, or other law to the contrary, funds encumbered by the judicial or executive branch for severance costs, unemployment compensation costs, and health, dental, and life insurance continuation costs resulting from state employee layoffs during the fiscal year ending June 30, 2003, may be carried forward and may be spent until January 1, 2004."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after "1;" insert "16A.14, subdivision 3; 16A.17, by adding a subdivision;" and after "5;" insert "16A.40;" and after "16A.46;" insert "16A.501;"

Page 1, line 26, delete everything after the second semicolon

Page 1, line 27, delete everything before "repealing"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 958, A bill for an act relating to energy; declaring the goal of moving Minnesota to a hydrogen energy economy; providing incentive payments for producing qualified hydrogen; supporting research and development related to hydrogen energy; providing a sales tax exemption for hydrogen and hydrogen fuel cells; providing an exemption from the motor vehicle excise tax for hydrogen-fueled vehicles; amending Minnesota Statutes 2002, sections 116C.779; 216B.1691, subdivision 1; 216B.241, subdivisions 1, 2; 216B.2422, subdivision 1; 216C.41, subdivisions 1, 2, 3, 4, 5; 297A.67, by adding a subdivision; 297B.03; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Pages 11 to 14, delete sections 12 and 13

Page 14, line 16, before "The" insert "Subdivision 1. [DEVELOPMENT OF BUSINESSES ENGAGED IN HYDROGEN PRODUCTION.]"

Page 14, after line 26, insert:

"Subd. 2. [ENERGY INNOVATION ZONES.] (a) The commissioner of trade and economic development, in consultation with the commissioners of commerce and revenue, shall develop a plan to designate not more than three energy innovation zones to spur the development of fuel cells, fuel cell components, hydrogen infrastructure, and other energy efficiency and renewable energy technologies in the state. In developing the criteria for the designations, the commissioner shall consider:

(1) the availability of business, academic, and government partners;

(2) the likelihood of establishing a distributed, renewable energy microgrid to power the zone, providing below-market electricity and heat to businesses, or greater reliability than is available from the grid, from within the zone;

(3) the prospect of tenants for the zone that will represent net new jobs to the state; and

(4) the likelihood of the production, storage, distribution, and use of hydrogen, including its use in fuel cells, for electricity and heat.

(b) Energy under paragraph (a), clause (2), must come from one or more of the following renewable sources: wind, water, sun, biomass, not including municipal solid waste, or hydrogen reformed from natural gas up to 2010.

(c) The plan must allow for interested parties to form energy innovation cooperatives. In addition, the commissioner shall consider the feasibility of the sale of energy innovation bonds for the construction of qualifying facilities.

(d) In drafting the plan, the commissioner shall consider incentives for investment in the zone, including:

(1) subsidization of construction of qualifying facilities;

(2) long-term contracts for market-rate heat and power;

(3) exemption from laws giving exclusive service territory;

(4) streamlined interconnection to the existing power grid;

(5) exemptions from property tax;

(6) expedited permitting;

(7) methods for providing technical assistance; and

(8) other methods of encouraging the development and use and development of fuel cell and hydrogen-generation technologies.

(e) The commissioner shall report to the legislature by January 15, 2004, on legislative changes and necessary funding to accomplish the purposes of this subdivision."

Page 15, line 10, delete "14" and insert "12" and delete "15" and insert "13"

Page 15, line 11, delete everything after the period

Page 15, delete line 12

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything after the semicolon

Page 1, delete lines 7 and 8

Page 1, line 9, delete everything before "amending" and insert "providing for energy innovation zones;"

Page 1, line 12, delete everything after the semicolon

Page 1, line 13, delete everything before "proposing"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 961, A bill for an act relating to human services; establishing hearing procedures; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [256.0451] [HEARING PROCEDURES.]

Subdivision 1. [SCOPE.] The requirements in this section apply to all fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (1), (2), (3), (5), (6), and (7). Except as provided in subdivisions 3 and 19, the requirements under this section apply to fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9).

The term "person" is used in this section to mean an individual who, on behalf of themselves or their household, is appealing or disputing or challenging an action, a decision, or a failure to act, by an agency in the human services system. When a person involved in a proceeding under this section is represented by an attorney or by an authorized representative, the term "person" also refers to the person's attorney or authorized representative. Any notice sent to the person involved in the hearing must also be sent to the person's attorney or authorized representative.

The term "agency" includes the county human services agency, the state human services agency, and, where applicable, any entity involved under a contract, subcontract, grant, or subgrant with the state agency or with a county agency, that provides or operates programs or services in which appeals are governed by section 256.045.

Subd. 2. [ACCESS TO FILES.] A person involved in a fair hearing appeal has the right of access to the person's complete case files and to examine all private welfare data on the person which has been generated, collected, stored, or disseminated by the agency. A person involved in a fair hearing appeal has the right to a free copy of all documents in the case file involved in a fair hearing appeal. "Case file" means the information, documents, and data, in whatever form, which have been generated, collected, stored, or disseminated by the agency in connection with the person and the program or service involved.

Subd. 3. [AGENCY APPEAL SUMMARY.] (a) Except in fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9), the agency involved in an appeal must prepare a state agency appeal summary for each fair hearing appeal. The state agency appeal summary shall be mailed or otherwise

delivered to the person who is involved in the appeal at least five working days before the date of the hearing. The state agency appeal summary must also be mailed or otherwise delivered to the department's appeals office at least five working days before the date of the fair hearing appeal.

(b) In addition, the appeals referee shall confirm that the state agency appeal summary is mailed or otherwise delivered to the person involved in the appeal as required under paragraph (a). The person involved in the fair hearing should be provided, through the state agency appeal summary or other reasonable methods, appropriate information about the procedures for the fair hearing and an adequate opportunity to prepare. These requirements apply equally to the state agency or an entity under contract when involved in the appeal.

(c) The contents of the state agency appeal summary must be adequate to support the factual and legal basis for the agency's action or determination.

Subd. 4. [ENFORCING ACCESS TO FILES.] A person involved in a fair hearing appeal may enforce the right of access to data and copies of the case file by making a request to the appeals referee. The appeals referee will make an appropriate order enforcing the person's rights under the Minnesota Government Data Practices Act, including but not limited to, ordering access to files, data, and documents; continuing a hearing to allow adequate time for access to data; or prohibiting use by the agency of files, data, or documents which have been generated, collected, stored, or disseminated without compliance with the Minnesota Government Data Practices Act and which have not been provided to the person involved in the appeal.

Subd. 5. [PREHEARING CONFERENCES.] (a) The appeals referee prior to a fair hearing appeal may hold a prehearing conference to further the interests of justice or efficiency and must include the person involved in the appeal. A person involved in a fair hearing appeal or the agency may request a prehearing conference. The prehearing conference may be conducted by telephone, in person, or in writing. The prehearing conference may address the following:

- (1) disputes regarding access to files, evidence, subpoenas, or testimony;
- (2) the time required for the hearing or any need for expedited procedures or decision;
- (3) identification or clarification of legal or other issues that may arise at the hearing;
- (4) identification of and possible agreement to factual issues; and
- (5) scheduling and any other matter which will aid in the proper and fair functioning of the hearing.

(b) The appeals referee shall make a record or otherwise contemporaneously summarize the prehearing conference in writing, which shall be sent to both the person involved in the hearing, the person's attorney or authorized representative, and the agency.

Subd. 6. [APPEAL REQUEST FOR EMERGENCY ASSISTANCE OR URGENT MATTER.] (a) When an appeal involves an application for emergency assistance, the agency involved shall mail or otherwise deliver the state agency appeal summary to the department's appeals office within two working days of receiving the request for an appeal. A person may also request that a fair hearing be held on an emergency basis when the issue requires an immediate resolution. The appeals referee shall schedule the fair hearing on the earliest available date according to the urgency of the issue involved. Issuance of the recommended decision after an emergency hearing shall be expedited.

(b) The commissioner shall issue a written decision within five working days of receiving the recommended decision, shall immediately inform the parties of the outcome by telephone, and shall mail the decision no later than two working days following the date of the decision.

Subd. 7. [CONTINUANCE; RESCHEDULING, OR ADJOURNING A HEARING.] (a) A person involved in a fair hearing, or the agency, may request a continuance, a rescheduling, or an adjournment of a hearing for a reasonable period of time. The grounds for granting a request for a continuance, a rescheduling, or adjournment of a hearing include, but are not limited to, the following:

(1) to reasonably accommodate the appearance of a witness;

(2) to implement the person's rights regarding choice of representative at the hearing;

(3) to ensure that the person has adequate opportunity for preparation and for presentation of evidence and argument;

(4) to ensure that the person or the agency has adequate opportunity to review, evaluate, and respond to new evidence, or where appropriate, to require that the person or agency review, evaluate, and respond to new evidence;

(5) to permit the person involved and the agency to negotiate toward resolution of some or all of the issues where both agree that additional time is needed;

(6) to permit the agency to reconsider a previous action or determination;

(7) to permit or to require the performance of actions not previously taken; and

(8) to provide additional time or to permit or require additional activity by the person or agency as the interests of fairness may require.

(b) Requests for continuances or for rescheduling may be made orally or in writing. The person or agency requesting the continuance or rescheduling must first make reasonable efforts to contact the other participants in the hearing or their representatives, and seek to obtain an agreement on the request. Requests for continuance or rescheduling should be made no later than three working days before the scheduled date of the hearing, unless there is a good cause as specified in subdivision 13. Granting a continuance or rescheduling may be conditioned upon a waiver by the requester of applicable time limits, but should not cause unreasonable delay.

Subd. 8. [SUBPOENAS.] A person involved in a fair hearing or the agency may request a subpoena for a witness, for evidence, or for both. A reasonable number of subpoenas shall be issued to require the attendance and the testimony of witnesses, and the production of evidence relating to any issue of fact in the appeal hearing. The request for a subpoena must show a need for the subpoena and the general relevance to the issues involved. The subpoena shall be issued in the name of the department, shall be served in any manner permitted by law, and shall be enforced in the same manner as in civil matters in court.

(c) An individual or entity served with a subpoena may petition the appeals referee in writing to vacate or modify a subpoena. The appeals referee shall resolve such a petition in a prehearing conference involving all parties and shall make a written decision. A subpoena may be vacated or modified if the appeals referee determines that the testimony or evidence sought does not relate with reasonable directness to the issues of the fair hearing appeal; that the subpoena is unreasonable, over broad, or oppressive; that the evidence sought is repetitious or cumulative; or that the subpoena has not been served reasonably in advance of the time when the appeal hearing will be held.

Subd. 9. [NO EX PARTE CONTACT.] The appeals referee shall not have ex parte contact on substantive issues with the agency or with any participant or witness in a fair hearing appeal. No employee of the department or agency shall review, interfere with, change, or attempt to influence the recommended decision of the appeals referee in any fair hearing appeal, except through the procedure allowed in subdivision 18. The limitations in this subdivision do not affect the commissioner's authority to review or reconsider decisions or make final decisions.

Subd. 10. [TELEPHONE OR FACE-TO-FACE HEARING.] A fair hearing appeal may be conducted by telephone, by other electronic media, or by an in-person, face-to-face hearing. At the request of the person involved in a fair hearing appeal or their representative, a face-to-face hearing shall be conducted with all participants personally present before the appeals referee.

Subd. 11. [HEARING FACILITIES AND EQUIPMENT.] The appeals referee shall conduct the hearing in the county where the person involved resides, unless an alternate location is mutually agreed upon before the hearing, or unless the person has agreed to a hearing by telephone. The hearing room shall be of sufficient size and layout to adequately accommodate both the number of individuals participating in the hearing and any identified special needs of any individual participating in the hearing. The appeals referee shall ensure that all communication and recording equipment that is necessary to conduct the hearing and to create an adequate record is present and functioning properly. If any necessary communication or recording equipment fails or ceases to operate effectively, the appeals referee shall take any steps necessary, including stopping or adjourning the hearing, until the necessary equipment is present and functioning properly. All reasonable efforts shall be undertaken to prevent and avoid any delay in the hearing process caused by defective communication or recording equipment.

Subd. 12. [INTERPRETER AND TRANSLATION SERVICES.] The appeals referee has a duty to inquire and to determine whether any participant in the hearing needs the services of an interpreter or translator in order to participate in or to understand the hearing process. Necessary interpreter or translation services must be provided at no charge to the person involved in the hearing. If it appears that interpreter or translation services are needed but are not available for the scheduled hearing, the appeals referee shall continue or postpone the hearing until appropriate services can be provided.

Subd. 13. [FAILURE TO APPEAR; GOOD CAUSE.] If a person involved in a fair hearing appeal fails to appear at the hearing, the appeals referee may dismiss the appeal. The person may reopen the appeal if within ten working days the person submits information to the appeals referee to show good cause for not appearing. Good cause can be shown when there is:

- (1) a death or serious illness in the person's family;
- (2) a personal injury or illness which reasonably prevents the person from attending the hearing;
- (3) an emergency, crisis, or unforeseen event which reasonably prevents the person from attending the hearing;
- (4) an obligation or responsibility of the person which a reasonable person, in the conduct of one's affairs, could reasonably determine takes precedence over attending the hearing;
- (5) lack of or failure to receive timely notice of the hearing in the preferred language of the person involved in the hearing; and
- (6) excusable neglect, excusable inadvertence, excusable mistake, or other good cause as determined by the appeals referee.

Subd. 14. [COMMENCEMENT OF HEARING.] The appeals referee shall begin each hearing by describing the process to be followed in the hearing, including the swearing-in of witnesses, how testimony and evidence are presented, the order of examining and cross-examining witnesses, and the opportunity for an opening statement and a closing statement. The appeals referee shall identify for the participants the issues to be addressed at the hearing and shall explain to the participants the burden of proof which applies to the person involved and the agency. The appeals referee shall confirm, prior to proceeding with the hearing, that the state agency appeal summary, if required under subdivision 3, has been properly completed and provided to the person involved in the hearing, and that the person has been provided documents and an opportunity to review the case file, as provided in this section.

Subd. 15. [HEARING CONDUCT.] The appeals referee shall act in a fair and impartial manner at all times. At the beginning of the hearing the agency must designate one person as their representative who shall be responsible for presenting the agency's evidence and questioning any witnesses. The appeals referee shall make sure that the person and the agency are provided sufficient time to present testimony and evidence, to confront and cross-examine all adverse witnesses, and to make any relevant statement at the hearing. The appeals referee shall make reasonable efforts to explain the hearing process to persons who are not represented, and shall ensure that the hearing is conducted fairly and efficiently. Upon the reasonable request of the person or the agency involved, the appeals referee may direct witnesses to remain outside the hearing room, except during their individual testimony. The appeals referee shall not terminate the hearing before affording the person and the agency a complete opportunity to submit all admissible evidence, and reasonable opportunity for oral or written statement. When a hearing extends beyond the time which was anticipated, the hearing shall be rescheduled or continued from day-to-day until completion. Hearings that have been continued shall be timely scheduled to minimize delay in the disposition of the appeal.

Subd. 16. [SCOPE OF ISSUES ADDRESSED AT HEARING.] The hearing shall address the correctness and legality of the agency's action and shall not be limited simply to a review of the propriety of the agency's action. The person involved may raise and present evidence on all legal claims or defenses arising under state or federal law as a basis for appealing or disputing an agency action. The appeals referee may take official notice of adjudicative facts.

Subd. 17. [BURDEN OF PERSUASION.] The burden of persuasion is governed by specific state or federal law and regulations that apply to the subject of the hearing. If there is no specific law, then the participant in the hearing who asserts the truth of a claim is under the burden to persuade the appeals referee that the claim is true.

Subd. 18. [INVITING COMMENT BY DEPARTMENT.] The appeals referee or the commissioner may determine that a written comment by the department about the policy implications of a specific legal issue could help resolve a pending appeal. Such a written policy comment from the department shall be obtained only by a written request that is also sent to the person involved and to the agency or its representative. When such a written comment is received, both the person involved in the hearing and the agency shall have adequate opportunity to review, evaluate, and respond to the written comment, including submission of additional testimony or evidence, and cross-examination concerning the written comment.

Subd. 19. [DEVELOPING THE RECORD.] The appeals referee shall accept all evidence, except evidence privileged by law, that is commonly accepted by reasonable people in the conduct of their affairs as having probative value on the issues to be addressed at the hearing. Except in fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9), in cases involving medical issues such as a diagnosis, a physician's report, or a review team's decision, the appeals referee shall consider whether it is necessary to have a medical assessment other than that of the individual making the original decision. When necessary, the appeals referee shall require an additional assessment be obtained at agency expense and made part of the hearing record. The appeals referee shall ensure for all cases that the record is sufficiently complete to make a fair and accurate decision.

Subd. 20. [UNREPRESENTED PERSONS.] In cases involving unrepresented persons, the appeals referee shall take appropriate steps to identify, obtain, and present in the hearing relevant facts necessary for making an informed and fair decision. These steps may include, but are not limited to, asking questions of witnesses, and referring the person to a legal services office. An unrepresented person shall be provided an adequate opportunity to respond to testimony or other evidence presented by the agency at the hearing. The appeals referee shall ensure that an unrepresented person has a full and reasonable opportunity at the hearing to establish a record for appeal.

Subd. 21. [CLOSING OF RECORD.] The agency must present its evidence prior to or at the hearing. The agency shall not be permitted to submit evidence after the hearing except by agreement at the hearing between the person involved, the agency, and the appeals referee. If evidence is submitted after the hearing, based on such an agreement, the person involved must be allowed sufficient opportunity to respond to the evidence. When necessary, the record shall remain open to permit a person to submit additional evidence on the issues presented at the hearing.

Subd. 22. [DECISIONS.] A timely, written decision must be issued in every appeal. Each decision must contain a clear ruling on the issues presented in the appeal hearing, and should contain a ruling only on questions directly presented by the appeal and the arguments raised in the appeal.

(a) A written decision must be issued within 90 days of the date the person involved requested the appeal unless a shorter time is required by law. An additional 30 days is provided in those cases where the commissioner refuses to accept the recommended decision.

(b) The decision must contain both findings of fact and conclusions of law, clearly separated and identified. The findings of fact must be based on the entire record. Each finding of fact made by the appeals referee shall be supported by a preponderance of the evidence unless a different standard is required under the regulations of a particular program. The "preponderance of the evidence" means, in light of the record as a whole, the evidence leads the appeals referee to believe that the finding of fact is more likely to be true than not true. The legal claims or arguments of a participant do not constitute either a finding of fact or a conclusion of law, except to the extent the appeals referee adopts an argument as a finding of fact or conclusion of law.

The decision shall contain at least the following:

- (1) a listing of the date and place of the hearing and the participants at the hearing;
- (2) a clear and precise statement of the issues, including the dispute under consideration and the specific points which must be resolved in order to decide the case;
- (3) a listing of the material, including exhibits, records, reports, placed into evidence at the hearing, and upon which the hearing decision is based;
- (4) the findings of fact based upon the entire hearing record. The findings of fact must be adequate to inform the participants and any interested person in the public of the basis of the decision. If the evidence is in conflict on an issue which must be resolved, the findings of fact must state the reasoning used in resolving the conflict;
- (5) conclusions of law that address the legal authority for the hearing and the ruling, and which give appropriate attention to the claims of the participants to the hearing;
- (6) a clear and precise statement of the decision made resolving the dispute under consideration in the hearing; and
- (7) written notice of the right to appeal to district court or to request reconsideration, and of the actions required and the time limits for taking appropriate action to appeal to district court or to request a reconsideration.

(c) The appeals referee shall not independently investigate facts or otherwise rely on information not presented at the hearing. The appeals referee may not contact other agency personnel, except as provided in subdivision 18. The appeals referee's recommended decision must be based exclusively on the testimony and evidence presented at the hearing, and legal arguments presented, and the appeals referee's research and knowledge of the law.

(d) The commissioner will review the recommended decision and accept or refuse to accept the decision according to section 256.045, subdivision 5.

Subd. 23. [REFUSAL TO ACCEPT RECOMMENDED ORDERS.] (a) If the commissioner refuses to accept the recommended order from the appeals referee, the person involved, the person's attorney or authorized representative, and the agency shall be sent a copy of the recommended order, a detailed explanation of the basis for refusing to accept the recommended order, and the proposed modified order.

(b) The person involved and the agency shall have at least ten business days to respond to the proposed modification of the recommended order. The person involved and the agency may submit a legal argument concerning the proposed modification, and may propose to submit additional evidence that relates to the proposed modified order.

Subd. 24. [RECONSIDERATION.] Reconsideration may be requested within 30 days of the date of the commissioner's final order. If reconsideration is requested, the other participants in the appeal shall be informed of the request. The person seeking reconsideration has the burden to demonstrate why the matter should be reconsidered. The request for reconsideration may include legal argument. A person may include proposed additional evidence supporting the request. The other participants shall be sent a copy of all material submitted in support of the request for reconsideration and must be given ten days to respond.

(a) When the requesting party raises a question as to the appropriateness of the findings of fact, the commissioner shall review the entire record.

(b) When the requesting party questions the appropriateness of a conclusion of law, the commissioner shall consider the recommended decision, the decision under reconsideration, and the material submitted in connection with the reconsideration. The commissioner shall review the remaining record as necessary to issue a reconsidered decision.

(c) The commissioner shall issue a written decision on reconsideration in a timely fashion. The decision must clearly inform the parties that this constitutes the final administrative decision, advise the participants of the right to seek judicial review, and the deadline for doing so.

Subd. 25. [ACCESS TO APPEAL DECISIONS.] Appeal decisions must be maintained in a manner so that the public has ready access to previous decisions on particular topics, subject to appropriate procedures for safeguarding names, personal identifying information, and other private data on the individual persons involved in the appeal."

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

The report was adopted.

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

H. F. No. 964, A bill for an act relating to energy; establishing permanent pilot program for promoting cleaner, innovative energy sources and strategic economic development; providing financial and regulatory incentives, including tax exemptions and eminent domain power; authorizing customers to purchase power supply services from pilot projects.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 216B.2422, is amended by adding a subdivision to read:

Subd. 7. [CONSIDERATION OF POWER SUPPLY OPTION.] (a) Prior to the approval of any arrangement to build or expand a fossil-fuel-fired generation facility, or enter into an agreement to purchase capacity or energy from such a facility for a term exceeding five years, the commission shall ensure that a supply proposal from an eligible project is considered, and shall take any action with respect to such supply proposal that it deems to be in the best interests of ratepayers. This provision applies to any entity subject to the resource planning requirements of this section, and whose most recent resource plan demonstrates a need for new generation capacity or energy resources.

(b) For the purposes of this section, the term "eligible project" means an energy generation facility:

(1) that makes use of an innovative generation technology utilizing coal as a primary fuel in a highly efficient combined-cycle configuration with significantly reduced sulfur dioxide, nitrogen oxide, particulate, and mercury emissions from those of traditional technologies;

(2) that the project developer or owner certifies is a project capable of offering a long-term supply contract at a hedged, predictable cost; and

(3) that is designated by the commissioner of the iron range resources and rehabilitation agency as a project that is located in the tax relief area on a site that has substantial real property with adequate infrastructure to support new or expanded development.

(c) The technology utilized by an eligible project constitutes an "eligible energy technology" for the purposes of section 216B.1691.

Sec. 2. Minnesota Statutes 2002, section 216B.2422, is amended by adding a subdivision to read:

Subd. 8. [REGULATORY INCENTIVES.] An eligible project:

(1) is granted a certificate of need under section 216B.243 for the generation facilities and transmission infrastructure associated with the generation facilities, but are subject to all applicable environmental review and permitting procedures of sections 116C.51 to 116C.69;

(2) once permitted and constructed, is eligible to increase the capacity of the associated transmission facilities without additional state review upon filing notice with the public utilities commission; and

(3) has the power of eminent domain, limited to the sites and routes approved by the environmental quality board for the project facilities.

Sec. 3. Minnesota Statutes 2002, section 216B.2424, subdivision 5, is amended to read:

Subd. 5. [MANDATE.] (a) A public utility, as defined in section 216B.02, subdivision 4, that operates a nuclear-powered electric generating plant within this state must construct and operate, purchase, or contract to construct and operate (1) by December 31, 1998, 50 megawatts of electric energy installed capacity generated by farm-grown closed-loop biomass scheduled to be operational by December 31, 2001; and (2) by December 31, 1998, an additional 75 megawatts of installed capacity so generated scheduled to be operational by December 31, 2002.

(b) Of the 125 megawatts of biomass electricity installed capacity required under this subdivision, no more than 50 megawatts of this capacity may be provided by a facility that uses poultry litter as its primary fuel source and any such facility:

(1) need not use biomass that complies with the definition in subdivision 1;

(2) must enter into a contract with the public utility for such capacity, that has an average purchase price per megawatt hour over the life of the contract that is equal to or less than the average purchase price per megawatt hour over the life of the contract in contracts approved by the public utilities commission before April 1, 2000, to satisfy the mandate of this section, and file that contract with the public utilities commission prior to September 1, 2000; and

(3) must schedule such capacity to be operational by December 31, 2002.

(c) Of the total 125 megawatts of biomass electric energy installed capacity required under this section, no more than 75 megawatts may be provided by a single project.

(d) Of the 75 megawatts of biomass electric energy installed capacity required under paragraph (a), clause (2), no more than 25 megawatts of this capacity may be provided by a St. Paul district heating and cooling system cogeneration facility utilizing waste wood as a primary fuel source. The St. Paul district heating and cooling system cogeneration facility need not use biomass that complies with the definition in subdivision 1.

(e) The public utility must accept and consider on an equal basis with other biomass proposals:

(1) a proposal to satisfy the requirements of this section that includes a project that exceeds the megawatt capacity requirements of either paragraph (a), clause (1) or (2), and that proposes to sell the excess capacity to the public utility or to other purchasers; and

(2) a proposal for a new facility to satisfy more than ten but not more than 20 megawatts of the electrical generation requirements by a small business-sponsored independent power producer facility to be located within the northern quarter of the state, which means the area located north of Constitutional Route No. 8 as described in section 161.114, subdivision 2, and that utilizes biomass residue wood, sawdust, bark, chipped wood, or brush to generate electricity. A facility described in this clause is not required to utilize biomass complying with the definition in subdivision 1, but must have the capacity required by this clause ~~operational~~ in construction by ~~December 31, 2002~~ June 30, 2004.

(f) If a public utility files a contract with the commission for electric energy installed capacity that uses poultry litter as its primary fuel source, the commission must do a preliminary review of the contract to determine if it meets the purchase price criteria provided in paragraph (b), clause (2), of this subdivision. The commission shall perform its review and advise the parties of its determination within 30 days of filing of such a contract by a public utility. A public utility may submit by September 1, 2000, a revised contract to address the commission's preliminary determination.

(g) The commission shall finally approve, modify, or disapprove no later than July 1, 2001, all contracts submitted by a public utility as of September 1, 2000, to meet the mandate set forth in this subdivision.

(h) If a public utility subject to this section exercises an option to increase the generating capacity of a project in a contract approved by the commission prior to April 25, 2000, to satisfy the mandate in this subdivision, the public utility must notify the commission by September 1, 2000, that it has exercised the option and include in the notice the amount of additional megawatts to be generated under the option exercised. Any review by the commission of the project after exercise of such an option shall be based on the same criteria used to review the existing contract.

(i) A facility specified in this subdivision qualifies for exemption from property taxation under section 272.02, subdivision 43."

Delete the title and insert:

"A bill for an act relating to energy; promoting and providing incentives for the use of innovative generation technology by utilities; amending Minnesota Statutes 2002, sections 216B.2422, by adding subdivisions; 216B.2424, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 971, A bill for an act relating to insurance; prohibiting certain insurers from transacting business in the state; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

The report was adopted.

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

H. F. No. 975, A bill for an act relating to public employees; transferring responsibilities relating to local government pay equity to the state auditor; authorizing the state auditor to adopt rules and collect a fee; amending Minnesota Statutes 2002, sections 471.999; 477A.014, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 6; repealing Minnesota Statutes 2002, section 43A.04, subdivision 10.

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

The report was adopted.

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

H. F. No. 996, A bill for an act relating to insurance; changing no-fault arbitration provisions; amending Minnesota Statutes 2002, section 65B.525.

Reported the same back with the following amendments:

Page 2, line 10, delete "is" and insert "are"

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. 999, A bill for an act relating to higher education; adding students to the regent advisory council; amending Minnesota Statutes 2002, section 137.0245, subdivision 2.

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

The report was adopted.

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

H. F. No. 1006, A bill for an act relating to elections; providing for conformity with the federal Help America Vote Act; creating a complaint process; imposing a penalty; amending Minnesota Statutes 2002, sections 201.021; 201.022; 201.061, subdivisions 1, 3, by adding subdivisions; 201.071, subdivisions 1, 3, by adding subdivisions; 201.091, subdivisions 1, 4, 5, by adding a subdivision; 201.121, subdivision 1; 201.13, subdivision 1; 201.15; 201.155; 201.161; 201.171; 201.221, subdivisions 2, 3; 203B.06, subdivision 4; 203B.08, subdivision 3; 203B.12, subdivision 2; 203B.16, by adding a subdivision; 203B.17; 203B.19; 203B.24, subdivision 2; 203B.26; 204B.47; 204C.10; 206.57, by adding subdivisions; 206.81; proposing coding for new law in Minnesota Statutes, chapters 200; 201; 204C.

Reported the same back with the following amendments:

Page 14, line 23, after "person" insert "in which the court order provides that the ward does not retain the right to vote"

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.

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

H. F. No. 1007, A bill for an act relating to highways; requiring that highway 62 be treated as interstate system highway for purposes of municipal approval.

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. 1024, A bill for an act relating to state government; modifying provisions relating to state contracting and state printing services; amending Minnesota Statutes 2002, sections 16A.11, subdivision 3; 16B.465, subdivision 7; 16B.47; 16B.48, subdivision 2; 16B.49; 16C.05, subdivision 2; 16C.08, subdivisions 2, 3, 4, by adding a subdivision; 16C.09; 16E.07, subdivision 9; 116J.8771; 136F.77, subdivision 3; 256B.435, subdivision 2a; 268.186; proposing coding for new law in Minnesota Statutes, chapter 16C; repealing Minnesota Statutes 2002, sections 12.221, subdivision 5; 16B.50; 16C.07; 43A.047.

Reported the same back with the following amendments:

Page 9, line 18, before the period, insert ", and evaluate the extent to which the contract was a cost-effective way to enable the agency to provide its services or products better or more efficiently"

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.

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

H. F. No. 1032, A bill for an act relating to operation of state government; establishing the Minnesota False Claims Act; assessing penalties; proposing coding for new law as Minnesota Statutes, chapter 12A.

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

The report was adopted.

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

H. F. No. 1035, A bill for an act relating to public safety; modifying provisions relating to DWI breath-testing instruments; amending Minnesota Statutes 2002, sections 169A.03, subdivision 11; 169A.45, subdivision 4; 169A.51, subdivision 5; 169A.75; 360.0753, subdivision 4; 634.16.

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

The report was adopted.

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

H. F. No. 1039, A bill for an act relating to commerce; regulating financial institution examinations, applications, loans, and organizational provisions; revising the standard nonforfeiture law for individual deferred annuities; making various technical changes; repealing obsolete rules; amending Minnesota Statutes 2002, sections 46.04, subdivision 1; 46.041, subdivision 2; 47.015, by adding a subdivision; 47.101, subdivision 2; 47.59, subdivision 2; 48.08; 48.24, subdivision 6; 52.06, subdivision 1; 61A.245, subdivisions 3, 4, 5, 6, 12; 300.025; 300.23; 332.29, subdivision 1; repealing Minnesota Rules, parts 2675.0300; 2675.2250; 2675.6400.

Reported the same back with the following amendments:

Page 4, line 7, after "24" insert "or on December 31"

Page 5, after line 23, insert:

"Sec. 6. Minnesota Statutes 2002, section 47.67, is amended to read:

47.67 [ADVERTISING.]

No advertisement by a person which relates to an electronic financial terminal may be inaccurate or misleading with respect to such a terminal. Except with respect to direct mailings by financial institutions to their customers, the advertising of rate of interest paid on accounts in connection with electronic financial terminals is prohibited. ~~Any advertisement, either on or off the site of an electronic financial terminal, promoting the use or identifying the location of an electronic financial terminal, which identifies any financial institution, group or combination of financial institutions, or third parties as owning or providing for the use of its services is prohibited. The following shall be expressly permitted:~~

~~(a) a simple directory listing placed at the site of an electronic financial terminal identifying the particular financial institutions using its services;~~

~~(b) the use of a generic name, either on or off the site of an electronic financial terminal, which does not promote or identify any particular financial institution, group or combination of financial institutions, or any third parties;~~

~~(c) media advertising or direct mailing of information by a financial institution or retailer identifying locations of electronic financial terminals and promoting their usage;~~

~~(d) any advertising, whether on or off the site, relating to electronic financial terminals, or the services performed at the electronic financial terminals located on the premises of the main office, or any office or detached facility of any financial institution;~~

~~(e) a coupon or other promotional advertising that is printed upon the reverse side of the receipt or record of each transaction required under section 47.69, subdivision 6; and~~

~~(f) promotional advertising displayed on the electronic screen."~~

Page 9, line 32, before "Notwithstanding" insert "(b)"

Page 14, line 6, after the period, insert "In this instance, the operative date of this act is the date elected for the contract form."

Page 14, line 8, before the period, insert ", which then becomes the operative date of the act"

Page 14, after line 8, insert:

"Sec. 15. Minnesota Statutes 2002, section 118A.03, subdivision 2, is amended to read:

Subd. 2. [IN LIEU OF SURETY BOND.] The following are the allowable forms of collateral in lieu of a corporate surety bond:

- (1) United States government treasury bills, treasury notes, treasury bonds;
- (2) issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- (3) general obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- (4) unrated general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- (5) irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and

~~(5)~~ (6) time deposits that are fully insured by the Federal Deposit Insurance Corporation.

Sec. 16. Minnesota Statutes 2002, section 118A.03, subdivision 3, is amended to read:

Subd. 3. [AMOUNT.] The total amount of the collateral computed at its market value shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the business day, except that where the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks, the amount of collateral shall be at least equal to the amount on deposit plus accrued interest at the close of the business day. The financial institution may furnish both a surety bond and collateral aggregating the required amount."

Page 14, line 32, delete "25" and insert "50"

Page 16, after line 8, insert:

"Sec. 21. [EFFECTIVE DATES.]

Sections 1 to 9, and 15 to 20 are effective the day following final enactment. Sections 10 to 14 are effective August 1, 2003, and apply to annuity contracts issued on or after that date."

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 10, after the first semicolon, insert "47.67;"

Page 1, line 11, after "12;" insert "118A.03, subdivisions 2, 3;"

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. 1040, A bill for an act relating to public employment labor relations; defining health care nonprofessionals as "essential employees"; amending Minnesota Statutes 2002, section 179A.03, subdivision 7.

Reported the same back with the following amendments:

Page 1, line 17, after "nonprofessionals" insert "until June 30, 2005"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1054, A bill for an act relating to environment; modifying requirements for solid waste plans; amending Minnesota Statutes 2002, section 115A.46, subdivision 1.

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

The report was adopted.

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

H. F. No. 1059, A bill for an act relating to housing; housing finance agency; making various clarifying, technical, and other changes to agency programs; increasing debt ceiling; extending civil service pilot project; amending Minnesota Statutes 2002, sections 462A.05, by adding a subdivision; 462A.057, subdivision 1; 462A.073, subdivision 2; 462A.22, subdivisions 1, 7; Laws 1993, chapter 301, section 1, subdivision 4, as amended; Laws 1995, chapter 248, article 12, section 2, as amended.

Reported the same back with the following amendments:

Page 2, line 17, after "than" insert "acquisition and"

Page 3, line 16, before the period, insert "or by a wastewater treatment system operated and maintained by a local unit of government"

Page 3, after line 19, insert:

"Sec. 4. Minnesota Statutes 2002, section 462A.21, subdivision 3a, is amended to read:

Subd. 3a. [CAPACITY BUILDING REVOLVING LOAN FUND.] It may establish a revolving loan fund for predevelopment costs for nonprofit organizations and local government units engaged in the construction or rehabilitation of low- and moderate-income housing, and for the purposes specified in sections 462A.05, subdivision 5; and 462A.07, subdivisions 2, 3, 3a, 5, 5a, 6, 7, 11, and 16. The agency may delegate the authority to administer the revolving loan fund for designated areas in the state to existing nonprofit organizations. For purposes of the authority to administer the revolving loan fund under this subdivision, a nonprofit organization includes a private nonprofit corporation that is formed under laws other than the laws of this state, provided that the nonprofit corporation has an office located in this state. Nonprofit entities selected to exercise such delegated powers must have sufficient professional housing development expertise, as determined by the agency, to evaluate the economic feasibility of an applicant's proposed project. Loans to nonprofit organizations or local government units under this subdivision may be made with or without interest as determined by the agency."

Page 3, line 20, delete "4" and insert "5"

Page 3, line 28, delete "5" and insert "6"

Page 4, line 1, delete "6" and insert "7"

Page 4, line 26, delete "7" and insert "8"

Page 5, line 1, delete "8" and insert "9"

Page 5, line 2, delete "5 and 6" and insert "6 and 7"

Amend the title as follows:

Page 1, line 8, after "2;" insert "462A.21, subdivision 3a;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1071, A bill for an act relating to traffic regulations; providing for speed limits of 65 miles per hour during daytime and 55 miles per hour during nighttime on paved two-lane highways; amending Minnesota Statutes 2002, sections 169.14, subdivision 2; 169.99, subdivision 1b; 171.12, subdivision 6.

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

The report was adopted.

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

H. F. No. 1098, A bill for an act relating to governmental operations; prohibiting certain contracts between an executive branch agency and an agency of the federal government; proposing coding for new law in Minnesota Statutes, chapter 127A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Education Finance without further recommendation.

The report was adopted.

Haas from the Committee on State Government Finance to which was referred:

H. F. No. 1126, A bill for an act relating to state government; modifying provisions relating to shared technology systems funding; amending Minnesota Statutes 2002, section 16E.01, subdivision 3.

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

The report was adopted.

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

H. F. No. 1127, A bill for an act relating to human services; changing continuing care provisions; amending Minnesota Statutes 2002, sections 252.32, subdivisions 1, 1a, 3, 3c; 256B.0621, subdivision 4; 256B.0625, subdivision 19c; 256B.0627, subdivisions 1, 4, 9; 256B.0911, subdivision 4d; 256B.0915, by adding a subdivision; 256B.47, subdivision 2; repealing Minnesota Statutes 2002, section 252.32, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

CONTINUING CARE

Section 1. Minnesota Statutes 2002, section 174.30, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] (a) The operating standards for special transportation service adopted under this section do not apply to special transportation provided by:

- (1) a common carrier operating on fixed routes and schedules;
- (2) a volunteer driver using a private automobile;
- (3) a school bus as defined in section 169.01, subdivision 6; or
- (4) an emergency ambulance regulated under chapter 144.

(b) The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day training and habilitation services, day care, or group home facility licensed under sections 245A.01 to 245A.19 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments, for that service under rules promulgated by the commissioner of human services.

(c) Notwithstanding paragraph (b), the operating standards adopted under this section do not apply to any vendor of services licensed under chapter 245B that provides transportation services to consumers or residents of other vendors licensed under chapter 245B.

Sec. 2. Minnesota Statutes 2002, section 245B.07, subdivision 11, is amended to read:

Subd. 11. [TRAVEL TIME TO AND FROM A DAY TRAINING AND HABILITATION SITE.] Except in unusual circumstances, the license holder must not transport a consumer receiving services for longer than ~~one hour~~ 90 minutes per one-way trip.

Sec. 3. Minnesota Statutes 2002, section 252.27, subdivision 2a, is amended to read:

Subd. 2a. [CONTRIBUTION AMOUNT; PARENTAL COINSURANCE PAYMENTS.] (a) The natural or adoptive parents of a minor child, including a child determined eligible for medical assistance without consideration of parental income, must contribute monthly to the cost of services through parental coinsurance payments or a fixed monthly contribution, unless the child is married or has been married, parental rights have been terminated, or the child's adoption is subsidized according to section 259.67 or through title IV-E of the Social Security Act. Parental coinsurance payments are set at a percentage that is equal to the ratio between the parental contribution calculated under paragraph (b) and the projected cost of services under the child's care plan. Parental coinsurance payments apply each time a service is accessed, subject to a monthly coinsurance limit equal to the monthly parental contribution calculated under paragraph (b). Households that meet the criteria in paragraph (b), clause (1), are exempt from parental coinsurance payments and instead pay the fixed monthly contribution specified in that provision.

(b) For households with adjusted gross income equal to or greater than 100 percent of federal poverty guidelines, the parental contribution or fixed monthly contribution shall be the greater of a minimum monthly fee of \$25 for households with adjusted gross income of \$30,000 and over, or an amount to be computed by applying the following schedule of rates to the adjusted gross income of the natural or adoptive parents that exceeds 150 percent of the federal poverty guidelines for the applicable household size, the following schedule of rates:

(1) on the amount of adjusted gross income over 150 percent of poverty, but not over \$50,000, ten percent if the adjusted gross income is equal to or greater than 100 percent of federal poverty guidelines and less than 175 percent of federal poverty guidelines, the fixed monthly contribution is \$4 per month;

(2) on if the amount of adjusted gross income over 150 percent of poverty and over \$50,000 but not over \$60,000, 12 percent is equal to or greater than 175 percent of federal poverty guidelines and less than or equal to 375 percent of federal poverty guidelines, the parental contribution shall be determined using a sliding fee scale established by the commissioner of human services which begins at one percent of adjusted gross income at 175 percent of federal poverty guidelines and increases to 7.5 percent of adjusted gross income for those with adjusted gross income up to 375 percent of federal poverty guidelines;

(3) ~~on~~ if the amount of adjusted gross income over 150 is greater than 375 percent of federal poverty, and over \$60,000 but not over \$75,000, 14 percent guidelines and less than 675 percent of federal poverty guidelines, the parental contribution shall be 7.5 percent of adjusted gross income; and

(4) ~~on all~~ if the adjusted gross income amounts over 150 is equal to or greater than 675 percent of federal poverty, and over \$75,000, 15 percent guidelines and less than 975 percent of federal poverty guidelines, the parental contribution shall be ten percent of adjusted gross income; and

(5) if the adjusted gross income is equal to or greater than 975 percent of federal poverty guidelines, the parental contribution shall be 12.5 percent of adjusted gross income.

If the child lives with the parent, the ~~parental contribution~~ annual adjusted gross income is reduced by \$200, ~~except that the parent must pay the minimum monthly \$25 fee under this paragraph \$2,400 prior to calculating the parental contribution.~~ If the child resides in an institution specified in section 256B.35, the parent is responsible for the personal needs allowance specified under that section in addition to the parental contribution determined under this section. The parental contribution is reduced by any amount required to be paid directly to the child pursuant to a court order, but only if actually paid.

(c) The household size to be used in determining the amount of contribution under paragraph (b) includes natural and adoptive parents and their dependents under age 21, including the child receiving services. Adjustments in the contribution amount due to annual changes in the federal poverty guidelines shall be implemented on the first day of July following publication of the changes.

(d) For purposes of paragraph (b), "income" means the adjusted gross income of the natural or adoptive parents determined according to the previous year's federal tax form.

(e) The contribution shall be explained in writing to the parents at the time eligibility for services is being determined. The contribution shall be made on a monthly basis effective with the first month in which the child receives services. Annually upon redetermination or at termination of eligibility, if the contribution exceeded the cost of services provided, the local agency or the state shall reimburse that excess amount to the parents, either by direct reimbursement if the parent is no longer required to pay a contribution, or by a reduction in or waiver of parental fees until the excess amount is exhausted.

(f) The monthly contribution amount must be reviewed at least every 12 months; when there is a change in household size; and when there is a loss of or gain in income from one month to another in excess of ten percent. The local agency shall mail a written notice 30 days in advance of the effective date of a change in the contribution amount. A decrease in the contribution amount is effective in the month that the parent verifies a reduction in income or change in household size.

(g) Parents of a minor child who do not live with each other shall each pay the contribution required under paragraph (a), ~~except that a~~ An amount equal to the annual court-ordered child support payment actually paid on behalf of the child receiving services shall be deducted from the ~~contribution~~ adjusted gross income of the parent making the payment prior to calculating the parental contribution under paragraph (b).

(h) The contribution under paragraph (b) shall be increased by an additional five percent if the local agency determines that insurance coverage is available but not obtained for the child. For purposes of this section, "available" means the insurance is a benefit of employment for a family member at an annual cost of no more than five percent of the family's annual income. For purposes of this section, "insurance" means health and accident insurance coverage, enrollment in a nonprofit health service plan, health maintenance organization, self-insured plan, or preferred provider organization.

Parents who have more than one child receiving services shall not be required to pay more than the amount for the child with the highest expenditures. There shall be no resource contribution from the parents. The parent shall not be required to pay a contribution in excess of the cost of the services provided to the child, not counting payments made to school districts for education-related services. Notice of an increase in fee payment must be given at least 30 days before the increased fee is due.

(i) The contribution under paragraph (b) shall be reduced by \$300 per fiscal year if, in the 12 months prior to July 1:

(1) the parent applied for insurance for the child;

(2) the insurer denied insurance;

(3) the parents submitted a complaint or appeal, in writing to the insurer, submitted a complaint or appeal, in writing, to the commissioner of health or the commissioner of commerce, or litigated the complaint or appeal; and

(4) as a result of the dispute, the insurer reversed its decision and granted insurance.

For purposes of this section, "insurance" has the meaning given in paragraph (h).

A parent who has requested a reduction in the contribution amount under this paragraph shall submit proof in the form and manner prescribed by the commissioner or county agency, including, but not limited to, the insurer's denial of insurance, the written letter or complaint of the parents, court documents, and the written response of the insurer approving insurance. The determinations of the commissioner or county agency under this paragraph are not rules subject to chapter 14.

[EFFECTIVE DATE.] This section is effective July 1, 2004.

Sec. 4. Minnesota Statutes 2002, section 252.32, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM ESTABLISHED.] In accordance with state policy established in section 256F.01 that all children are entitled to live in families that offer safe, nurturing, permanent relationships, and that public services be directed toward preventing the unnecessary separation of children from their families, and because many families who have children with ~~mental retardation or related conditions~~ disabilities have special needs and expenses that other families do not have, the commissioner of human services shall establish a program to assist families who have ~~dependents dependent children with mental retardation or related conditions~~ disabilities living in their home. The program shall make support grants available to the families.

Sec. 5. Minnesota Statutes 2002, section 252.32, subdivision 1a, is amended to read:

Subd. 1a. [SUPPORT GRANTS.] (a) Provision of support grants must be limited to families who require support and whose dependents are under the age of ~~22~~ 21 ~~and who have mental retardation or who have a related condition~~ and who have been ~~determined by a screening team established~~ certified disabled under Minnesota Statutes, section 256B.092 to be at risk of institutionalization 256B.055, subdivision 12, paragraphs (a), (b), (c), (d), and (e). Families who are receiving home and community-based waived services ~~for persons with mental retardation or related conditions~~ under United States Code, title 42, section 1396n(c), are not eligible for support grants.

~~Families receiving grants who will be receiving home and community based waiver services for persons with mental retardation or a related condition for their family member within the grant year, and who have ongoing payments for environmental or vehicle modifications which have been approved by the county as a grant expense and would have qualified for payment under this waiver may receive a onetime grant payment from the commissioner to reduce or eliminate the principal of the remaining debt for the modifications, not to exceed the maximum amount allowable for the remaining years of eligibility for a family support grant. The commissioner is authorized to use up to \$20,000 annually from the grant appropriation for this purpose. Any amount unexpended at the end of the grant year shall be allocated by the commissioner in accordance with subdivision 3a, paragraph (b), clause (2). Families whose annual adjusted gross income is \$60,000 or more are not eligible for support grants except in cases where extreme hardship is demonstrated. Beginning in state fiscal year 1994, the commissioner shall adjust the income ceiling annually to reflect the projected change in the average value in the United States Department of Labor Bureau of Labor Statistics consumer price index (all urban) for that year.~~

(b) Support grants may be made available as monthly subsidy grants and lump sum grants.

(c) Support grants may be issued in the form of cash, voucher, and direct county payment to a vendor.

(d) Applications for the support grant shall be made by the legal guardian to the county social service agency. The application shall specify the needs of the families, the form of the grant requested by the families, and ~~that the families have agreed to use the support grant for items and services within the designated reimbursable expense categories and recommendations of the county to be reimbursed.~~

~~(e) Families who were receiving subsidies on the date of implementation of the \$60,000 income limit in paragraph (a) continue to be eligible for a family support grant until December 31, 1991, if all other eligibility criteria are met. After December 31, 1991, these families are eligible for a grant in the amount of one-half the grant they would otherwise receive, for as long as they remain eligible under other eligibility criteria. Families cannot concurrently receive the consumer support grant under section 256.476.~~

Sec. 6. Minnesota Statutes 2002, section 252.32, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF SUPPORT GRANT; USE.] Support grant amounts shall be determined by the county social service agency. ~~Each service~~ Services and ~~item~~ items purchased with a support grant must:

- (1) be over and above the normal costs of caring for the dependent if the dependent did not have a disability;
- (2) be directly attributable to the dependent's disabling condition; and
- (3) enable the family to delay or prevent the out-of-home placement of the dependent.

The design and delivery of services and items purchased under this section must suit the dependent's chronological age and be provided in the least restrictive environment possible, consistent with the needs identified in the individual service plan.

Items and services purchased with support grants must be those for which there are no other public or private funds available to the family. Fees assessed to parents for health or human services that are funded by federal, state, or county dollars are not reimbursable through this program.

In approving or denying applications, the county shall consider the following factors:

- (1) the extent and areas of the functional limitations of the disabled child;

(2) the degree of need in the home environment for additional support; and

(3) the potential effectiveness of the grant to maintain and support the person in the family environment.

The maximum monthly grant amount shall be \$250 per eligible dependent, or \$3,000 per eligible dependent per state fiscal year, within the limits of available funds. The county social service agency may consider the dependent's supplemental security income in determining the amount of the support grant. ~~The county social service agency may exceed \$3,000 per state fiscal year per eligible dependent for emergency circumstances in cases where exceptional resources of the family are required to meet the health, welfare safety needs of the child.~~

~~County social service agencies shall continue to provide funds to families receiving state grants on June 30, 1997, if eligibility criteria continue to be met. Any adjustments to their monthly grant amount must be based on the needs of the family and funding availability.~~

Sec. 7. Minnesota Statutes 2002, section 252.32, subdivision 3c, is amended to read:

Subd. 3c. [COUNTY BOARD RESPONSIBILITIES.] County boards receiving funds under this section shall:

~~(1) determine the needs of families for services in accordance with section 256B.092 or 256E.08 and any rules adopted under those sections; submit a plan to the department for the management of the family support grant program. The plan must include the projected number of families the county will serve and policies and procedures for:~~

(i) identifying potential families for the program;

(ii) grant distribution;

(iii) waiting list procedures; and

(iv) prioritization of families to receive grants;

(2) determine the eligibility of all persons proposed for program participation;

(3) approve a plan for items and services to be reimbursed and inform families of the county's approval decision;

(4) issue support grants directly to, or on behalf of, eligible families;

(5) inform recipients of their right to appeal under subdivision 3e;

(6) submit quarterly financial reports under subdivision 3b and indicate ~~on the screening documents~~ the annual grant level for each family, the families denied grants, and the families eligible but waiting for funding; and

(7) coordinate services with other programs offered by the county.

Sec. 8. Minnesota Statutes 2002, section 252.41, subdivision 3, is amended to read:

Subd. 3. [DAY TRAINING AND HABILITATION SERVICES FOR ADULTS WITH MENTAL RETARDATION, RELATED CONDITIONS.] "Day training and habilitation services for adults with mental retardation and related conditions" means services that:

(1) include supervision, training, assistance, and supported employment, work-related activities, or other community-integrated activities designed and implemented in accordance with the individual service and individual habilitation plans required under Minnesota Rules, parts 9525.0015 to 9525.0165, to help an adult reach and maintain the highest possible level of independence, productivity, and integration into the community; and

(2) are provided under contract with the county where the services are delivered by a vendor licensed under sections 245A.01 to 245A.16 and 252.28, subdivision 2, to provide day training and habilitation services; ~~and~~

~~(3) are regularly provided to one or more adults with mental retardation or related conditions in a place other than the adult's own home or residence unless medically contraindicated.~~

Day training and habilitation services reimbursable under this section do not include special education and related services as defined in the Education of the Handicapped Act, United States Code, title 20, chapter 33, section 1401, clauses (6) and (17), or vocational services funded under section 110 of the Rehabilitation Act of 1973, United States Code, title 29, section 720, as amended.

Sec. 9. Minnesota Statutes 2002, section 252.46, subdivision 1, is amended to read:

Subdivision 1. [RATES.] (a) Payment rates to vendors, except regional centers, for county-funded day training and habilitation services and transportation provided to persons receiving day training and habilitation services established by a county board are governed by subdivisions 2 to 19. The commissioner shall approve the following three payment rates for services provided by a vendor:

(1) a full-day service rate for persons who receive at least six service hours a day, including the time it takes to transport the person to and from the service site;

(2) a partial-day service rate that must not exceed 75 percent of the full-day service rate for persons who receive less than a full day of service; and

(3) a transportation rate for providing, or arranging and paying for, transportation of a person to and from the person's residence to the service site.

~~(b) The commissioner may also approve an hourly job coach, follow-along rate for services provided by one employee at or en route to or from community locations to supervise, support, and assist one person receiving the vendor's services to learn job-related skills necessary to obtain or retain employment when and where no other persons receiving services are present and when all the following criteria are met:~~

~~(1) the vendor requests and the county recommends the optional rate;~~

~~(2) the service is prior authorized by the county on the Medicaid Management Information System for no more than 414 hours in a 12-month period and the daily per person charge to medical assistance does not exceed the vendor's approved full day plus transportation rates;~~

~~(3) separate full day, partial day, and transportation rates are not billed for the same person on the same day;~~

~~(4) the approved hourly rate does not exceed the sum of the vendor's current average hourly direct service wage, including fringe benefits and taxes, plus a component equal to the vendor's average hourly nondirect service wage expenses; and~~

~~(5) the actual revenue received for provision of hourly job coach, follow along services is subtracted from the vendor's total expenses for the same time period and those adjusted expenses are used for determining recommended full day and transportation payment rates under subdivision 5 in accordance with the limitations in subdivision 3.~~

(b) Notwithstanding any law or rule to the contrary, the commissioner may authorize county participation in a voluntary individualized payment rate structure for day training and habilitation services to allow a county the flexibility to change, after consulting with providers, from a site-based payment rate structure to an individual payment rate structure for the providers of day training and habilitation services in the county. The commissioner shall seek input from providers and consumers in establishing procedures for determining the structure of voluntary individualized payment rates to ensure that there is no additional cost to the state and that the rate structure is cost-neutral to providers of day training and habilitation services.

(c) Medical assistance rates for home and community-based service provided under section 256B.501, subdivision 4, by licensed vendors of day training and habilitation services must not be greater than the rates for the same services established by counties under sections 252.40 to 252.46. For very dependent persons with special needs the commissioner may approve an exception to the approved payment rate under section 256B.501, subdivision 4 or 8.

Sec. 10. Minnesota Statutes 2002, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] (a) State agency hearings are available for the following: (1) any person applying for, receiving or having received public assistance, medical care, or a program of social services granted by the state agency or a county agency or the federal Food Stamp Act whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid; (2) any patient or relative aggrieved by an order of the commissioner under section 252.27; (3) a party aggrieved by a ruling of a prepaid health plan; (4) except as provided under chapter 245A, any individual or facility determined by a lead agency to have maltreated a vulnerable adult under section 626.557 after they have exercised their right to administrative reconsideration under section 626.557; (5) any person whose claim for foster care payment according to a placement of the child resulting from a child protection assessment under section 626.556 is denied or not acted upon with reasonable promptness, regardless of funding source; (6) any person to whom a right of appeal according to this section is given by other provision of law; (7) an applicant aggrieved by an adverse decision to an application for a hardship waiver under section 256B.15; (8) except as provided under chapter 245A, an individual or facility determined to have maltreated a minor under section 626.556, after the individual or facility has exercised the right to administrative reconsideration under section 626.556; ~~or~~ (9) except as provided under chapter 245A, an individual disqualified under section 245A.04, subdivision 3d, on the basis of serious or recurring maltreatment; a preponderance of the evidence that the individual has committed an act or acts that meet the definition of any of the crimes listed in section 245A.04, subdivision 3d, paragraph (a), clauses (1) to (4); or for failing to make reports required under section 626.556, subdivision 3, or 626.557, subdivision 3; or (10) a vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract to provide social services under section 256E.08, subdivision 4, to the extent permitted under subdivision 11. Hearings regarding a maltreatment determination under clause (4) or (8) and a disqualification under this clause in which the basis for a disqualification is serious or recurring maltreatment, which has not been set aside or rescinded under section 245A.04, subdivision 3b, shall be consolidated into a single fair hearing. In such cases, the scope of review by the human services referee shall include both the maltreatment determination and the disqualification. The failure to exercise the right to an administrative reconsideration shall not be a bar to a hearing under this section if federal law provides an individual the right to a hearing to dispute a finding of maltreatment. Individuals and organizations specified in this section may contest the specified action, decision, or final disposition before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action, decision, or final disposition, or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good cause why the request was not submitted within the 30-day time limit.

The hearing for an individual or facility under clause (4), (8), or (9) is the only administrative appeal to the final agency determination specifically, including a challenge to the accuracy and completeness of data under section 13.04. Hearings requested under clause (4) apply only to incidents of maltreatment that occur on or after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged to have maltreated a resident prior to October 1, 1995, shall be held as a contested case proceeding under the provisions of chapter 14. Hearings requested under clause (8) apply only to incidents of maltreatment that occur on or after July 1, 1997. A hearing for an individual or facility under clause (8) is only available when there is no juvenile court or adult criminal action pending. If such action is filed in either court while an administrative review is pending, the administrative review must be suspended until the judicial actions are completed. If the juvenile court action or criminal charge is dismissed or the criminal action overturned, the matter may be considered in an administrative hearing.

For purposes of this section, bargaining unit grievance procedures are not an administrative appeal.

The scope of hearings involving claims to foster care payments under clause (5) shall be limited to the issue of whether the county is legally responsible for a child's placement under court order or voluntary placement agreement and, if so, the correct amount of foster care payment to be made on the child's behalf and shall not include review of the propriety of the county's child protection determination or child placement decision.

(b) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a county agency to provide social services under section 256E.08, subdivision 4, is not a party and may not request a hearing under this section, except if assisting a recipient as provided in subdivision 4 or as provided under subdivision 11.

(c) An applicant or recipient is not entitled to receive social services beyond the services included in the amended community social services plan developed under section 256E.081, subdivision 3, if the county agency has met the requirements in section 256E.081.

(d) The commissioner may summarily affirm the county or state agency's proposed action without a hearing when the sole issue is an automatic change due to a change in state or federal law.

Sec. 11. Minnesota Statutes 2002, section 256.045, subdivision 5, is amended to read:

Subd. 5. [ORDERS OF THE COMMISSIONER OF HUMAN SERVICES.] A state human services referee shall conduct a hearing on the appeal and shall recommend an order to the commissioner of human services. The recommended order must be based on all relevant evidence and must not be limited to a review of the propriety of the state or county agency's action. A referee may take official notice of adjudicative facts. The commissioner of human services may accept the recommended order of a state human services referee and issue the order to the county agency and the applicant, recipient, former recipient, or prepaid health plan. The commissioner on refusing to accept the recommended order of the state human services referee, shall notify the petitioner, the agency, or prepaid health plan of that fact and shall state reasons therefor and shall allow each party ten days' time to submit additional written argument on the matter. After the expiration of the ten-day period, the commissioner shall issue an order on the matter to the petitioner, the agency, or prepaid health plan.

A party aggrieved by an order of the commissioner may appeal under subdivision 7, or request reconsideration by the commissioner within 30 days after the date the commissioner issues the order. The commissioner may reconsider an order upon request of any party or on the commissioner's own motion. A request for reconsideration does not stay implementation of the commissioner's order. Upon reconsideration, the commissioner may issue an amended order or an order affirming the original order.

Any order of the commissioner issued under this subdivision shall be conclusive upon the parties unless appeal is taken in the manner provided by subdivision 7. Any order of the commissioner is binding on the parties and must be implemented by the state agency, a county agency, or a prepaid health plan according to subdivision 3a, until the order is reversed by the district court, or unless the commissioner or a district court orders monthly assistance or aid or services paid or provided under subdivision 10.

A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a county agency to provide social services under section 256E.08, subdivision 4, is not a party and may not request a hearing or seek judicial review of an order issued under this section, unless assisting a recipient as provided in subdivision 4 or as provided in subdivision 11. A prepaid health plan is a party to an appeal under subdivision 3a, but cannot seek judicial review of an order issued under this section.

Sec. 12. Minnesota Statutes 2002, section 256.045, is amended by adding a subdivision to read:

Subd. 11. [VENDOR APPEAL PROCESS.] A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract to provide social services under section 256E.08, subdivision 4, may appeal an action of a county board arising from the terms of a purchase of service agreement between the vendor and the county that is proposed or in effect, if the agreement:

(1) contains unreasonable or discriminatory outcome requirements, performance criteria, or program objectives; or

(2) provides a rate of reimbursement that is unfair or discriminatory when compared to the rates of reimbursement for other vendors in the county providing similar services.

Sec. 13. Minnesota Statutes 2002, section 256B.057, subdivision 9, is amended to read:

Subd. 9. [EMPLOYED PERSONS WITH DISABILITIES.] (a) Medical assistance may be paid for a person who is employed and who:

(1) meets the definition of disabled under the supplemental security income program;

(2) is at least 16 but less than 65 years of age;

(3) meets the asset limits in paragraph (b); and

(4) effective November 1, 2003, pays a premium, if required, and other obligations under paragraph ~~(e)~~ (d).

Any spousal income or assets shall be disregarded for purposes of eligibility and premium determinations.

After the month of enrollment, a person enrolled in medical assistance under this subdivision who:

(1) is temporarily unable to work and without receipt of earned income due to a medical condition, as verified by a physician, may retain eligibility for up to four calendar months; or

(2) effective January 1, 2004, loses employment for reasons not attributable to the enrollee, may retain eligibility for up to four consecutive months after the month of job loss. To receive a four-month extension, enrollees must verify the medical condition or provide notification of job loss. All other eligibility requirements must be met and the enrollee must pay all calculated premium costs for continued eligibility.

(b) For purposes of determining eligibility under this subdivision, a person's assets must not exceed \$20,000, excluding:

(1) all assets excluded under section 256B.056;

(2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans, Keogh plans, and pension plans; and

(3) medical expense accounts set up through the person's employer.

(c)(1) Effective January 1, 2004, for purposes of eligibility, there will be a \$65 earned income disregard. To be eligible, a person applying for medical assistance under this subdivision must have earned income above the disregard level.

(2) Effective January 1, 2004, to be considered earned income, Medicare, social security, and applicable state and federal income taxes must be withheld. To be eligible, a person must document earned income tax withholding.

(d)(1) A person whose earned and unearned income is equal to or greater than 100 percent of federal poverty guidelines for the applicable family size must pay a premium to be eligible for medical assistance under this subdivision. The premium shall be based on the person's gross earned and unearned income and the applicable family size using a sliding fee scale established by the commissioner, which begins at ~~one~~ five percent of income ~~at for a person whose income is equal to or greater than~~ 100 percent but does not exceed 175 percent of the federal poverty guidelines and increases to 7.5 percent of income for those with incomes at or above ~~300~~ 225 percent of the federal poverty guidelines. Annual adjustments in the premium schedule based upon changes in the federal poverty guidelines shall be effective for premiums due in July of each year.

(2) Effective January 1, 2004, all enrollees must pay a premium to be eligible for medical assistance under this subdivision. An enrollee shall pay the greater of a \$35 premium or the premium calculated in clause (1).

(3) Effective November 1, 2003, notwithstanding section 256B.0625, subdivision 15, paragraph (a), the commissioner shall require enrollees with incomes greater than 150 percent of the federal poverty guidelines who are also enrolled in Medicare to pay the full cost of Medicare Part B premiums.

~~(d)~~ (e) A person's eligibility and premium shall be determined by the local county agency. Premiums must be paid to the commissioner. All premiums are dedicated to the commissioner.

~~(e)~~ (f) Any required premium shall be determined at application and redetermined ~~annually at recertification at the enrollee's six-month income review~~ or when a change in income or ~~family household size occurs is reported~~. Enrollees must report any change in income or household size within ten days of when the change occurs. A decreased premium resulting from a reported change in income or household size shall be effective the first day of the next available billing month after the change is reported. Except for changes occurring from annual cost-of-living increases or verification of income under section 256B.061, paragraph (b), a change resulting in an increased premium shall not affect the premium amount until the next six-month review.

~~(f)~~ (g) Premium payment is due upon notification from the commissioner of the premium amount required. Premiums may be paid in installments at the discretion of the commissioner.

~~(g)~~ (h) Nonpayment of the premium shall result in denial or termination of medical assistance unless the person demonstrates good cause for nonpayment. Good cause exists if the requirements specified in Minnesota Rules, part 9506.0040, subpart 7, items B to D, are met. Except when an installment agreement is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must pay any past due premiums as well as

current premiums due prior to being reenrolled. Nonpayment shall include payment with a returned, refused, or dishonored instrument. The commissioner may require a guaranteed form of payment as the only means to replace a returned, refused, or dishonored instrument.

[EFFECTIVE DATE.] This section is effective November 1, 2003, except the amendment to Minnesota Statutes 2002, section 256B.057, subdivision 9, paragraph (d), is effective January 1, 2004, and the amendments to Minnesota Statutes 2002, section 256B.057, subdivision 9, paragraphs (f) and (h), are effective July 1, 2003.

Sec. 14. Minnesota Statutes 2002, section 256B.0625, subdivision 17, is amended to read:

Subd. 17. [TRANSPORTATION COSTS.] (a) Medical assistance covers transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by nonambulatory persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this subdivision, a person who is incapable of transport by taxicab or bus shall be considered to be nonambulatory.

(b) Medical assistance covers special transportation, as defined in Minnesota Rules, part 9505.0315, subpart 1, item F, if the provider receives and maintains a current physician's order by the recipient's attending physician certifying that the recipient has a physical or mental impairment that would prohibit the recipient from safely accessing and using a bus, taxi, other commercial transportation, or private automobile; and the recipient:

(1) requires a wheelchair-accessible van or a stretcher-accessible vehicle; or

(2) does not require a wheelchair-accessible van or a stretcher-accessible vehicle but:

(i) resides in a facility licensed by or registered with the commissioner of human services or the commissioner of health; or

(ii) needs special transportation service to access dialysis or radiation therapy services. Individuals certified as needing a wheelchair-accessible van or a stretcher-accessible vehicle must have the physician certification renewed every three years. All other individuals must have the physician certification renewed annually. Special transportation includes driver-assisted service to eligible individuals. Driver-assisted service includes passenger pickup at and return to the individual's residence or place of business, assistance with admittance of the individual to the medical facility, and assistance in passenger securement or in securing of wheelchairs or stretchers in the vehicle. ~~The commissioner shall establish maximum medical assistance reimbursement rates for special transportation services for persons who need a wheelchair accessible van or stretcher accessible vehicle and for those who do not need a wheelchair accessible van or stretcher accessible vehicle. The average of these two rates per trip must not exceed \$15 for the base rate and \$1.40 per mile. Special transportation provided to nonambulatory persons who do not need a wheelchair accessible van or stretcher accessible vehicle, may be reimbursed at a lower rate than special transportation provided to persons who need a wheelchair accessible van or stretcher accessible vehicle.~~

(c) The maximum medical assistance reimbursement rates for special transportation services are:

(1) \$18 for the base rate and \$1.40 per mile for services to persons who need a wheelchair-accessible van;

(2) \$36 for the base rate and \$1.40 per mile for services to persons who need a stretcher-accessible vehicle;

(3) \$9 per trip for the attendant rate for wheelchair-accessible vans or stretcher accessible vehicles; and

(4) \$12 for the base rate and \$1.40 per mile for services provided to persons who do not need a wheelchair-accessible van or stretcher-accessible vehicle.

(d) In order to receive reimbursement under this subdivision, all providers must maintain a daily log book that is signed by an authorized representative of the emergency or nonemergency medical facility to which an individual is transported. The log book must list the date and time the nonambulatory person is received at the medical facility. All log books must be retained for at least five years. All providers of special transportation services must use a commercially available computer mapping software program selected by the commissioner to calculate mileage for purposes of reimbursement under this subdivision.

(e) A provider may not receive reimbursement under this subdivision for providing transportation solely for the purpose of transporting an individual to a pharmacy. A provider may receive reimbursement for transporting an individual to a pharmacy if the visit occurs following a visit to a medical facility at which a prescription was provided. A special transportation provider may not receive reimbursement under this subdivision for transporting a child to school, unless the special transportation service is needed to obtain nonemergency medical care at the school and a less costly alternative form of transportation is not available.

(f) The medical assistance benefit plan shall include a \$1 co-payment for special transportation services provided to individuals who do not need a wheelchair-accessible van or stretcher-accessible vehicle, effective for services provided on or after October 1, 2003. Recipients of medical assistance are responsible for all co-payments in this subdivision. Co-payments shall be subject to the following exceptions:

(1) children under the age of 21;

(2) pregnant women for services that relate to the pregnancy or any other medical condition that may complicate the pregnancy;

(3) recipients expected to reside for at least 30 days in a hospital, nursing home, or intermediate care facility for the mentally retarded;

(4) recipients receiving hospice care;

(5) 100 percent federally funded services provided by an Indian health service;

(6) services that are paid by Medicare, resulting in the medical assistance program paying for the coinsurance and deductible; and

(7) co-payments that exceed one per day per provider.

The medical assistance reimbursement to the provider shall be reduced by the amount of the co-payment. The provider collects the co-payment from the recipient. Providers may not deny services to individuals who are unable to pay the co-payment. Providers must accept an assertion from the recipient that they are unable to pay.

(f) The commissioner is prohibited from using a broker or coordinator to manage special transportation services.

Sec. 15. Minnesota Statutes 2002, section 256B.092, subdivision 1a, is amended to read:

Subd. 1a. [CASE MANAGEMENT ADMINISTRATION AND SERVICES.] (a) The administrative functions of case management provided to or arranged for a person include:

(1) intake review of eligibility for services;

- (2) ~~diagnosis screening~~;
- (3) ~~screening intake~~;
- (4) ~~service authorization diagnosis~~;
- (5) ~~review of eligibility for services~~ individualized service plan development;
- (6) service authorization; and

~~(6)~~ (7) responding to requests for conciliation conferences and appeals according to section 256.045 made by the person, the person's legal guardian or conservator, or the parent if the person is a minor.

(b) Case management service activities provided to or arranged for a person include:

- (1) development of the individual service plan;
- ~~(2) informing in consultation with the individual or and the individual's legal guardian or conservator, or parent if the person is a minor, of service options~~ medical experts, and service providers;
- ~~(3)~~ (2) assisting the person in the identification of potential providers;
- ~~(4) assisting the person to access services~~;
- ~~(5)~~ (3) coordination of services, if coordination is not provided by the service provider;
- ~~(6) evaluation and monitoring of the services identified in the plan~~; and
- ~~(7)~~ (4) annual reviews of service plans and services provided.

(c) Case management administration and service activities that are provided to the person with mental retardation or a related condition shall be provided directly by county agencies or under contract.

(d) Case managers are responsible for the administrative duties and service provisions listed in paragraphs (a) and (b). Case managers shall work with consumers, families, legal representatives, and relevant service providers in the development and annual review of the individualized service and habilitation plans.

(e) The department of human services shall offer ongoing education in case management to case managers. Case managers shall receive no less than ten hours of case management education and training each year.

Sec. 16. Minnesota Statutes 2002, section 256B.092, subdivision 5, is amended to read:

Subd. 5. [FEDERAL WAIVERS.] (a) The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation under United States Code, title 42, sections 1396 et seq., as amended, for the provision of services to persons who, in the absence of the services, would need the level of care provided in a regional treatment center or a community intermediate care facility for persons with mental retardation or related conditions. The commissioner may seek amendments to the waivers or apply for additional waivers under United States Code, title 42, sections 1396 et seq., as amended, to contain costs. The commissioner shall ensure that payment for the cost of providing home and community-based alternative services under the federal waiver plan shall not exceed the cost of intermediate care services including day training and habilitation services that would have been provided without the waived services.

(b) The commissioner, in administering home and community-based waivers for persons with mental retardation and related conditions, shall ensure that day services for eligible persons are not provided by the person's residential service provider, unless the person or the person's legal representative is offered a choice of providers and agrees in writing to provision of day services by the residential service provider. The individual service plan for individuals who choose to have their residential service provider provide their day services must describe how health, safety, ~~and~~ protection, and habilitation needs will be met by, including how frequent and regular contact with persons other than the residential service provider will occur. The individualized service plan must address the appropriateness of receiving habilitative services outside the residence on weekdays.

Sec. 17. [256B.492] [REGIONAL MANAGEMENT OF HOME AND COMMUNITY-BASED WAIVER SERVICES.]

Subdivision 1. [REGION.] For the purposes of this section, "region" means a county or a group of counties, with a population of 100,000 or more, that have formed a joint powers agreement to manage the home and community-based waiver services.

Subd. 2. [PURPOSE.] Counties may form joint powers agreements for the purpose of regionally managing the home and community-based waiver services under sections 256B.0916 and 256B.49. Counties with a population of less than 100,000 are encouraged to form joint powers agreements with other counties to regionally manage the home and community-based waiver services under sections 256B.0916 and 256B.49.

Subd. 3. [REGIONAL WAIVER AUTHORITY.] One of the parties to the joint powers agreement shall be designated the regional waiver authority and shall monitor regional authorizations and expenditures. The joint powers agreement shall specify how decisions are made on authorizations and expenditures from the home and community-based waiver allocation.

Subd. 4. [FISCAL MANAGEMENT.] A region may expend up to two percent more than its home and community-based allocation in a given fiscal year if the region underspends by the same amount the following fiscal year. A region may carry forward a resource allocation of unspent resources within its home and community-based waiver services allocation from year to year.

Subd. 5. [COMMISSIONER'S AUTHORITY.] When waiver resources are distributed to a group of counties, the commissioner may (1) require a joint powers agreement; (2) contract with a public or private agency; or (3) require both to administer the waiver program for that geographic area. The commissioner is responsible for assuring that funds are used properly within the amount allocated.

Sec. 18. Minnesota Statutes 2002, section 256B.501, subdivision 1, is amended to read:

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

(a) "Commissioner" means the commissioner of human services.

(b) "Facility" means a facility licensed as a mental retardation residential facility under section 252.28, licensed as a supervised living facility under chapter 144, and certified as an intermediate care facility for persons with mental retardation or related conditions. The term does not include a state regional treatment center.

(c) "Habilitation services" means health and social services directed toward increasing and maintaining the physical, intellectual, emotional, and social functioning of persons with mental retardation or related conditions. Habilitation services include therapeutic activities, assistance, training, supervision, and monitoring in the areas of

self-care, sensory and motor development, interpersonal skills, communication, socialization, reduction or elimination of maladaptive behavior, community living and mobility, health care, leisure and recreation, money management, and household chores.

(d) "Services during the day" means services or supports provided to a person that enables the person to be fully integrated into the community. Services during the day must include habilitation services, and may include a variety of supports to enable the person to exercise choices for community integration and inclusion activities. Services during the day may include, but are not limited to: supported work, support during community activities, community volunteer opportunities, adult day care, recreational activities, and other individualized integrated supports.

(e) "Waivered service" means home or community-based service authorized under United States Code, title 42, section 1396n(c), as amended through December 31, 1987, and defined in the Minnesota state plan for the provision of medical assistance services. Waivered services include, at a minimum, case management, family training and support, developmental training homes, supervised living arrangements, semi-independent living services, respite care, and training and habilitation services.

Sec. 19. Minnesota Statutes 2002, section 256B.501, is amended by adding a subdivision to read:

Subd. 3m. [SERVICES DURING THE DAY.] When establishing a rate for services during the day, the commissioner shall ensure that these services comply with active treatment requirements for persons residing in an ICF/MR as defined under federal regulations and shall ensure that day services for eligible persons are not provided by the person's residential service provider, unless the person or the person's legal representative is offered a choice of providers and agrees in writing to provision of day services by the residential service provider, consistent with the individual service plan. The individual service plan for individuals who choose to have their residential service provider provide their day services must describe how health, safety, protection, and habilitation needs will be met, including how frequent and regular contact with persons other than the residential service provider will occur.

Sec. 20. Minnesota Statutes 2002, section 256B.5013, subdivision 4, is amended to read:

Subd. 4. [TEMPORARY RATE ADJUSTMENTS TO ADDRESS OCCUPANCY AND ACCESS.] Beginning July 1, 2002, the commissioner shall adjust the total payment rate for up to 75 days for the remaining recipients for facilities in which the monthly occupancy rate of licensed beds is 75 percent or greater, if the vacancy or vacancies are due to a facility reserving beds for crisis respite care or respite care for medically fragile individuals. This mechanism shall not be used to pay for hospital or therapeutic leave days beyond the maximums allowed.

Sec. 21. Minnesota Statutes 2002, section 256B.5015, is amended to read:

256B.5015 [PASS-THROUGH OF TRAINING AND HABILITATION OTHER SERVICES COSTS.]

Subdivision 1. [DAY TRAINING AND HABILITATION SERVICES.] Day training and habilitation services costs shall be paid as a pass-through payment at the lowest rate paid for the comparable services at that site under sections 252.40 to 252.46. The pass-through payments for training and habilitation services shall be paid separately by the commissioner and shall not be included in the computation of the ICF/MR facility total payment rate.

Subd. 2. [SERVICES DURING THE DAY.] Services during the day, as defined in section 256B.501, but excluding day training and habilitation services, shall be paid as a pass-through payment no later than January 1, 2004. The commissioner shall establish rates for these services, other than day training and habilitation services, at levels that do not exceed 60 percent of a recipient's day training and habilitation costs prior to the service change.

When establishing a rate for these services, the commissioner shall also consider an individual recipient's needs as identified in the individualized service plan and the person's need for active treatment as defined under federal regulations. The pass-through payments for services during the day shall be paid separately by the commissioner and may be included in the computation of the ICF/MR facility total payment rate.

Sec. 22. [256M.01] [CITATION.]

Sections 256M.01 to 256M.80 may be cited as the "Children and Community Services Act." This act establishes a fund to address the needs of children, adolescents, and young adults within each county in accordance with a service agreement entered into by the board of county commissioners of each county and the commissioner of human services. The service agreement shall specify the outcomes to be achieved, the general strategies to be employed, and the respective state and county roles. The service agreement shall be reviewed and updated every two years, or sooner if both the state and the county deem it necessary. Nothing in this act is intended to limit the ability of counties to provide services to adults over age 25.

Sec. 23. [256M.10] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 256M.01 to 256M.80, the terms defined in this section have the meanings given them.

Subd. 2. [CHILDREN AND COMMUNITY SERVICES.] (a) "Children and community services" means services provided or arranged for by county boards for children, adolescents, and adults who experience dependency, abuse, neglect, poverty, disability, chronic health conditions, or other factors, including ethnicity and race, that may result in poor outcomes or disparities, as well as services for family members to support those individuals.

(b) Services eligible as allowable expenditures under sections 256M.01 to 256M.80 include, but are not limited to, services that:

- (1) protect a person from harm;
- (2) support permanent living arrangements;
- (3) provide treatment;
- (4) maintain family relationships;
- (5) increase parenting skills;
- (6) reduce substance abuse; and
- (7) reduce domestic violence.

These services may be provided by professionals or nonprofessionals, including the person's natural supports in the community.

(c) Services shall, to the extent possible:

- (1) build on family and community strengths;

- (2) help prevent crisis by meeting needs early;
- (3) provide transitional supports to adolescents and young adults making the transition to adulthood;
- (4) offer help in basic needs, special needs, and referrals;
- (5) respond flexibly to the needs of the person and the family;
- (6) be culturally sensitive and responsive to the needs of the person; and
- (7) be offered in the family home as well as in other settings.

(d) Children and community services do not include services under the public assistance programs known as the Minnesota family investment program, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, MinnesotaCare, or community health services.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of human services.

Subd. 4. [COUNTY BOARD.] "County board" means the board of county commissioners in each county.

Subd. 5. [FORMER CHILDREN'S SERVICES AND COMMUNITY SERVICE GRANTS.] "Former children's services and community service grants" means allocations for the following grants:

- (1) community social service grants under sections 252.24, 256E.06, and 256E.14;
- (2) family preservation grants under section 256F.05, subdivision 3;
- (3) concurrent permanency planning grants under section 260C.213, subdivision 5;
- (4) social service block grants (Title XX) under section 256E.07; and
- (5) children's mental health grants under sections 245.4886 and 260.152.

Subd. 6. [HUMAN SERVICES BOARD.] "Human services board" means a board established under section 402.02; Laws 1974, chapter 293; or Laws 1976, chapter 340.

Subd. 7. [YOUNG ADULT.] "Young adult" means a person between the ages of 18 and 25.

Sec. 24. [256M.70] [FISCAL LIMITATIONS.]

Subdivision 1. [SERVICE LIMITATION.] If the county has met the requirements in subdivisions 2 to 4, the county shall not be required to provide children and community services beyond requirements in federal or state law.

Subd. 2. [DEMONSTRATION OF REASONABLE EFFORT.] The county shall make reasonable efforts to comply with all children and community services requirements. For the purposes of this section, a county is making reasonable efforts if the county has made efforts to comply with requirements within the limits of available funding, including efforts to identify and apply for commonly available state and federal funding for services.

Subd. 3. [IDENTIFICATION OF SERVICES TO BE PROVIDED.] If a county has made reasonable efforts to comply with all applicable administrative rule requirements and is unable to meet all requirements, the county must provide services using the following considerations:

- (1) providing services needed to protect individuals from maltreatment, abuse, and neglect;
- (2) providing emergency and crisis services needed to protect clients from physical, emotional, or psychological harm;
- (3) assessing and documenting the needs of persons applying for services and referring to appropriate services when necessary;
- (4) providing public guardianship services;
- (5) fulfilling licensing responsibilities delegated to the county by the commissioner under section 245A.16;
- (6) providing day training and habilitation services for children, adolescents, young adults, and adults over age 25 with developmental disabilities; and
- (7) providing case management for persons with developmental disabilities, children with serious emotional disturbances, and adults with serious and persistent mental illness.

Subd. 4. [DENIAL, REDUCTION, OR TERMINATION OF SERVICES DUE TO FISCAL LIMITATIONS.] Before a county denies, reduces, or terminates services to an individual due to fiscal limitations, the county must meet the requirements in subdivisions 2 and 3. The county must notify the individual and the individual's guardian in writing of the reason for the denial, reduction, or termination of services and must inform the individual and the individual's guardian in writing that the county will, upon request, meet to discuss alternatives before services are terminated or reduced.

Subd. 5. [APPEAL RIGHTS.] An individual who applies for or receives children and community services under this chapter, whose application is denied, or whose services are reduced or terminated has the right to a fair hearing under section 256.045.

Subd. 6. [RIGHT TO PETITION FOR REVIEW.] Any individual who applies for or receives children and community services under this chapter, whose application is denied, or whose services are reduced or terminated may petition the commissioner to review the county's performance under the county service agreement. The petition must be in writing and must be specific as to what action the individual believes is inconsistent with the county service agreement, and what action the individual believes should be required. Upon receiving a petition, the commissioner shall have 60 days in which to make a reply in writing as to its determination and any corrective action required. Notwithstanding any state law to the contrary, and subject to provisions of federal law, during this time period, the denial of eligibility or reduction or termination of services shall take effect, unless the commissioner determines this would endanger the life or safety of the individual.

Sec. 25. [COST MANAGEMENT OF HOME AND COMMUNITY-BASED WAIVERED SERVICES.]

(a) The commissioner of human services shall efficiently allocate and manage limited home and community-based waiver services program resources to achieve the following outcomes:

- (1) the establishment of feasible and viable alternatives for persons in institutional or hospital settings to relocate to home and community-based settings;

(2) the availability of timely assistance to persons at imminent risk of institutional or hospital placement or whose health and safety is at immediate risk; and

(3) the maximum provision of essential community supports to eligible persons in need of and waiting for home and community-based service alternatives.

(b) The commissioner shall monitor the costs of home and community-based services, and may adjust home and community-based service allocations, as necessary, to assure that program costs are managed within available funding. When making this determination, the commissioner shall give consideration to offsets that may occur in other programs as a result of the availability and use of home and community-based services.

(c) The commissioner shall allocate home and community-based resources to local/regional entities in a manner that considers:

(1) the historical costs of serving individuals in a county or region;

(2) the individualized service plans for current recipients and eligible individuals expected to enter the waiver during the fiscal year; and

(3) the need for crisis services or other short-term services required because of unforeseen circumstances.

(d) The commissioner may reallocate resources from one county or region to another if available funding in that county or region is not likely to be spent and the reallocation is necessary to achieve the outcomes specified in paragraph (a).

Sec. 26. [SERVICE PRIORITIES.]

For the 2004-2005 biennium, the commissioner shall monitor all available home and community-based waiver resources to support the following priorities for service for eligible individuals:

(1) children or adults who cannot be maintained safely in their current living situation without waiver services;

(2) children or adults in unstable living situations due to significant needs, age, or incapacity of the primary caregiver; and

(3) other persons who have been screened and are eligible, including those living in an ICF/MR, who are on a waiting list maintained by the date of screening document.

Sec. 27. [HOME AND COMMUNITY-BASED WAIVER RESOURCE MANAGEMENT STATEWIDE.]

The commissioner shall manage program resources during the 2004-2005 biennium to assure that all available funds are allocated to meet the service priority needs and maintain a reserve statewide of no more than three percent of available funds. In order to effectively manage available resources to meet service priorities, the commissioner shall enable counties to manage resources on a regional basis.

Sec. 28. [DENIAL, REDUCTION, OR TERMINATION OF WAIVER SERVICES.]

For the 2004-2005 biennium, before a county denies, reduces, or terminates home and community-based services under sections 256B.0916 and 256B.49 for an individual, the case manager must meet with the individual or the individual's guardian and prioritize service needs based on the individualized service plan. The percentage reduction

in the dollar value of authorized services for an individual due to waiver rebasing or reductions in waiver funding may not exceed twice the percentage reduction in total funding to the county for that waived service due to waiver rebasing or a reduction in waiver funding.

Sec. 29. [DIRECTION TO THE COMMISSIONER; HOME AND COMMUNITY-BASED SERVICES RESOURCE ALLOCATION METHOD DEVELOPMENT.]

The commissioner shall consult with representatives of persons with disabilities, their families and guardians, counties, service providers, and advocacy organizations to develop recommendations for a statewide method of allocating resources sufficient to meet the identified needs of persons eligible for home and community-based waiver services under Minnesota Statutes, sections 256B.0916 and 256B.49. The recommendations shall include provisions that address the feasibility of offering incentives to persons with less urgent service needs who are receiving services or on the waiting list to postpone their access to home and community-based service options. The recommendations shall be provided to the legislative committees with jurisdiction over health and human services issues by January 15, 2004.

Sec. 30. [HOME AND COMMUNITY-BASED SERVICES FUNDING METHODOLOGY.]

Beginning July 1, 2003, before making significant changes in the funding methodology for the home and community-based waiver for persons with mental retardation or a related condition, the commissioner shall consult with representatives of counties, service providers, and persons with disabilities and their families to provide specific information about the funding formula and funding changes and the opportunity to comment at least 90 days before the changes become effective.

Sec. 31. [CASE MANAGEMENT ACCESS FOR HOME AND COMMUNITY-BASED WAIVER RECIPIENTS.]

For the 2004-2005 biennium, when a person requests case management services under Minnesota Statutes, section 256B.092 or 256B.49, subdivision 13, the county must determine whether the person qualifies and begin the screening process within ten working days and individualized service plan development and provide case management services to those eligible within a reasonable time. If a county is unable to provide case management services, the county shall contract for case management services to meet the obligation.

Sec. 32. [DIRECTION TO THE COMMISSIONER; CASE MANAGEMENT SERVICES.]

In consultation with representatives for consumers, consumer advocates, counties, and service providers, the commissioner shall develop proposed legislation for case management changes that will (1) streamline administration, (2) improve consumer access to case management services, (3) assess the feasibility of a comprehensive universal assessment protocol for persons seeking community supports, (4) establish accountability for funds and performance measures, and (5) provide for consumer choice of the case management service vendor. The proposed legislation shall be provided to the legislative committees with jurisdiction over health and human services issues by February 15, 2004.

Sec. 33. [DIRECTION TO THE COMMISSIONER; SEMI-INDEPENDENT LIVING SERVICES AND FAMILY SUPPORT GRANT CONSOLIDATION.]

The commissioner shall consolidate the semi-independent living services and family support grants, under Minnesota Statutes, sections 252.275 and 256.476, and require a county contribution equal to 20 percent of the total amount expended on the grant program, by January 1, 2004.

Sec. 34. [STATE-OPERATED SERVICES STUDY.]

The commissioner of human services shall study alternate methods of providing services to persons with developmental disabilities served in state-operated community services (SOCS), including, but not limited to, how the services could be privatized by June 30, 2005. The commissioner also shall study the Minnesota extended treatment options, including an analysis of the population served by the program and the effectiveness of the program. The commissioner shall report on the results of the study under this section to the chairs of the house and senate committees with jurisdiction over state-operated services by January 15, 2004.

Sec. 35. [VACANCY LISTINGS.]

The commissioner of human services shall work with interested stakeholders on how provider and industry specific Web sites can provide useful information to consumers on bed vacancies for group residential housing providers and intermediate care facilities for persons with mental retardation and related conditions. Providers and industry trade organizations are responsible for all costs related to maintaining Web sites listing bed vacancies.

Sec. 36. [CASE MANAGEMENT SERVICES.]

Notwithstanding any other law or rule to the contrary, all case management services provided to individuals for nonwaivered services shall be paid by the state.

Sec. 37. [REVIEW OF SPECIAL TRANSPORTATION ELIGIBILITY CRITERIA.]

The commissioner of human services, in consultation with the commissioner of transportation and special transportation service providers, shall review eligibility criteria for medical assistance special transportation services and shall evaluate whether the level of special transportation services provided should be based on the degree of impairment of the client, as well as the medical diagnosis. The commissioner shall present recommendations for changes in the eligibility criteria for special transportation services to the chairs and ranking minority members of the house and senate committees with jurisdiction over health and human services spending by January 15, 2004.

Sec. 38. [HOMELESS SERVICES; STATE CONTRACTS.]

Nonprofit organizations providing homeless services in two or more counties may apply directly to the commissioner of human services for a contract to provide services. No more than two percent of Community Social Services Act funds are set aside to provide for contracts under this section.

Sec. 39. [REPEALER.]

(a) Minnesota Statutes 2002, sections 245.4886; 245.496; 252.32, subdivision 2; 254A.17; 256B.0945, subdivisions 6, 7, 8, 9, and 10; 256E.01; 256E.02; 256E.03; 256E.04; 256E.05; 256E.06; 256E.07; 256E.09; 256E.10; 256E.11; 256E.115; 256E.12; 256E.13; 256E.14; 256E.15; 256F.01; 256F.02; 256F.03; 256F.04; 256F.05; 256F.06; 256F.07; 256F.08; 256F.11; 256F.12; 256F.14; 257.075; 257.81; 260.152; and 626.562, are repealed.

(b) Minnesota Rules, parts 9550.0010; 9550.0020; 9550.0030; 9550.0040; 9550.0050; 9550.0060; 9550.0070; 9550.0080; 9550.0090; 9550.0091; 9550.0092; and 9550.0093, are repealed.

ARTICLE 2

REDUCTION OF DUPLICATIVE HEALTH AND HUMAN SERVICES
LICENSING ACTIVITIES

Section 1. Minnesota Statutes 2002, section 144.057, subdivision 1, is amended to read:

Subdivision 1. [BACKGROUND STUDIES REQUIRED.] The commissioner of health shall contract with the commissioner of human services to conduct background studies of:

(1) individuals providing services which have direct contact, as defined under section 245A.04, subdivision 3, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; ICF/MR certified by the commissioner of health as intermediate care facilities that provide services for persons with mental retardation or related conditions under Code of Federal Regulations, title 42, section 483; residential care homes licensed under chapter 144B, and board and lodging establishments that are registered to provide supportive or health supervision services under section 157.17;

(2) individuals specified in section 245A.04, subdivision 3, paragraph (c), who perform direct contact services in a nursing home or a home care agency licensed under chapter 144A or a boarding care home licensed under sections 144.50 to 144.58, and if the individual under study resides outside Minnesota, the study must be at least as comprehensive as that of a Minnesota resident and include a search of information from the criminal justice data communications network in the state where the subject of the study resides;

(3) beginning July 1, 1999, all other employees in nursing homes licensed under chapter 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of an individual in this section shall disqualify the individual from positions allowing direct contact or access to patients or residents receiving services. "Access" means physical access to a client or the client's personal property without continuous, direct supervision as defined in section 245A.04, subdivision 3, paragraph (b), clause (2), when the employee's employment responsibilities do not include providing direct contact services;

(4) individuals employed by a supplemental nursing services agency, as defined under section 144A.70, who are providing services in health care facilities; and

(5) controlling persons of a supplemental nursing services agency, as defined under section 144A.70.

If a facility or program is licensed by the department of human services and subject to the background study provisions of chapter 245A and is also licensed by the department of health, the department of human services is solely responsible for the background studies of individuals in the jointly licensed programs.

Sec. 2. Minnesota Statutes 2002, section 144.50, subdivision 6, is amended to read:

Subd. 6. [SUPERVISED LIVING FACILITY LICENSES.] (a) The commissioner may license as a supervised living facility a facility seeking medical assistance certification as an intermediate care facility for persons with mental retardation or related conditions for four or more persons as authorized under section 252.291.

(b) Class B supervised living facilities shall be classified as follows for purposes of the State Building Code:

(1) Class B supervised living facilities for six or less persons must meet Group R, Division 3, occupancy requirements; and

(2) Class B supervised living facilities for seven to 16 persons must meet Group R, Division 1, occupancy requirements.

(c) Class B facilities classified under paragraph (b), clauses (1) and (2), must meet the fire protection provisions of chapter 21 of the 1985 Life Safety Code, NFPA 101, for facilities housing persons with impractical evacuation capabilities, except that Class B facilities licensed prior to July 1, 1990, need only continue to meet institutional fire safety provisions. Class B supervised living facilities shall provide the necessary physical plant accommodations to meet the needs and functional disabilities of the residents. For Class B supervised living facilities licensed after July 1, 1990, and housing nonambulatory or nonmobile persons, the corridor access to bedrooms, common spaces, and other resident use spaces must be at least five feet in clear width, except that a waiver may be requested in accordance with Minnesota Rules, part 4665.0600.

(d) The commissioner may license as a ~~Class A supervised living board and lodge~~ facility under chapter 157 as a residential program for chemically dependent individuals that allows children to reside with the parent receiving treatment in the facility. The licensee of the program shall be responsible for the health, safety, and welfare of the children residing in the facility. The facility in which the program is located must be provided with a sprinkler system approved by the state fire marshal. The licensee shall also provide additional space and physical plant accommodations appropriate for the number and age of children residing in the facility. For purposes of license capacity, each child residing in the facility shall be considered to be a resident.

Sec. 3. [144.601] [ICF/MR; LICENSURE.]

Subdivision 1. [REQUIREMENTS GOVERNING ICF/MR.] (a) When certifying an intermediate care facility for persons with mental retardation or related conditions or ICF/MR, the commissioner shall:

(1) license the facility as a supervised living facility under sections 144.50 to 144.58;

(2) assure compliance with requirements set forth in the Code of Federal Regulations governing intermediate care facilities for persons with mental retardation or related conditions;

(3) enforce requirements governing the use of aversive and deprivation procedures set forth in Minnesota Rules, parts 9525.2700 to 9525.2810; and

(4) assure compliance with the psychotropic medication use checklist defined under section 245B.02, subdivision 19.

(b) The commissioner of health may not grant a variance to any requirements governing use of aversive and deprivation procedures under Minnesota Rules, parts 9525.2700 to 9525.2810; compliance with the psychotropic medication use checklist; or provisions governing data practices.

(c) The commissioner of health shall monitor compliance with the requirements governing ICFs/MR in subdivisions 2 to 14.

Subd. 2. [CONSUMER HEALTH.] The license holder is responsible for meeting a consumer's health service needs assigned to the license holder in the individual service plan and for bringing a consumer's health needs, as discovered by the license holder, promptly to the attention of the consumer, the consumer's legal representative, and the case manager.

Subd. 3. [FIRST AID.] When the license holder is providing direct service and supervision to a consumer who requires a 24-hour plan of care and receives services at an ICF/MR, the license holder must have available a staff person trained in first aid and cardiopulmonary resuscitation from a qualified source, as determined by the commissioner.

Subd. 4. [REPORTING INCIDENTS.] (a) The license holder must maintain information about and report incidents to a consumer's legal representative, other licensed caregiver, if any, and case manager within 24 hours of the occurrence, or within 24 hours of receipt of the information unless the incident has been reported by another license holder.

(b) When the incident involves more than one consumer, the license holder must not disclose personally identifiable information about any other consumer when making the report to each consumer's legal representative, other licensed caregiver, if any, and case manager, unless the license holder has the consent of a consumer or a consumer's legal representative.

(c) Within 24 hours of reporting maltreatment as required under section 626.556 or 626.557, the license holder must inform the consumer's legal representative and case manager of the report unless there is reason to believe that the legal representative or case manager is involved in the suspected maltreatment. The information the license holder must disclose is the nature of the activity or occurrence reported, the agency that received the report, and the telephone number of the commissioner of health's office of health facility complaints.

(d) The license holder must report a consumer's death or serious injury to the commissioner of health and the ombudsman, as required under sections 245.91 and 245.94, subdivision 2a.

(e) For purposes of this subdivision, "incident" means any of the following:

(1) serious injury as determined by section 245.91, subdivision 6;

(2) a consumer's death;

(3) any medical emergencies, unexpected serious illnesses, or accidents that require physician treatment or hospitalization;

(4) a consumer's unauthorized absence;

(5) any fires or other circumstances involving a law enforcement agency;

(6) physical aggression by a consumer against another consumer that causes physical pain, injury, or persistent emotional distress, including, but not limited to, hitting, slapping, kicking, scratching, pinching, biting, pushing, and spitting;

(7) any sexual activity between consumers involving force or coercion as defined under section 609.341, subdivisions 3 and 14; or

(8) a report of child or vulnerable adult maltreatment under section 626.556 or 626.557.

Subd. 5. [PROGRESS REVIEWS.] The license holder must participate in progress review meetings following stated time lines established in the consumer's individual service plan or as requested in writing by the consumer, the consumer's legal representative, or the case manager, at a minimum of once a year. The license holder must summarize the progress toward achieving the desired outcomes and make recommendations in a written report sent to the consumer or the consumer's legal representative and case manager before the review meeting.

Subd. 6. [LEAVING THE RESIDENCE.] As specified in each consumer's individual service plan, each consumer requiring a 24-hour plan of care must leave the residence to participate in regular education, employment, or community activities. License holders providing services to consumers living in a licensed site must ensure that they are prepared to care for consumers whenever they are at the residence during the day because of illness, work schedules, or other reasons.

Subd. 7. [PROHIBITION.] The license holder must not use psychotropic medication and the use of aversive and deprivation procedures, as referenced in section 245.825 and rules promulgated under that section, as a substitute for adequate staffing, as punishment, or for staff convenience.

Subd. 8. [CONSUMER DATA FILE.] The license holder must maintain the following information for each consumer:

(1) identifying information that includes date of birth, medications, legal representative, history, medical, and other individual-specific information, and names and telephone numbers of contacts;

(2) consumer health information, including individual medication administration and monitoring information;

(3) the consumer's individual service plan. When a consumer's case manager does not provide a current individual service plan, the license holder must make a written request to the case manager to provide a copy of the individual service plan and inform the consumer or the consumer's legal representative of the right to an individual service plan and the right to appeal under section 256.045;

(4) copies of assessments, analyses, summaries, and recommendations;

(5) progress review reports;

(6) incidents involving the consumer;

(7) reports required under subdivision 4;

(8) discharge summary, when applicable;

(9) record of other license holders serving the consumer that includes a contact person and telephone numbers, services being provided, services that require coordination between two license holders, and name of staff responsible for coordination;

(10) information about verbal aggression directed at the consumer by another consumer; and

(11) information about self-abuse.

Subd. 9. [ACCESS TO RECORDS.] The license holder must ensure that the following people have access to the information in subdivision 8:

(1) the consumer, the consumer's legal representative, and anyone properly authorized by the consumer or legal representative;

(2) the consumer's case manager; and

(3) staff providing direct services to the consumer unless the information is not relevant to carrying out the individual service plan.

Subd. 10. [RETENTION OF CONSUMER'S RECORDS.] The license holder must retain the records required for consumers for at least three years following termination of services.

Subd. 11. [STAFF ORIENTATION.] (a) Within 60 days of hiring staff who provide direct service, the license holder must provide 30 hours of staff orientation. Direct care staff must complete 15 of the 30 hours of orientation before providing any unsupervised direct service to a consumer.

(b) The 30 hours of orientation must combine supervised on-the-job training with coverage of the following material:

(1) review of the consumer's service plans and risk management plan to achieve an understanding of the consumer as a unique individual;

(2) review and instruction on the license holder's policies and procedures, including their location and access;

(3) emergency procedures;

(4) explanation of specific job functions, including implementing objectives from the consumer's individual service plan;

(5) explanation of responsibilities related to sections 626.556 and 626.557, governing maltreatment reporting and service planning for children and vulnerable adults, and section 245.825, governing use of aversive and deprivation procedures;

(6) medication administration as it applies to the individual consumer, and when the consumer meets the criteria of having overriding health care needs, then medication administration taught by a health services professional. Staff may administer medications only after they demonstrate the ability, as defined in the license holder's medication administration policy and procedures. Once a consumer with overriding health care needs is admitted, the license holder must provide staff with remedial training as deemed necessary by the license holder and the health professional to meet the needs of that consumer. For purposes of this requirement, overriding health care needs means a health care condition that affects the service options available to the consumer because the condition requires:

(i) specialized or intensive medical or nursing supervision; and

(ii) nonmedical service providers to adapt their services to accommodate the health and safety needs of the consumer;

(7) consumer rights; and

(8) other topics necessary as determined by the consumer's individual service plan or other areas identified by the license holder.

(c) The license holder must document the orientation each employee receives.

Subd. 12. [STAFF TRAINING.] (a) The license holder must ensure that direct service staff annually complete hours of training equal to two percent of the number of hours the staff person worked. Direct service staff who have worked for the license holder for an average of at least 30 hours per week for 24 or more months must annually complete hours of training equal to one percent of the number of hours the staff person worked.

(b) The license holder must document the training completed by each employee.

(c) Training must address staff competencies necessary to address the consumer's needs as identified in the consumer's individual service plan and ensure consumer health, safety, and protection of rights. Training may also include other areas identified by the license holder.

(d) For consumers requiring a 24-hour plan of care, the license holder must provide training in cardiopulmonary resuscitation from a qualified source determined by the commissioner if the consumer's health needs as determined by the consumer's physician indicate trained staff would be necessary to the consumer.

Subd. 13. [POLICIES AND PROCEDURES.] The license holder must develop and implement the following policies and procedures:

(1) psychotropic medication monitoring when the consumer is prescribed a psychotropic medication, including the use of the psychotropic medication use checklist. If the responsibility for implementing the psychotropic medication use checklist has not been assigned in the individual service plan and the consumer lives in a licensed site, the residential license holder must be designated;

(2) criteria for admission or service initiation developed by the license holder;

(3) policies and procedures that promote continuity and quality of consumer supports by ensuring:

(i) continuity of care and service coordination, including provisions for service termination, temporary service suspension, and efforts made by the license holder to coordinate services with other vendors who also provide support to the consumer. The policy must include the following requirements:

(A) the license holder must notify the consumer or consumer's legal representative and the consumer's case manager in writing of the intended termination or temporary service suspension and the consumer's right to seek a temporary order staying the termination or suspension of service according to the procedures in section 256.045, subdivision 4a, or subdivision 6, paragraph (c);

(B) notice of the proposed termination of services, including those situations that began with a temporary service suspension, must be given at least 60 days before the proposed termination is to become effective;

(C) the license holder must provide information requested by the consumer or consumer's legal representative or case manager when services are temporarily suspended or upon notice of termination;

(D) use of temporary service suspension procedures are restricted to situations in which the consumer's behavior causes immediate and serious danger to the health and safety of the individual or others;

(E) prior to giving notice of service termination or temporary service suspension, the license holder must document actions taken to minimize or eliminate the need for service termination or temporary service suspension; and

(F) during the period of temporary service suspension, the license holder will work with the appropriate county agency to develop reasonable alternatives to protect the individual and others; and

(ii) quality services measured through a program evaluation process including regular evaluations of consumer satisfaction and sharing the results of the evaluations with the consumers and legal representatives.

Subd. 14. [CONSUMER FUNDS.] (a) The license holder must ensure that consumers retain the use and availability of personal funds or property unless restrictions are justified in the consumer's individual service plan.

(b) The license holder must ensure separation of consumer funds from funds of the license holder, the program, or program staff.

(c) Whenever the license holder assists a consumer with the safekeeping of funds or other property, the license holder must have written authorization to do so by the consumer or the consumer's legal representative, and the case manager. In addition, the license holder must:

(1) document receipt and disbursement of the consumer's funds or the property;

(2) annually survey, document, and implement the preferences of the consumer, consumer's legal representative, and the case manager for frequency of receiving a statement that itemizes receipts and disbursements of consumer funds or other property; and

(3) return to the consumer, upon the consumer's request, funds and property in the license holder's possession subject to restrictions in the consumer's individual service plan, as soon as possible, but no later than three working days after the date of the request.

(d) License holders and program staff must not:

(1) borrow money from a consumer;

(2) purchase personal items from a consumer;

(3) sell merchandise or personal services to a consumer;

(4) require a consumer to purchase items for which the license holder is eligible for reimbursement; or

(5) use consumer funds in a manner that would violate requirements under this subdivision.

Sec. 4. Minnesota Statutes 2002, section 245A.02, subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL PROGRAM.] "Residential program" means a program that provides 24-hour-a-day care, supervision, food, lodging, rehabilitation, training, education, habilitation, or treatment outside a person's own home, including a nursing home or hospital that receives public funds, administered by the commissioner, to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a program in ~~an intermediate care facility~~ a board and lodging or supervised living facility for four or more persons with mental retardation or a related condition that is not an ICF/MR; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a hospital or nursing home and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Residential programs include home and community-based services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 5. Minnesota Statutes 2002, section 245A.02, is amended by adding a subdivision to read:

Subd. 20. [ICF/MR.] For purposes of this chapter, ICF/MR means an intermediate care facility for persons with mental retardation or related conditions as defined in section 256B.055, subdivision 12, paragraph (d).

Sec. 6. Minnesota Statutes 2002, section 245A.03, is amended by adding a subdivision to read:

Subd. 1a. [LICENSING JURISDICTION; MINIMIZING DUPLICATION OF AGENCY LICENSING ACTIVITIES.] (a) To minimize the duplication of licensing activities between the commissioners of human services and health related to ICFs/MR and residential programs licensed by the commissioner of human services that also have a supervised living facility class A license issued by the commissioner of health, the commissioners' jurisdiction over licensing activities is determined under this subdivision.

(b) The commissioner of health shall have sole responsibility for licensing ICFs/MR, including investigating allegations of maltreatment in the facilities and contracting with the commissioner of human services under section 144.057, subdivision 1, for the required background studies. In addition to enforcement of ICF/MR standards and supervised living facility standards, the commissioner of health shall enforce Minnesota Rules, parts 9525.2700 to 9525.2810, regarding use of aversive and deprivation procedures, and requirements related to the psychotropic medication use checklist defined in section 245B.02, subdivision 19.

(c) The commissioner of human services shall enforce licensure requirements for residential mental health treatment facilities and residential chemical dependency treatment facilities. Except for chemical dependency detoxification programs that also have a supervised living facility license class B under sections 144.50 to 144.56, programs licensed under Minnesota Rules, parts 9530.4100 to 9530.4450 and parts 9520.0500 to 9520.0690 shall be licensed as board and lodge establishments under chapter 157.

(d) Residential programs licensed by the commissioner of human services under this chapter that are also licensed by the commissioner of health as class B supervised living facilities under sections 144.50 to 144.601, on March 1, 2003, shall continue to be licensed as class B supervised living facilities until such time as the commissioners of health, human services, public safety, and administration determine whether the International Building Code and Fire Code to become effective in 2003 will provide adequate safety, when combined with a board and lodging license for these programs.

Sec. 7. Minnesota Statutes 2002, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] (a) This chapter does not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related unless the residential program is a child foster care placement made by a local social services agency or a licensed child-placing agency, except as provided in subdivision 2a;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of economic security;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120A.22, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of children, families, and learning;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 45A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year or programs operated by a park and recreation board of a city of the first class whose primary purpose is to provide social and recreational activities to school age children, provided the program is approved by the park and recreation board;

(12) programs operated by a school as defined in section 120A.22, subdivision 4, whose primary purpose is to provide child care to school-age children, provided the program is approved by the district's school board;

(13) Head Start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance;

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence;

(23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17;

(24) the placement of a child by a birth parent or legal guardian in a preadoptive home for purposes of adoption as authorized by section 259.47;

(25) settings registered under chapter 144D which provide home care services licensed by the commissioner of health to fewer than seven adults; ~~or~~

(26) ICFs/MR; or

(27) consumer-directed community support service funded under the Medicaid waiver for persons with mental retardation and related conditions when the individual who provided the service is:

(i) the same individual who is the direct payee of these specific waiver funds or paid by a fiscal agent, fiscal intermediary, or employer of record; and

(ii) not otherwise under the control of a residential or nonresidential program that is required to be licensed under this chapter when providing the service.

(b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

(c) Nothing in this chapter shall be construed to require licensure for any services provided and funded according to an approved federal waiver plan where licensure is specifically identified as not being a condition for the services and funding.

Sec. 8. [245A.157] [ADDITIONAL LICENSING STANDARDS FOR CERTAIN RESIDENTIAL PROGRAMS.]

Subdivision 1. [COMPANION LICENSE REQUIREMENT.] Notwithstanding any law or rule to the contrary, a residential program:

(1) serving persons with mental retardation or related conditions that is not foster care and is not an ICF/MR, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825;

(2) licensed to provide category I or II services to persons with mental illness under Minnesota Rules, parts 9520.0500 to 9520.0690, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825;

(3) licensed to provide category I chemical dependency services under Minnesota Rules, parts 9530.4100 to 9530.4450, must have at least a supervised living facility class B license issued by the commissioner of health under sections 144.50 to 144.58; and

(4) licensed to provide category II, III, or IV chemical dependency services under Minnesota Rules, parts 9530.4100 to 9530.4450, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825.

Subd. 2. [ADDITIONAL LICENSING REQUIREMENTS FOR MENTAL HEALTH AND CHEMICAL DEPENDENCY TREATMENT PROGRAMS.] (a) In addition to licensing requirements set forth in Minnesota Rules, parts 9520.0500 to 9520.0690, for programs serving persons with mental illness, and Minnesota Rules, parts 9530.4100 to 9530.4450, for programs serving persons with a chemical dependency, the commissioner of human services shall ensure compliance with the requirements under this subdivision.

(b) Before providing medication assistance to a person served by a program, an employee, other than a physician, registered nurse, or licensed practical nurse, who is responsible for medication assistance, must provide a certificate verifying successful completion of a formalized training program offered by the license holder. The training program must be taught and supervised by a registered nurse. The training must include, but is not limited to, the proper storage, dispensing, and recording of medications. The license holder must document the medication administration training provided by a registered nurse to unlicensed personnel and place the documentation in the unlicensed employees' personnel records. A registered nurse must provide consultation and review of the license holder's administration of medications, including a timely review of all medication errors.

(c) A facility must have a written plan that specifies actions and procedures for responding to fire, serious illness, severe weather, missing persons, and other emergencies. The program administrator must review the plan with staff and residents. The license holder must develop the plan with the advice of the local fire and rescue authority or other emergency response authorities. The plan must specify responsibilities assumed by the license holder for assisting residents who require emergency care or special assistance in emergencies. The license holder must ensure that all staff providing program services review the following at least quarterly:

(1) assignment of persons to specific tasks and responsibilities in an emergency situation;

(2) instructions on using alarm systems and emergency equipment;

(3) when and how to notify appropriate persons outside the facility; and

(4) evacuation routes and procedures.

(d) Clients and residents have the right to:

(1) be treated with courtesy and respect for their individuality by employees of or persons providing service in a health care facility;

(2) refuse treatment. A license holder must inform residents or clients who refuse treatment, medication, or dietary restrictions of the likely medical or major psychological results of the refusal, and put documentation of the refusal in the individual client record;

(3) be free from maltreatment as defined under sections 626.556 and 626.5572;

(4) confidential treatment of the client's or resident's personal and medical records. The client or resident may approve or refuse the release of personal and medical records to any individual outside the facility;

(5) retain and use their personal clothing and possessions as space permits, unless doing so infringes upon the rights of other clients or residents or is medically or programmatically contraindicated for documented medical, safety, or programmatic reasons. The facility must maintain a central locked depository or provide individual locked storage areas in which clients or residents may store valuables for safekeeping. The facility may, but is not required to, provide compensation for or replacement of lost or stolen items; and

(6) not perform labor or services for the facility unless the activities are included for therapeutic purposes and appropriately goal-related in their individual medical record.

Sec. 9. Minnesota Statutes 2002, section 245B.01, is amended to read:

245B.01 [RULE CONSOLIDATION.]

This chapter establishes new methods to ensure the quality of services to persons with mental retardation or related conditions, and streamlines and simplifies regulation of services and supports for persons with mental retardation or related conditions. Sections 245B.02 to 245B.07 establishes new standards that eliminate duplication and overlap of regulatory requirements by consolidating and replacing rule parts from four program rules. Section 245B.08 authorizes the commissioner of human services to develop and use new regulatory strategies to maintain compliance with the streamlined requirements. This chapter does not apply to ICFs/MR.

Sec. 10. Minnesota Statutes 2002, section 245B.02, subdivision 13, is amended to read:

Subd. 13. [INTERMEDIATE CARE FACILITY FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS OR ICF/MR.] "Intermediate care facility" for persons with mental retardation or related conditions or ICF/MR means a residential program licensed to provide services to persons with mental retardation or related conditions under section 252.28 ~~and chapter 245A~~ and a physical facility licensed as a supervised living facility under chapter 144, which together are certified by the department of health as an intermediate care facility for persons with mental retardation or related conditions.

Sec. 11. Minnesota Statutes 2002, section 245B.03, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The standards in this chapter govern services to persons with mental retardation or related conditions receiving services from license holders providing residential-based habilitation; day training and habilitation services for adults; supported employment; semi-independent living services; residential programs ~~that serve more than four consumers, including intermediate care facilities for persons with mental retardation~~ for persons with mental retardation or related conditions that are not licensed as foster care programs and are not ICFs/MR; and respite care provided outside the consumer's home for more than four consumers at the same time at a single site.

Sec. 12. Minnesota Statutes 2002, section 245B.03, subdivision 2, is amended to read:

Subd. 2. [RELATIONSHIP TO OTHER STANDARDS GOVERNING SERVICES FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.] (a) ~~ICFs/MR are exempt from:~~

~~(1) section 245B.04;~~

~~(2) section 245B.06, subdivisions 4 and 6; and~~

~~(3) section 245B.07, subdivisions 4, paragraphs (b) and (c); 7; and 8, paragraphs (1), clause (iv), and (2).~~

(b) License holders also licensed under chapter 144 as a supervised living facility are exempt from section 245B.04.

(c) Residential service sites controlled by license holders licensed under chapter 245B for home and community-based waived services for four or fewer adults are exempt from compliance with Minnesota Rules, parts 9543.0040, subpart 2, item C; 9555.5505; 9555.5515, items B and G; 9555.5605; 9555.5705; 9555.6125, subparts 3, item C, subitem (2), and 4 to 6; 9555.6185; 9555.6225, subpart 8; 9555.6245; 9555.6255; and 9555.6265. The commissioner may approve alternative methods of providing overnight supervision using the process and criteria for granting a variance in section 245A.04, subdivision 9. This chapter does not apply to foster care homes that do not provide residential habilitation services funded under the home and community-based waiver programs defined in section 256B.092.

(d) The commissioner may exempt license holders from applicable standards of this chapter when the license holder meets the standards under section 245A.09, subdivision 7. License holders that are accredited by an independent accreditation body shall continue to be licensed under this chapter.

(e) License holders governed by sections 245B.02 to 245B.07 must also meet the licensure requirements in chapter 245A.

(f) Nothing in this chapter prohibits license holders from concurrently serving consumers with and without mental retardation or related conditions provided this chapter's standards are met as well as other relevant standards.

(g) The documentation that sections 245B.02 to 245B.07 require of the license holder meets the individual program plan required in section 256B.092 or successor provisions.

Sec. 13. Minnesota Statutes 2002, section 252.27, subdivision 1, is amended to read:

Subdivision 1. [COUNTY OF FINANCIAL RESPONSIBILITY.] Whenever any child who has mental retardation or a related condition, or a physical disability or emotional disturbance is in 24-hour care outside the home including respite care, in an ICF/MR or a facility licensed by the commissioner of human services, the cost of services shall be paid by the county of financial responsibility determined pursuant to chapter 256G. If the child's parents or guardians do not reside in this state, the cost shall be paid by the responsible governmental agency in the state from which the child came, by the parents or guardians of the child if they are financially able, or, if no other payment source is available, by the commissioner of human services.

Sec. 14. Minnesota Statutes 2002, section 252.28, subdivision 2, is amended to read:

Subd. 2. [RULES; PROGRAM STANDARDS; LICENSES.] The commissioner of human services shall:

(1) Establish uniform rules and program standards for each type of residential and day facility or service for persons with mental retardation or related conditions, including state hospitals under control of the commissioner and serving persons with mental retardation or related conditions, and excluding persons with mental retardation or related conditions residing with their families or in ICFs/MR.

(2) Grant licenses according to the provisions of Laws 1976, chapter 243, sections 2 to 13.

Sec. 15. Minnesota Statutes 2002, section 252.291, subdivision 1, is amended to read:

Subdivision 1. [MORATORIUM.] Notwithstanding section 252.28, subdivision 1, or any other law or rule to the contrary, the commissioner of human services shall deny any request for a determination of need ~~and refuse to grant a license pursuant to section 245A.02~~ for any new intermediate care facility for persons with mental

retardation or related conditions or for an increase in the licensed capacity of an existing facility except as provided in this subdivision and subdivision 2. The total number of certified intermediate care beds for persons with mental retardation or related conditions in community facilities and state hospitals shall not exceed 7,000 beds except that, to the extent that federal authorities disapprove any applications of the commissioner for home and community-based waivers under United States Code, title 42, section 1396n, as amended through December 31, 1987, the commissioner may authorize new intermediate care beds, as necessary, to serve persons with mental retardation or related conditions who would otherwise have been served under a proposed waiver. "Certified bed" means an intermediate care bed for persons with mental retardation or related conditions certified by the commissioner of health for the purposes of the medical assistance program under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1987.

Sec. 16. Minnesota Statutes 2002, section 252.291, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION FOR LAKE OWASSO PROJECT.] (a) The commissioner shall authorize ~~and grant a license under chapter 245A to~~ a new intermediate care facility for persons with mental retardation effective January 1, 2000, under the following circumstances:

(1) the new facility replaces an existing 64-bed intermediate care facility for the mentally retarded located in Ramsey county;

(2) the new facility is located upon a parcel of land contiguous to the parcel upon which the existing 64-bed facility is located;

(3) the new facility is comprised of no more than eight twin home style buildings and an administration building;

(4) the total licensed bed capacity of the facility does not exceed 64 beds; and

(5) the existing 64-bed facility is demolished.

(b) The medical assistance payment rate for the new facility shall be the higher of the rate specified in paragraph (c) or as otherwise provided by law.

(c) The new facility shall be considered a newly established facility for rate setting purposes and shall be eligible for the investment per bed limit specified in section 256B.501, subdivision 11, paragraph (c), and the interest expense limitation specified in section 256B.501, subdivision 11, paragraph (d). Notwithstanding section 256B.5011, the newly established facility's initial payment rate shall be set according to Minnesota Rules, part 9553.0075, and shall not be subject to the provisions of section 256B.501, subdivision 5b.

(d) During the construction of the new facility, Ramsey county shall work with residents, families, and service providers to explore all service options open to current residents of the facility.

Sec. 17. Minnesota Statutes 2002, section 256B.055, subdivision 12, is amended to read:

Subd. 12. [DISABLED CHILDREN.] (a) A person is eligible for medical assistance if the person is under age 19 and qualifies as a disabled individual under United States Code, title 42, section 1382c(a), and would be eligible for medical assistance under the state plan if residing in a medical institution, and the child requires a level of care provided in a hospital, nursing facility, or intermediate care facility for persons with mental retardation or related conditions, for whom home care is appropriate, provided that the cost to medical assistance under this section is not more than the amount that medical assistance would pay for if the child resides in an institution. After the child is determined to be eligible under this section, the commissioner shall review the child's disability under United States Code, title 42, section 1382c(a) and level of care defined under this section no more often than

annually and may elect, based on the recommendation of health care professionals under contract with the state medical review team, to extend the review of disability and level of care up to a maximum of four years. The commissioner's decision on the frequency of continuing review of disability and level of care is not subject to administrative appeal under section 256.045. Nothing in this subdivision shall be construed as affecting other redeterminations of medical assistance eligibility under this chapter and annual cost-effective reviews under this section.

(b) For purposes of this subdivision, "hospital" means an institution as defined in section 144.696, subdivision 3, 144.55, subdivision 3, or Minnesota Rules, part 4640.3600, and licensed pursuant to sections 144.50 to 144.58. For purposes of this subdivision, a child requires a level of care provided in a hospital if the child is determined by the commissioner to need an extensive array of health services, including mental health services, for an undetermined period of time, whose health condition requires frequent monitoring and treatment by a health care professional or by a person supervised by a health care professional, who would reside in a hospital or require frequent hospitalization if these services were not provided, and the daily care needs are more complex than a nursing facility level of care.

A child with serious emotional disturbance requires a level of care provided in a hospital if the commissioner determines that the individual requires 24-hour supervision because the person exhibits recurrent or frequent suicidal or homicidal ideation or behavior, recurrent or frequent psychosomatic disorders or somatopsychic disorders that may become life threatening, recurrent or frequent severe socially unacceptable behavior associated with psychiatric disorder, ongoing and chronic psychosis or severe, ongoing and chronic developmental problems requiring continuous skilled observation, or severe disabling symptoms for which office-centered outpatient treatment is not adequate, and which overall severely impact the individual's ability to function.

(c) For purposes of this subdivision, "nursing facility" means a facility which provides nursing care as defined in section 144A.01, subdivision 5, licensed pursuant to sections 144A.02 to 144A.10, which is appropriate if a person is in active restorative treatment; is in need of special treatments provided or supervised by a licensed nurse; or has unpredictable episodes of active disease processes requiring immediate judgment by a licensed nurse. For purposes of this subdivision, a child requires the level of care provided in a nursing facility if the child is determined by the commissioner to meet the requirements of the preadmission screening assessment document under section 256B.0911 and the home care independent rating document under section 256B.0627, subdivision 5, paragraph (f), item (iii), adjusted to address age-appropriate standards for children age 18 and under, pursuant to section 256B.0627, subdivision 5, paragraph (d), clause (2).

(d) For purposes of this subdivision, "intermediate care facility for persons with mental retardation or related conditions" or "ICF/MR" means a program licensed to provide services to persons with mental retardation under section 252.28, ~~and chapter 245A~~, and a physical plant licensed as a supervised living facility under chapter 144, which together are certified by the Minnesota department of health as meeting the standards in Code of Federal Regulations, title 42, part 483, for an intermediate care facility which provides services for persons with mental retardation or persons with related conditions who require 24-hour supervision and active treatment for medical, behavioral, or habilitation needs. For purposes of this subdivision, a child requires a level of care provided in an ICF/MR if the commissioner finds that the child has mental retardation or a related condition in accordance with section 256B.092, is in need of a 24-hour plan of care and active treatment similar to persons with mental retardation, and there is a reasonable indication that the child will need ICF/MR services.

(e) For purposes of this subdivision, a person requires the level of care provided in a nursing facility if the person requires 24-hour monitoring or supervision and a plan of mental health treatment because of specific symptoms or functional impairments associated with a serious mental illness or disorder diagnosis, which meet severity criteria for mental health established by the commissioner and published in March 1997 as the Minnesota Mental Health Level of Care for Children and Adolescents with Severe Emotional Disorders.

(f) The determination of the level of care needed by the child shall be made by the commissioner based on information supplied to the commissioner by the parent or guardian, the child's physician or physicians, and other professionals as requested by the commissioner. The commissioner shall establish a screening team to conduct the level of care determinations according to this subdivision.

(g) If a child meets the conditions in paragraph (b), (c), (d), or (e), the commissioner must assess the case to determine whether:

(1) the child qualifies as a disabled individual under United States Code, title 42, section 1382c(a), and would be eligible for medical assistance if residing in a medical institution; and

(2) the cost of medical assistance services for the child, if eligible under this subdivision, would not be more than the cost to medical assistance if the child resides in a medical institution to be determined as follows:

(i) for a child who requires a level of care provided in an ICF/MR, the cost of care for the child in an institution shall be determined using the average payment rate established for the regional treatment centers that are certified as ICFs/MR;

(ii) for a child who requires a level of care provided in an inpatient hospital setting according to paragraph (b), cost-effectiveness shall be determined according to Minnesota Rules, part 9505.3520, items F and G; and

(iii) for a child who requires a level of care provided in a nursing facility according to paragraph (c) or (e), cost-effectiveness shall be determined according to Minnesota Rules, part 9505.3040, except that the nursing facility average rate shall be adjusted to reflect rates which would be paid for children under age 16. The commissioner may authorize an amount up to the amount medical assistance would pay for a child referred to the commissioner by the preadmission screening team under section 256B.0911.

(h) Children eligible for medical assistance services under section 256B.055, subdivision 12, as of June 30, 1995, must be screened according to the criteria in this subdivision prior to January 1, 1996. Children found to be ineligible may not be removed from the program until January 1, 1996.

Sec. 18. Minnesota Statutes 2002, section 626.5572, subdivision 6, is amended to read:

Subd. 6. [FACILITY.] (a) "Facility" means a hospital or other entity required to be licensed under sections 144.50 to 144.58; a nursing home required to be licensed to serve adults under section 144A.02; a residential or nonresidential facility required to be licensed to serve adults under ~~sections 245A.01 to 245A.16~~ chapter 245A; an ICF/MR as defined in section 256B.055, subdivision 12; a home care provider licensed or required to be licensed under section 144A.46; a hospice provider licensed under sections 144A.75 to 144A.755; or a person or organization that exclusively offers, provides, or arranges for personal care assistant services under the medical assistance program as authorized under sections 256B.04, subdivision 16, 256B.0625, subdivision 19a, and 256B.0627.

(b) For home care providers and personal care attendants, the term "facility" refers to the provider or person or organization that exclusively offers, provides, or arranges for personal care services, and does not refer to the client's home or other location at which services are rendered.

Sec. 19. Minnesota Statutes 2002, section 626.5572, subdivision 13, is amended to read:

Subd. 13. [LEAD AGENCY.] "Lead agency" is the primary administrative agency responsible for investigating reports made under section 626.557.

(a) The department of health is the lead agency for the facilities which are licensed or are required to be licensed as: hospitals, including mental health and chemical dependency treatment programs licensed as hospitals; home care providers, including home care services provided in adult foster care settings; ICFs/MR; nursing homes; residential care homes; or boarding care homes.

(b) The department of human services is the lead agency for the programs licensed or required to be licensed as: adult day care; adult foster care, except services provided in a foster setting by a home health care provider or an unlicensed home care provider; programs for people with developmental disabilities, except ICFs/MR; and mental health programs; and chemical health programs, or personal care provider organizations except programs licensed as a hospital.

(c) The county social service agency or its designee is the lead agency for all other reports.

Sec. 20. [APPROPRIATION.]

(a) \$..... is appropriated in fiscal year 2004 and \$..... is appropriated in fiscal year 2005 from the state government special revenue account to the base budget of the commissioner of health to implement the provisions in this article.

(b) \$..... is appropriated in fiscal year 2004 and \$..... is appropriated in fiscal year 2005 from the general fund to the base budget of the commissioner of human services to implement the provisions of this article.

Sec. 21. [REPEALER.]

Minnesota Rules, parts 9520.0660, subpart 3; 9520.0670, subpart 3; and 9530.4120, subpart 5, are repealed.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 20 are effective January 1, 2004."

Delete the title and insert:

"A bill for an act relating to human services; changing continuing care provisions; reducing duplicative health and human services licensing activities; appropriating money; amending Minnesota Statutes 2002, sections 144.057, subdivision 1; 144.50, subdivision 6; 174.30, subdivision 1; 245A.02, subdivision 14, by adding a subdivision; 245A.03, subdivision 2, by adding a subdivision; 245B.01; 245B.02, subdivision 13; 245B.03, subdivisions 1, 2; 245B.07, subdivision 11; 252.27, subdivisions 1, 2a; 252.28, subdivision 2; 252.291, subdivisions 1, 2a; 252.32, subdivisions 1, 1a, 3, 3c; 252.41, subdivision 3; 252.46, subdivision 1; 256.045, subdivisions 3, 5, by adding a subdivision; 256B.055, subdivision 12; 256B.057, subdivision 9; 256B.0625, subdivision 17; 256B.092, subdivisions 1a, 5; 256B.501, subdivision 1, by adding a subdivision; 256B.5013, subdivision 4; 256B.5015; 626.5572, subdivisions 6, 13; proposing coding for new law in Minnesota Statutes, chapters 144; 245A; 256B; proposing coding for new law as Minnesota Statutes, chapter 256M; repealing Minnesota Statutes 2002, sections 245.4886; 245.496; 252.32, subdivision 2; 254A.17; 256B.0945, subdivisions 6, 7, 8, 9, 10; 256E.01; 256E.02; 256E.03; 256E.04; 256E.05; 256E.06; 256E.07; 256E.09; 256E.10; 256E.11; 256E.115; 256E.12; 256E.13; 256E.14; 256E.15; 256F.01; 256F.02; 256F.03; 256F.04; 256F.05; 256F.06; 256F.07; 256F.08; 256F.11; 256F.12; 256F.14; 257.075; 257.81; 260.152; 626.562; Minnesota Rules, parts 9520.0660, subpart 3; 9520.0670, subpart 3; 9530.4120, subpart 5; 9550.0010; 9550.0020; 9550.0030; 9550.0040; 9550.0050; 9550.0060; 9550.0070; 9550.0080; 9550.0090; 9550.0091; 9550.0092; 9550.0093."

With the recommendation that when so amended the bill be re-referred to the Committee on Health and Human Services Finance without further recommendation.

The report was adopted.

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

H. F. No. 1129, A bill for an act relating to transportation; regulating utility relocations necessitated by design-build transportation projects; proposing coding for new law in Minnesota Statutes, chapter 161.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [161.3430] [UTILITY RELOCATION IN DESIGN-BUILD TRANSPORTATION PROJECTS.]

Subdivision 1. [DEFINITIONS.] (a) "Design-build project-specific utility relocation agreement" means an agreement entered into by the commissioner and a utility for the purpose of providing a general framework for addressing the utility relocation work necessitated by a design-build transportation project.

(b) "Design-build transportation project" has the meaning given in section 161.3410, subdivision 6.

(c) "Force majeure" means fire, flood, explosion, rationing, unusually severe weather, act of God, act of war, or any other cause that is beyond the control of the party performing work on a design-build transportation project or related utility relocation work and that could not have been anticipated or prevented by the party while exercising reasonable diligence.

(d) "Utility" means a utility as described in section 161.45, subdivision 1, and includes the owners and operators of a utility.

(e) "Utility relocation work" includes design, design review, construction, construction inspection, and related tasks necessary to move or adjust utilities.

Subd. 2. [UTILITY SERVICE CONTINUITY.] The commissioner shall consult with utilities so that utilities may maintain service to their customers to the extent practicable.

Subd. 3. [TERMS OF DESIGN-BUILD PROJECT-SPECIFIC UTILITY RELOCATION AGREEMENT.] (a) The commissioner may enter into a design-build project-specific utility relocation agreement with a utility. The design-build project-specific utility relocation agreement must incorporate reasonable and appropriate conditions, which must include, but not be limited to, conditions for ensuring:

(1) prompt performance of utility relocation work by either the utility or the contractor for the design-build transportation project, as specified in the agreement;

(2) cooperation of the utility with the contractor for the design-build transportation project;

(3) payment by the utility of any damages caused to the commissioner by the utility's delay in the performance of the utility relocation work or interference with the performance of the design-build transportation project, except when the delay or interference is caused by a force majeure;

(4) establishment of a process for addressing disputes;

(5) development of a work order for each utility relocation, which governs the scheduling and performance of the utility relocation work;

(6) that the contractor for the design-build transportation project takes appropriate measures to ensure service continuity to the greatest extent practicable. Necessary interruptions of service must be described in the work order, which is subject to the approval of the utility; and

(7) that the contractor for the design-build transportation project is liable for any actual damages it causes to the utility for delay of or interference with the utility relocation work, except that delay or damages caused by a force majeure must not be charged to the contractor.

(b) Notwithstanding any other provision of law, if a utility enters into a design-build project-specific utility relocation agreement with the commissioner, the commissioner:

(1) shall pay for the performance of the design work to relocate a utility's facilities that the commissioner has determined must be relocated for the design-build transportation project;

(2) may perform any utility relocation work through the contractor for the design-build transportation project, provided that the cost of this work must be paid by the utility unless the utility is entitled to reimbursement of its utility relocation costs under other applicable law;

(3) may, when feasible and in the sole discretion of the commissioner, and if requested by the utility, provide a replacement easement to a utility, following the standards and procedure prescribed in section 161.46, subdivision 4; and

(4) shall, following the procedure in subdivision 9, paragraph (d), collect and record x, y, z coordinate information, at an accuracy range of plus or minus six inches, for that utility's relocated or newly installed underground facilities in the design-build transportation project when that utility relocation is complete and provide a copy of the information to the utility.

Subd. 4. [ADDRESSING UTILITY CONCERNS.] The department's project manager shall work with the utility to reach a mutually satisfactory project-specific utility-relocation agreement so that the design-build transportation project may be constructed without delay or increased cost and, to the greatest extent practicable, without interruption of utility service. If the department's project manager and the utility are unable to reach a design-build project-specific utility relocation agreement, the utility may address its concerns to the department's district engineer, who shall give due consideration to all issues raised by the utility. If an agreement cannot be reached between the district engineer and the utility, the department's utility engineer shall meet with the utility to discuss the issues raised by the utility and to attempt to reach an agreement.

Subd. 5. [LIABILITY.] When a utility delegates the responsibility for the performance of any utility relocation work necessitated by a design-build transportation project to the contractor for the design-build transportation project pursuant to a design-build project-specific utility relocation agreement, the utility is not responsible to the commissioner for any damages caused by the delay of the contractor for the design-build transportation project in the performance of the utility relocation work delegated to the contractor by the utility.

Subd. 6. [ACCOMMODATION OF UTILITY IN HIGHWAY CORRIDOR.] When feasible, and in the sole discretion of the commissioner, the commissioner may acquire sufficient real property in a design-build transportation project corridor to accommodate utility facilities in the corridor and to provide reasonable access to the utility facilities under conditions prescribed by the commissioner.

Subd. 7. [PERFORMANCE OF UTILITY RELOCATION WORK BY CONTRACTOR FOR DESIGN-BUILD TRANSPORTATION PROJECT.] When the contractor for the design-build transportation project performs utility relocation work for a utility, the contractor must:

(1) perform the work in accordance with the utility's written specifications current at the time of the utility relocation work;

(2) allow the utility to specify the contractors or subcontractors who perform the utility relocation work;

(3) allow the utility to furnish the materials for the utility relocation work as long as they are available in reasonable time to meet the performance schedule for the design-build transportation project; and

(4) according to the design-build project-specific utility relocation agreement and the work order, allow the utility to provide, subject to acceptance by the contractor for the design-build transportation project, or to review and approve in writing, the design and plans for the utility relocation work, and to inspect and approve the work during the performance of the work and prior to completion of the work to assure that the work meets the quality standards of the utility.

Subd. 8. [WORK ORDERS UNDER DESIGN-BUILD PROJECT-SPECIFIC UTILITY RELOCATION AGREEMENT.] The commissioner shall develop a work order for each utility relocation for any utility that has entered into a design-build project-specific utility relocation agreement. The parties to the work order are the commissioner, the contractor for the design-build transportation project, and the utility. The work order must:

(1) describe the utility relocation work to be done;

(2) address service interruptions;

(3) specify who will perform the design and construction for the utility relocation work;

(4) include a cost estimate;

(5) describe who will pay for the utility relocation work; and

(6) specify the schedule for the utility relocation work.

Subd. 9. [UTILITY RELOCATIONS WITHOUT DESIGN-BUILD PROJECT-SPECIFIC UTILITY RELOCATION AGREEMENT.] If a utility chooses not to enter into a design-build project-specific utility relocation agreement with the commissioner for the performance of utility relocation work:

(a) The commissioner may, pursuant to sections 161.45 and 161.46, direct the utility to perform or allow the performance of the utility relocation work to meet the performance schedule for the design-build transportation project.

(b) When a utility chooses to perform any utility relocation work that the commissioner has determined is necessary for a design-build transportation project rather than allowing the work to be performed by the contractor for the design-build transportation project, the utility shall complete the utility relocation work within a reasonable time specified by the commissioner pursuant to section 161.45 and rules adopted under that section. The utility shall not interfere with the performance of the design-build transportation project.

(c) The utility shall pay for damages caused to the commissioner by the utility's delay in the performance of the utility relocation work or interference with the performance of the design-build transportation project, including, but not limited to, payments made by the commissioner to any third party based on a claim that performance of the design-build transportation project was delayed or interfered with as a direct result of the utility's failure to timely perform the utility relocation work; except that damages resulting from delays in the performance of the utility relocation work caused by a force majeure must not be charged to the utility.

(d) The utility shall collect and record x, y, z coordinate information, at an accuracy range of plus or minus six inches, for that utility's relocated or newly installed underground facilities in the design-build transportation project when the utility relocation is complete and provide a copy of the information to the commissioner. The coordinate information must, at a minimum, meet the following requirements:

(1) The underground utility facilities must be located and measured by the owner or operator of the utility facility to an accuracy range of plus or minus six inches following "Part 3: National Standard for Spatial Data Accuracy" of the "Geospatial Positioning Accuracy Standards" for reporting spatial locations, issued by the Federal Geographic Data Committee, National Mapping Division, United States Geological Survey, United States Department of the Interior.

(2) The measurement must be reported in x, y, z coordinates referenced to the project horizontal and vertical datum.

(3) The horizontal and vertical alignment and elevation position must be reported at minimum intervals of 50 feet and at each point where the direction of the utility facility is intentionally changed. The x, y, z coordinates must define the top center of the utility facility.

(4) Notwithstanding the requirements of clause (3), for utility facilities that are installed by jacking, boring, plowing or other means that do not involve an open trench, the x, y, z coordinate information must be provided at the endpoints of the casing, pipe, or other such underground facility being installed and at each point where the direction of the facility is intentionally changed.

(5) The location and measurement information must be provided to the commissioner in the form and manner required by the commissioner.

Subd. 10. [NOTICE TO UTILITY OF DESIGN-BUILD TRANSPORTATION PROJECT.] The commissioner shall provide written notice to a utility of a design-build transportation project that might require the relocation of the utility's facilities as soon as practicable. The notice must include all available and relevant information about the project, including, to the extent known, the schedule for the project and, if known, the location of the utility facilities.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

The report was adopted.

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

H. F. No. 1133, A bill for an act relating to public employees; transferring duties relating to exceptions to the political subdivision compensation limit; authorizing the state auditor to charge a fee; proposing coding for new law in Minnesota Statutes, chapter 15A; repealing Minnesota Statutes 2002, section 43A.17, subdivision 9.

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

The report was adopted.

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

H. F. No. 1140, A bill for an act relating to health; modifying requirements for an agreement to regulate nuclear materials; amending Minnesota Statutes 2002, section 144.1202, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 144.1202, subdivision 4, is amended to read:

Subd. 4. [AGREEMENT; CONDITIONS OF IMPLEMENTATION.] (a) An agreement entered into before August 2, ~~2003~~ 2006, 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, ~~2003~~ 2006. If an agreement is not entered into by August 1, ~~2003~~ 2006, any rules adopted under this section are repealed effective August 1, ~~2003~~ 2006.

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

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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. 1145, A bill for an act relating to education; coordinating crisis services with removal of certain students; providing for district student removal reports to department of children, families, and learning; increasing graduation rates of students with emotional or behavioral disturbance; requiring warning signs of mental illness to be included in continuing education requirements for teachers; providing for rulemaking; amending Minnesota Statutes 2002, sections 120B.35, by adding a subdivision; 121A.55; 121A.61, subdivision 3; 122A.09, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 18, after "with" insert "parents of students with emotional or behavioral disorders and"

Page 1, line 19, delete "a student" and insert "students"

Page 1, line 23, after "with" insert "parents of students with emotional or behavioral disorders and"

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. 1168, A bill for an act relating to transportation; authorizing commissioner of transportation to charge varying user fees for single-occupant vehicles using high-occupancy vehicle lanes; allowing electronic toll collection; depositing money in special revenue fund; appropriating money for implementation and transit improvements; exempting commissioner from rulemaking and certain statutory provisions; proposing coding for new law in Minnesota Statutes, chapter 160.

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.

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

H. F. No. 1172, A bill for an act relating to historic sites; limiting involvement of archaeologist to known sites; amending Minnesota Statutes 2002, section 138.40, subdivisions 2, 3.

Reported the same back with the following amendments:

Page 1, line 15, after the first "on" insert "scientific" and reinstate "~~are~~" and after "~~suspected~~" insert "predicted" and reinstate "~~to exist~~"

Page 2, line 1, reinstate "~~or~~" and after "~~suspected~~" insert "based on a scientific investigation are predicted"

Page 2, line 7, after "and" insert "within 30 days of receiving the plans shall"

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

The report was adopted.

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

H. F. No. 1183, A bill for an act relating to economic development; authorizing the establishing of a biotechnology and health sciences industry tax free zone; providing tax exemptions for certain individuals and business entities in the zone; providing for repayment of tax benefits under certain circumstances; amending Minnesota Statutes 2002, sections 272.02, by adding a subdivision; 290.01, subdivisions 19b, 29; 290.06, subdivision 2c; 290.067, subdivision 1; 290.0671, subdivision 1; 290.091, subdivision 2; 290.0921, subdivision 3; 290.0922, subdivision 3; 297A.68, by adding a subdivision; 297B.03; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the following amendments:

Page 20, line 2, after "product" insert ", medical device,"

Page 20, line 3, after "product" insert ", medical device,"

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

The report was adopted.

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

H. F. No. 1201, A bill for an act relating to human services; providing for medical assistance asset recovery; providing for recovery of expenditures for alternative care for nonmedical assistance recipients; establishing an alternative care lien; changing the funding source for activities under the health care access fund to the general fund; changing the funding for MinnesotaCare to the general fund; mandating a children's mental health screening in certain circumstances; amending Minnesota Statutes 2002, sections 16A.724; 256B.15, subdivisions 1, 1a, 2, 3, 4, by adding subdivisions; 256L.02, by adding a subdivision; 260B.157, subdivision 1; 260B.176, subdivision 2; 260B.178, subdivision 1; 260B.193, subdivision 2; 260B.235, subdivision 6; 261.063; 295.58; 514.981, subdivision 6; 524.3-805; proposing coding for new law in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Page 2, line 14, delete "and"

Page 2, line 26, delete the period and insert "; and"

Page 2, after line 26, insert:

"(6) the provisions of sections 1c to 1k continuing a recipient's joint tenancy interests in real property after the recipient's death do not apply to a homestead owned of record, on the date the recipient dies, by the recipient and the recipient's spouse as joint tenants with a right of survivorship."

Page 22, after line 28, insert:

"(8) The provisions of clauses (1) to (7) do not apply to a homestead owned of record, on the date the recipient dies, by the recipient and the recipient's spouse as joint tenants with a right of survivorship."

Page 37, line 36, after "shall" insert ", if the child's parent or legal guardian consents,"

Page 38, line 8, delete everything after the period

Page 38, delete lines 9 to 11

Page 38, line 12, delete everything before the period and insert "The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention. The results of the screening may only be presented to the court at the dispositional phase of the court proceedings on the matter"

Page 38, line 14, delete "in consultation" and after "the" insert "approval of the" and delete "family" and insert "parent or legal guardian"

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.

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

H. F. No. 1202, A bill for an act relating to the environment; modifying environmental review for animal feedlots; amending Minnesota Statutes 2002, section 116D.04, subdivisions 2a, 10, 11, 13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 116.07, subdivision 7a, is amended to read:

Subd. 7a. [NOTICE OF APPLICATION FOR LIVESTOCK FEEDLOT PERMIT.] (a) A person who applies to the pollution control agency or a county board for a permit to construct or expand a feedlot with a capacity of 500 animal units or more shall, not ~~later~~ less than ten business days ~~after the application is submitted~~ before the date on which a permit is issued, provide notice to each resident and each owner of real property within 5,000 feet of the perimeter of the proposed feedlot. The notice may be delivered by first class mail, in person, or by the publication in a newspaper of general circulation within the affected area and must include information on the type of livestock and the proposed capacity of the feedlot. Notification under this subdivision is satisfied under an equal or greater notification requirement of a county conditional use permit.

(b) The agency or a county board must verify that notice was provided as required under paragraph (a) prior to issuing a permit.

Sec. 2. Minnesota Statutes 2002, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit. Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, apply, if the proposed action is an animal feedlot facility with a capacity of less than 1,000 animal units, or is an expansion of an existing animal feedlot facility by less than 1,000 animal units, and if the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with Minnesota Rules, chapter 7020. The proposed action is exempt from Minnesota Rules, parts 4410.0200 to 4410.6500.

(d) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(e) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(f) Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(g) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

Sec. 3. Minnesota Statutes 2002, section 116D.04, subdivision 10, is amended to read:

Subd. 10. Decisions on the need for an environmental assessment worksheet, the need for an environmental impact statement and the adequacy of an environmental impact statement may be reviewed by a declaratory judgment action in the ~~district court of the county wherein the proposed action, or any part thereof, would be undertaken~~ appeals brought by any person aggrieved by the decision. Judicial review under this section shall be initiated within 30 days after the governmental unit makes the decision, and a bond may be required under section 562.02 unless at the time of hearing on the application for the bond the plaintiff has shown that the claim has

sufficient possibility of success on the merits to sustain the burden required for the issuance of a temporary restraining order. Nothing in this section shall be construed to alter the requirements for a temporary restraining order or a preliminary injunction pursuant to the Minnesota rules of civil procedure for district courts. The board may initiate judicial review of decisions referred to herein and may intervene as of right in any proceeding brought under this subdivision.

Sec. 4. Minnesota Statutes 2002, section 116D.04, subdivision 11, is amended to read:

Subd. 11. If the board or governmental unit which is required to act within a time period specified in this section fails to so act, any person may seek ~~an order of the district court~~ relief through the court of appeals requiring the board or governmental unit to immediately take the action mandated by subdivisions 2a and 3a. The court of appeals shall make a decision based on the information and record supplied by the responsible governmental unit.

Sec. 5. Minnesota Statutes 2002, section 116D.04, subdivision 13, is amended to read:

Subd. 13. This section may be enforced by ~~injunction, action to compel performance, or other~~ appropriate action in the ~~district court of the county where the violation takes place~~ court of appeals. The court of appeals shall have full jurisdiction to hear and determine the matter appealed. The proceeding may be governed by the rules of civil appellate procedure. Upon the request of the board or the chair of the board, the attorney general may bring an action under this subdivision."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 116.07, subdivision 7a;"

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

The report was adopted.

Swenson from the Committee on Agriculture Policy to which was referred:

H. F. No. 1213, A bill for an act relating to agriculture; changing certain procedures and requirements for organic food; providing for compliance with federal law; amending Minnesota Statutes 2002, sections 31.92, subdivision 3, by adding subdivisions; 31.94; proposing coding for new law in Minnesota Statutes, chapter 31; repealing Minnesota Statutes 2002, sections 31.92, subdivisions 2a, 5; 31.93; 31.95.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 30.49, subdivision 6, is amended to read:

Subd. 6. [PACKAGED BLENDED RICE AND CERTAIN READY-TO-EAT RICE.] A package containing a blend of wild rice and at least 40 percent other grains or food products, and ~~puffed or~~ ready-to-eat wild rice that is consumed or packaged on the retail premises, are exempt from this section, except subdivisions 3, 5, and 7.

Sec. 2. Minnesota Statutes 2002, section 31.101, subdivision 3, is amended to read:

Subd. 3. [PESTICIDE CHEMICAL RULES.] Federal pesticide chemical regulations ~~in effect on April 1, 2001,~~ adopted under authority of the Federal Insecticide, Fungicide and Rodenticide Act, as provided by United States Code, title 7, chapter 6, are the pesticide chemical rules in this state.

Sec. 3. Minnesota Statutes 2002, section 31.101, subdivision 4, is amended to read:

Subd. 4. [FOOD ADDITIVE RULES.] Federal food additive regulations ~~in effect on April 1, 2001,~~ as provided by Code of Federal Regulations, title 21, parts 170 to 199, are the food additive rules in this state.

Sec. 4. Minnesota Statutes 2002, section 31.101, subdivision 5, is amended to read:

Subd. 5. [COLOR ADDITIVE RULES.] Federal color additive regulations ~~in effect on April 1, 2001,~~ as provided by Code of Federal Regulations, title 21, parts 70 to 82, are the color additive rules in this state.

Sec. 5. Minnesota Statutes 2002, section 31.101, subdivision 6, is amended to read:

Subd. 6. [SPECIAL DIETARY USE RULES.] Federal special dietary use regulations ~~in effect on April 1, 2001,~~ as provided by Code of Federal Regulations, title 21, parts 104 and 105, are the special dietary use rules in this state.

Sec. 6. Minnesota Statutes 2002, section 31.101, subdivision 7, is amended to read:

Subd. 7. [FAIR PACKAGING AND LABELING RULES.] Federal regulations ~~in effect on April 1, 2001,~~ adopted under the Fair Packaging and Labeling Act, as provided by United States Code, title 15, sections 1451 to 1461, are the rules in this state. The commissioner may not adopt amendments to these rules or adopt other rules which are contrary to the labeling requirements for the net quantity of contents required pursuant to section 4 of the Fair Packaging and Labeling Act and the regulations adopted under that act.

Sec. 7. Minnesota Statutes 2002, section 31.101, subdivision 8, is amended to read:

Subd. 8. [FOOD AND DRUGS RULES.] Applicable federal regulations including recodification contained in Code of Federal Regulations, title 21, parts 0-1299, Food and Drugs, ~~in effect April 1, 2001, and~~ not otherwise adopted herein, also are adopted as food rules of this state.

Sec. 8. Minnesota Statutes 2002, section 31.101, subdivision 9, is amended to read:

Subd. 9. [FISHERY PRODUCTS RULES.] Federal regulations ~~in effect on April 1, 2001,~~ as provided by Code of Federal Regulations, title 50, parts 260 to 267, are incorporated as part of the fishery products rules in this state for state inspections performed under a cooperative agreement with the United States Department of Commerce, National Marine Fisheries Service.

Sec. 9. Minnesota Statutes 2002, section 31.101, subdivision 10, is amended to read:

Subd. 10. [MEAT AND POULTRY RULES.] Federal regulations ~~in effect on April 1, 2001,~~ as provided by Code of Federal Regulations, title 9, part 301, et seq., are incorporated as part of the meat and poultry rules in this state.

Sec. 10. Minnesota Statutes 2002, section 31.101, subdivision 11, is amended to read:

Subd. 11. [STANDARDS FOR FRESH FRUITS, VEGETABLES, AND OTHER PRODUCTS.] Federal regulations ~~in effect on April 1, 2001~~, as provided by Code of Federal Regulations, title 7, parts 51 and 52, are incorporated as part of the rules in this state.

Sec. 11. Minnesota Statutes 2002, section 31.101, subdivision 12, is amended to read:

Subd. 12. [DAIRY GRADE RULES; MANUFACTURING PLANT STANDARDS.] Federal grading and inspection standards for manufacturing dairy plants and products ~~and amendments thereto in effect on April 1, 2001~~, as provided by Code of Federal Regulations, title 7, part 58, subparts B-W, are adopted as the dairy grade rules and manufacturing plant standards in this state.

Sec. 12. Minnesota Statutes 2002, section 31.102, subdivision 1, is amended to read:

Subdivision 1. [IDENTITY, QUANTITY, AND FILL OF CONTAINER RULES.] Federal definitions and standards of identity, quality, and fill of container ~~in effect on April 1, 2001~~, adopted under authority of the federal act, are the definitions and standards of identity, quality, and fill of container in this state. The rules may be amended by the commissioner under chapter 14.

Sec. 13. Minnesota Statutes 2002, section 31.103, subdivision 1, is amended to read:

Subdivision 1. [CONSUMER COMMODITIES LABELING RULES.] All labels of consumer commodities must conform with the requirements for the declaration of net quantity of contents of section 4 of the Fair Packaging and Labeling Act (United States Code, title 15, section 1451 et seq.) and federal regulations ~~in effect on April 1, 2001~~, adopted under authority of that act, except to the extent that the commissioner amends the rules under chapter 14. Consumer commodities exempted from the requirements of section 4 of the Fair Packaging and Labeling Act are also exempt from this subdivision.

Sec. 14. Minnesota Statutes 2002, section 31.92, is amended by adding a subdivision to read:

Subd. 2b. [FEDERAL LAW.] "Federal law" means the Organic Foods Production Act of 1990, United States Code, title 7, sections 6501 et seq. and associated regulations in Code of Federal Regulations, title 7, section 205.

Sec. 15. Minnesota Statutes 2002, section 31.92, subdivision 3, is amended to read:

Subd. 3. [ORGANIC FOOD.] "Organic food" means any food product, including meat, dairy, and beverage, that is marketed using the term "organic" or any derivative of "organic" in its labeling or advertising. "Organic" is a labeling term that refers to an agricultural product produced in accordance with federal law.

Sec. 16. Minnesota Statutes 2002, section 31.92, is amended by adding a subdivision to read:

Subd. 3a. [ORGANIC PRODUCTION.] "Organic production" means a production system that is managed in accordance with federal law to respond to site-specific conditions by integrating cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity.

Sec. 17. [31.925] [UNIFORMITY WITH FEDERAL LAW.]

The department adopts the federal law specified in section 31.92, subdivision 2b, as the organic food production law and rules in this state.

Sec. 18. Minnesota Statutes 2002, section 31.94, is amended to read:

31.94 [COMMISSIONER DUTIES.]

~~(a) The commissioner shall enforce sections 31.92 to 31.95. The commissioner shall withhold from sale or trade any product sold, labeled, or advertised in violation of sections 31.92 to 31.95.~~

~~(b) The commissioner shall investigate the offering for sale, labeling, or advertising of an article or substance as organically grown, organically processed, or produced in an organic environment if there is reason to believe that action is in violation of sections 31.92 to 31.95.~~

~~(c) The commissioner may adopt rules that further clarify organic food standards and marketing practices.~~

~~(d)~~ In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies of how state or federal programs could utilize and support organic agriculture practices; and

(5) work closely with ~~farmers~~ producers, the University of Minnesota, the Minnesota trade office, and other appropriate organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension work relating to organic agriculture.

~~(e)~~ (b) By November 15 of each even-numbered year the commissioner, in conjunction with the task force created in ~~section 31.95, subdivision 3a paragraph (c)~~, shall report on the status of organic agriculture in Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include:

(1) a description of current state or federal programs directed toward organic agriculture, including significant results and experiences of those programs;

(2) a description of specific actions the department of agriculture is taking in the area of organic agriculture, including the proportion of the department's budget spent on organic agriculture;

(3) a description of current and future research needs at all levels in the area of organic agriculture; ~~and~~

(4) suggestions for changes in existing programs or policies or enactment of new programs or policies that will affect organic agriculture; and

(5) a description of market trends and potential for organic products.

(c) The commissioner shall appoint a Minnesota organic advisory task force to advise the commissioner on policies and practices to improve organic agriculture in Minnesota. The task force must consist of the following residents of the state:

- (1) three farmers using organic agriculture methods;
- (2) two organic food wholesalers, retailers, or distributors;
- (3) one representative of organic food certification agencies;
- (4) two organic food processors;
- (5) one representative from the Minnesota extension service;
- (6) one representative from a Minnesota postsecondary research institution;
- (7) one representative from a nonprofit organization representing producers;
- (8) one at-large member;
- (9) one representative from the United States Department of Agriculture; and
- (10) one organic consumer representative.

Terms, compensation, and removal of members are governed by section 15.059, subdivision 6. The task force must meet at least twice each year and expires on June 30, 2005.

(d) For the purposes of expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture, the commissioner may receive funds from state and federal sources and spend them, including through grants or contracts, to assist producers and processors to achieve certification, to conduct education or marketing activities, to enter into research and development partnerships, or to address production or marketing obstacles to the growth and well-being of the industry.

(e) The commissioner may require registration of state organic production and handling operations including those exempt from organic certification according to Code of Federal Regulations, title 7, section 205.101, and certification agents operating within the state.

Sec. 19. Minnesota Statutes 2002, section 32.01, subdivision 10, is amended to read:

Subd. 10. [DAIRY PRODUCT.] "Dairy product" means milk as defined by Code of Federal Regulations, title 21, cream, any product or by-product of either, or any commodity among the principal constituents or ingredients of which is one or a combination of two or more of them, as determined by standards, grades, or rules duly adopted by the commissioner.

Sec. 20. Minnesota Statutes 2002, section 32.21, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] (a) A person, other than a milk producer, who violates this section is guilty of a misdemeanor or subject to a civil penalty up to \$1,000.

(b) A milk producer may not change milk plants within 30 days, without permission of the commissioner, after receiving notification from the commissioner under paragraph (c) or (d) that the milk producer has violated this section.

(c) A milk producer who violates subdivision 3, clause (1), (2), (3), (4), or (5), is subject to clauses (1) to (3) of this paragraph.

(1) Upon notification of the first violation in a 12-month period, the producer must meet with the ~~dairy plant field service representative~~ qualified dairy sanitarian to initiate corrective action within 30 days.

(2) Upon the second violation within a 12-month period, the producer is subject to a civil penalty of \$300. The commissioner shall notify the producer by certified mail stating the penalty is payable in 30 days, the consequences of failure to pay the penalty, and the consequences of future violations.

(3) Upon the third violation within a 12-month period, the producer is subject to an additional civil penalty of \$300 and possible revocation of the producer's permit or certification. The commissioner shall notify the producer by certified mail that all civil penalties owed must be paid within 30 days and that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for at least 30 days.

(d) The producer's shipment of milk must be immediately suspended if the producer is identified as an individual source of milk containing residues causing a bulk load of milk to test positive in violation of subdivision 3, clause (6) or (7). The Grade A or manufacturing grade permit must be converted to temporary status for not more than 30 days and shipment may resume only after subsequent milk has been sampled by the commissioner or the commissioner's agent and found to contain no residues above established tolerances or safe levels.

The Grade A or manufacturing grade permit may be restored if the producer completes the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the signed certificate in the milkhouse, and sends verification to the commissioner within the 30-day temporary permit status period. If the producer does not comply within the temporary permit status period, the Grade A or manufacturing grade permit must be suspended. A milk producer whose milk supply is in violation of subdivision 3, clause (6) or (7), and has caused a bulk load to test positive is subject to clauses (1) to (3) of this paragraph.

(1) For the first violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pickups are prohibited until subsequent testing reveals the milk is free of drug residue. A farm inspection must be completed by ~~the plant representative~~ a qualified dairy sanitarian and the producer to determine the cause of the residue and actions required to prevent future violations.

(2) For the second violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pickups are prohibited until subsequent testing reveals the milk is free of drug residue. A farm inspection must be completed by the regulatory agency or its agent to determine the cause of the residue and actions required to prevent future violations.

(3) For the third violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pickups are prohibited until subsequent testing reveals the milk is free of drug residue. The commissioner or the commissioner's agent shall also notify the producer by certified mail that the commissioner is initiating administrative procedures to revoke the producer's right to sell milk for a minimum of 30 days.

(4) If a bulk load of milk tests negative for residues and there is a positive producer sample on the load, no civil penalties may be assessed to the producer. The plant must report the positive result within 24 hours and reject further milk shipments from that producer until the producer's milk tests negative. A farm inspection must be completed by the plant representative and the producer to determine the cause of the residue and actions required to prevent future violations. The department shall suspend the producer's permit and count the violation on the producer's record. The Grade A or manufacturing grade permit must be converted to temporary status for not more than 30 days during which time the producer must review the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, display the signed certificate in the milkhouse, and send verification to the commissioner. If these conditions are met, the Grade A or manufacturing grade permit must be reinstated. If the producer does not comply within the temporary permit status period, the Grade A or manufacturing grade permit must be suspended.

(e) A milk producer that has been certified as completing the "Milk and Dairy Beef Residue Prevention Protocol" within 12 months of the first violation of subdivision 3, clause (7), need only review the cause of the violation with a field service representative within three days to maintain Grade A or manufacturing grade permit and shipping status if all other requirements of this section are met.

(f) Civil penalties collected under this section must be deposited in the milk inspection services account established in this chapter.

Sec. 21. Minnesota Statutes 2002, section 32.394, subdivision 4, is amended to read:

Subd. 4. [RULES.] The commissioner shall by rule promulgate identity, production and processing standards for milk, milk products and goat milk which are intended to bear the Grade A label.

In the exercise of the authority to establish requirements for Grade A milk, milk products, and goat milk, the commissioner adopts definitions, standards of identity, and requirements for production and processing contained in the "~~1999~~ 2001 Grade A Pasteurized Milk Ordinance" and the "1995 Grade A Condensed and Dry Milk Ordinance" of the United States Department of Health and Human Services, in a manner provided for and not in conflict with law.

Sec. 22. Minnesota Statutes 2002, section 32.394, subdivision 8c, is amended to read:

Subd. 8c. [GRADE A OR MANUFACTURING GRADE RAW MILK.] Grade A or manufacturing grade raw milk must not have been stored longer than ~~76~~ 72 hours when it is picked up at the farm by the receiving plant. The commissioner or an agent of the commissioner may waive the ~~76-hour~~ 72-hour time limit in a case of hardship, emergency, or natural disaster. On farms permitted or certified for bulk tank storage, the milk may only be picked up from approved bulk milk tanks in proper working order.

Sec. 23. Minnesota Statutes 2002, section 32.415, is amended to read:

32.415 [MILK FOR MANUFACTURING; QUALITY STANDARDS.]

(a) The commissioner may adopt rules to provide uniform quality standards, and producers of milk used for manufacturing purposes shall conform to the standards contained in Subparts B, C, D, E, and F of the United States Department of Agriculture Consumer and Marketing Service Recommended Requirements for Milk for Manufacturing Purposes and its Production and Processing, as revised through ~~November 12, 1996~~ June 17, 2002, except that the commissioner shall develop methods by which producers can comply with the standards without violation of religious beliefs.

(b) The commissioner shall perform or contract for the performance of the inspections necessary to implement this section or shall certify dairy industry personnel to perform the inspections.

(c) The commissioner and other employees of the department shall make every reasonable effort to assist producers in achieving the milk quality standards at minimum cost and to use the experience and expertise of the University of Minnesota and the agricultural extension service to assist producers in achieving the milk quality standards in the most cost-effective manner.

(d) The commissioner shall consult with producers, processors, and others involved in the dairy industry in order to prepare for the implementation of this section including development of informational and educational materials, meetings, and other methods of informing producers about the implementation of standards under this section.

Sec. 24. Minnesota Statutes 2002, section 35.0661, subdivision 4, is amended to read:

Subd. 4. [EXPIRATION.] This section expires July 31, ~~2003~~ 2005.

Sec. 25. Minnesota Statutes 2002, section 239.791, subdivision 1, is amended to read:

Subdivision 1. [~~MINIMUM OXYGEN ETHANOL~~ CONTENT REQUIRED.] Except as provided in subdivisions 10 to 14, a person responsible for the product shall ~~comply with the following requirements:~~

~~(a) After October 1, 1995, gasoline sold or offered for sale at any time in a carbon monoxide control area must contain at least 2.7 percent oxygen by weight.~~

~~(b) After October 1, 1997, ensure that all gasoline sold or offered for sale in Minnesota must contain at least 2.7 percent oxygen denatured ethanol by weight volume.~~

~~(c) For the purposes of this subdivision, the oxygenates listed in section 239.761, subdivision 6, paragraph (b), shall not be included in calculating the oxygen content of the gasoline.~~

Sec. 26. [REPEALER.]

Subdivision 1. [ANAPLASMOSIS TESTING REQUIREMENT.] Minnesota Statutes 2002, section 35.251, is repealed.

Subd. 2. [RELATED RULES.] Minnesota Rules, parts 1700.0800; 1700.1000; 1700.1300; 1705.0550; 1705.0560; 1705.0570; 1705.0580; 1705.0590; 1705.0600; 1705.0610; 1705.0630; and 1715.1430, are repealed.

Sec. 27. [REPEALER.]

Minnesota Statutes 2002, sections 31.92, subdivisions 2a and 5; 31.93; 31.95; 32.391, subdivisions 1a, 1b, and 1c, are repealed.

Sec. 28. [EFFECTIVE DATE.]

Sections 24 and 26 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; changing certain wild rice provisions; changing certain procedures and requirements for organic food; clarifying certain food provisions; clarifying an enforcement provision; changing a milk storage requirement; providing for compliance with federal law; extending a provision authorizing certain emergency restrictions; requiring that certain gasoline contain ten percent denatured ethanol; eliminating a requirement for anaplasmosis testing; amending Minnesota Statutes 2002, sections 30.49, subdivision 6; 31.101, subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12; 31.102, subdivision 1; 31.103, subdivision 1; 31.92, subdivision 3, by adding subdivisions; 31.94; 32.01, subdivision 10; 32.21, subdivision 4; 32.394, subdivisions 4, 8c; 32.415; 35.0661, subdivision 4; 239.791, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 31; repealing Minnesota Statutes 2002, sections 31.92, subdivisions 2a, 5; 31.93; 31.95; 32.391, subdivisions 1a, 1b, 1c; 35.251; Minnesota Rules, parts 1700.0800; 1700.1000; 1700.1300; 1705.0550; 1705.0560; 1705.0570; 1705.0580; 1705.0590; 1705.0600; 1705.0610; 1705.0630; 1715.1430."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1214, A bill for an act relating to transportation; modifying or abolishing certain provisions related to joint county state-aid highway and municipal state-aid street status; deleting requirement for department of transportation to send copies of certain rules to county auditors; abolishing requirement that department of transportation maintain a list of highway engineers; repealing prohibition on establishing new divisions in department of transportation; abolishing obsolete statute related to highway jurisdiction studies; abolishing provision for collective ratemaking by motor carriers; repealing authority of commissioner of transportation over pipeline carriers; repealing certain rules governing design standards of driveways next to highways, motor carriers, aeronautics, and the right of first refusal to certain railroad land; amending Minnesota Statutes 2002, sections 162.02, subdivisions 1, 2, 4; 162.09, subdivision 1; 163.07, subdivision 2; 174.64, subdivision 4; repealing Minnesota Statutes 2002, sections 162.09, subdivision 5; 174.025; 174.031; 221.165; 221.54; 221.55; Minnesota Rules, parts 7800.0100, subparts 1, 3, 5; 7800.0500; 7800.0700; 7800.1400; 7800.1500; 7800.1600; 7800.1700; 7800.3100; 7800.3900; 7800.4810; 7805.0800; 8800.0100, subparts 7, 36; 8800.1200, subpart 3; 8800.3500; 8800.3700; 8800.4000; 8810.4200; 8810.4500; 8810.4600; 8810.4700; 8810.4800; 8810.4900; 8810.5000; 8810.5100; 8810.5500; 8810.9920; 8810.9921; 8850.6900, subparts 4, 6, 11, 12, 17; 8850.7000; 8850.7025; 8850.7040; 8850.7100; 8850.7900; 8850.8200; 8850.8900; 8850.9000; 8850.9050, subparts 1, 2; 8900.0100; 8900.0200; 8900.0300; 8900.0400; 8900.0500; 8900.0600; 8900.0700; 8900.0800; 8900.0900; 8900.1000; 8900.1100; 8910.0100; 8910.0200; 8910.0300; 8910.0400; 8910.1000; 8910.2000; 8910.2100; 8910.3000; 8910.3100.

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

The report was adopted.

Swenson from the Committee on Agriculture Policy to which was referred:

H. F. No. 1218, A bill for an act relating to state government; appropriating money for agricultural and rural development purposes; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; amending Minnesota Statutes 2002, sections 17.4988; 18.525; 18.78; 18.79, subdivisions 2, 3, 5, 6, 9, 10, 11; 18.81, subdivisions 2, 3; 18.84, subdivision 3; 18.85; 18.86; 18B.26, subdivision 3; 21.89, subdivision 2; 21.90, subdivision 2; 21.901; 28A.08, subdivision 3; 28A.085, subdivision 1; 28A.09, subdivision 1; 32.394, subdivisions 8, 8b, 8d; 35.02, subdivision 1; 37.03, subdivision 1; 41A.09, subdivisions 2a, 3a; 116O.09, subdivisions 1, 1a, 2, 3, 8, 9, 12, 13, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 18; 21; repealing Minnesota Statutes 2002, sections 3.737; 17.101, subdivision 5; 17.110; 18.51; 18.52; 18.53; 18.54; 18.79, subdivisions 1, 4, 7, 8; 18B.065, subdivision 5; 38.02; 41A.09, subdivisions 1, 1a, 6, 7, 8.

Reported the same back with the following amendments:

Page 14, delete line 35

Pages 30 and 31, delete section 35

Page 41, line 32, delete "3.737;"

Page 41, line 34, delete "38.02;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, delete "35.02,"

Page 1, line 14, delete the first "subdivision 1;"

Page 1, line 18, delete "3.737;"

Page 1, line 21, delete "38.02;"

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

The report was adopted.

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

H. F. No. 1219, A bill for an act relating to highways; exempting counties from permit requirements when reconstructing highway in existing right-of-way; proposing coding for new law in Minnesota Statutes, chapter 373.

Reported the same back with the following amendments:

Page 1, line 9, after "reconstruct" insert "or maintain"

Page 1, line 10, after "reconstructs" insert "or maintains" and delete "the" and insert "a 66-foot"

Page 1, line 12, delete "permit requirements" and insert "permits"

Amend the title as follows:

Page 1, line 3, after "reconstructing" insert "or maintaining" and delete "in existing"

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. 1226, A bill for an act relating to criminal justice; modifying structure of financial crimes task force and modifying related policies; repealing sunset provision; making clarifying changes; amending Minnesota Statutes 2002, section 299A.68.

Reported the same back with the following amendments:

Page 6, line 6, delete "may" and insert "shall"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1227, A bill for an act relating to education; improving student access to services that support academic success; proposing coding for new law in Minnesota Statutes, chapter 123B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; the department of ~~children, families, and learning~~ education; the department of economic security; the department of trade and economic development; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of human services; the department of revenue; the department of transportation; the department of veterans affairs; and their successor departments.

Sec. 2. Minnesota Statutes 2002, section 119A.01, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT.] The department of ~~children, families, and learning~~ education is established.

Sec. 3. Minnesota Statutes 2002, section 119A.02, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of ~~children, families, and learning~~ education.

Sec. 4. Minnesota Statutes 2002, section 119A.02, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENT.] "Department" means the department of ~~children, families, and learning~~ education.

Sec. 5. Minnesota Statutes 2002, section 119B.011, subdivision 8, is amended to read:

Subd. 8. [COMMISSIONER.] "Commissioner" means the commissioner of ~~children, families, and learning~~ education.

Sec. 6. Minnesota Statutes 2002, section 119B.011, subdivision 10, is amended to read:

Subd. 10. [DEPARTMENT.] "Department" means the department of ~~children, families, and learning~~ education.

Sec. 7. Minnesota Statutes 2002, section 120A.02, is amended to read:

120A.02 [DEPARTMENT OF ~~CHILDREN, FAMILIES, AND LEARNING~~ EDUCATION.]

The department of ~~children, families, and learning~~ education shall carry out the provisions of chapters 120A to 129C and other related education provisions under law.

Sec. 8. Minnesota Statutes 2002, section 120A.05, subdivision 4, is amended to read:

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of ~~children, families, and learning~~ education.

Sec. 9. Minnesota Statutes 2002, section 120A.05, subdivision 7, is amended to read:

Subd. 7. [DEPARTMENT.] "Department" means the department of ~~children, families, and learning~~ education.

Sec. 10. Minnesota Statutes 2002, section 120A.05, subdivision 11, is amended to read:

Subd. 11. [MIDDLE SCHOOL.] "Middle school" means any school other than a secondary school giving an approved course of study in a minimum of ~~three~~ two consecutive grades above 4th but below 10th with building, equipment, courses of study, class schedules, enrollment, and staff meeting the standards established by the commissioner of ~~children, families, and learning~~ education.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and later.

Sec. 11. Minnesota Statutes 2002, section 121A.23, is amended by adding a subdivision to read:

Subd. 1a. [ABSTINENCE UNTIL MARRIAGE.] A school district that complies with subdivision 1 must provide students with a curriculum on and instruction in abstinence until marriage premised on risk avoidance.

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

Sec. 12. [121A.24] [NOTICE REQUIREMENTS FOR STUDENT SURVEYS AND SIMILAR INSTRUMENTS.]

(a) A school district must obtain prior written informed consent from a student's parent or guardian before administering an academic or nonacademic student survey, assessment, analysis, evaluation, or similar instrument that reveals information about the student or the student's family concerning:

(1) political affiliations or beliefs;

(2) mental or psychological problems;

(3) sexual behavior or attitudes;

(4) illegal, antisocial, self-incriminating, or demeaning behavior;

(5) critical appraisals of another individual with whom a student has a close family relationship;

(6) legally recognized privileged or analogous relationships, such as those with a lawyer, physician, or minister;

(7) religious practices, affiliations, or beliefs; or

(8) income or other income-related information required by law to determine eligibility to participate in or receive financial assistance under a program.

(b) When asking a parent or guardian to provide informed written consent, the school district must:

(1) make a copy of the instrument readily accessible to the parent or guardian at a convenient location and reasonable time; and

(2) specifically identify the information in paragraph (a) that will be revealed through the instrument.

The district must request the consent of the parent or guardian at least 14 days before administering the instrument.

(c) A parent or guardian seeking to compel a school district to comply with this section has available the civil remedies under section 13.08, subdivision 4, in addition to other remedies provided by law.

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

Sec. 13. Minnesota Statutes 2002, section 121A.55, is amended to read:

121A.55 [POLICIES TO BE ESTABLISHED.]

(a) The commissioner of ~~children, families, and learning~~ education shall promulgate guidelines to assist each school board. Each school board shall establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56. The policies shall emphasize preventing dismissals through early detection of problems and shall be designed to address students' inappropriate behavior from recurring. The policies shall recognize the continuing responsibility of the school for the education of the pupil during the dismissal period. The alternative educational services, if the pupil wishes to take advantage of them, must be adequate to allow the pupil to make progress towards meeting the graduation standards adopted under section 120B.02 and help prepare the pupil for readmission.

(b) Consistent with its policies adopted under paragraph (a), a school district, in consultation with a student's parent or guardian, may assign a student to an area learning center or provide other alternative educational services under section 121A.41, subdivision 11. An area learning center under section 123A.05 may not prohibit an expelled or excluded pupil from enrolling solely because a district expelled or excluded the pupil. The board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to exclude a pupil or to require an admission plan.

~~(c) The commissioner shall actively encourage and assist school districts to cooperatively establish alternative educational services within school buildings or at alternative program sites that offer instruction to pupils who are dismissed from school for willfully engaging in dangerous, disruptive, or violent behavior, including for possessing a firearm in a school zone.~~

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

Sec. 14. Minnesota Statutes 2002, section 122A.09, subdivision 10, is amended to read:

Subd. 10. [VARIANCES.] (a) Notwithstanding subdivision 9 and section 14.05, subdivision 4, the board of teaching may grant a variance to its rules upon application by a school district for purposes of implementing experimental programs in learning or management.

(b) To enable a school district to meet the needs of students enrolled in an alternative education program and to enable licensed teachers instructing those students to satisfy content area licensure requirements, the board of teaching annually may permit a licensed teacher teaching in an alternative education program that allows the teacher to instruct students in a content area for which the teacher is not licensed, consistent with paragraph (a).

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

Sec. 15. Minnesota Statutes 2002, section 122A.18, subdivision 7a, is amended to read:

Subd. 7a. [PERMISSION TO SUBSTITUTE TEACH.] (a) The board of teaching may allow a person who is enrolled in and making satisfactory progress in a board-approved teacher program and who has successfully completed student teaching to be employed as a short-call substitute teacher.

(b) The board of teaching may issue a lifetime qualified short-call substitute teaching license to a person who:

(1) was a qualified teacher under section 122A.16 while holding a continuing five-year teaching license issued by the board and receives a retirement annuity from the teachers retirement association, the Minneapolis teachers retirement fund association, the St. Paul teachers retirement fund association, or the Duluth teachers retirement fund association;

(2) holds an out-of-state teaching license and receives a retirement annuity as a result of the person's teaching experience; or

(3) held a continuing five-year license issued by the board, taught at least three school years in an accredited nonpublic school in Minnesota, and receives a retirement annuity as a result of the person's teaching experience.

A person holding a lifetime qualified short-call substitute teaching license is not required to complete continuing education clock hours. A person holding this license may reapply to the board for a continuing five-year license and must again complete continuing education clock hours one school year after receiving the continuing five-year license.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year.

Sec. 16. Minnesota Statutes 2002, section 122A.22, is amended to read:

122A.22 [DISTRICT ~~RECORDING~~ VERIFICATION OF TEACHER LICENSES.]

No person shall be accounted a qualified teacher until the ~~person has filed for record with the district superintendent where the person intends to teach a license, or certified copy of a license, authorizing the person to teach school in the district school system~~ school district or charter school contracting with the person for teaching services verifies through the Minnesota education licensing system available on the department Web site that the person is a qualified teacher, consistent with sections 122A.16 and 122A.44, subdivision 1.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and later.

Sec. 17. [123B.061] [IMPROVING STUDENT ACCESS TO SERVICES SUPPORTING ACADEMIC SUCCESS.]

(a) School districts and the department of education shall work to improve students' educational achievement, to provide for student safety, and to enhance student physical and emotional and social well-being by providing access to licensed student support services.

(b) Districts and the department shall explore opportunities for obtaining additional funds to improve students' access to needed licensed student support services including, but not limited to, medical assistance reimbursements, local collaborative time study funds, federal funds, public health funds, and specifically designated funds.

(c) Districts and the department must consider nationally recommended licensed staff to student ratios when working to improve student access to needed student services:

(1) one licensed school nurse to 750 students;

(2) one licensed school social worker to 500 students;

(3) one licensed school psychologist to 1,000 students;

(4) one licensed school counselor to 250 secondary school students and one licensed school counselor to 400 elementary school students; and

(5) one or more school chemical health counselors who may be one of the professionals listed in this paragraph if the staff to student ratios are adjusted.

School districts shall develop their student services team according to the needs of their respective districts.

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

Sec. 18. Minnesota Statutes 2002, section 123B.36, subdivision 1, is amended to read:

Subdivision 1. [SCHOOL BOARDS MAY REQUIRE FEES.] (a) For purposes of this subdivision, "home school" means a home school as defined in sections 120A.22 and 120A.24 with five or fewer students receiving instruction.

(b) A school board is authorized to require payment of fees in the following areas:

(1) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(2) admission fees or charges for extra curricular activities, where attendance is optional and where the admission fees or charges a student must pay to attend or participate in an extracurricular activity is the same for all students, regardless of whether the student is enrolled in a public or a home school;

(3) a security deposit for the return of materials, supplies, or equipment;

(4) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the board;

(5) items of personal use or products that a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(6) fees specifically permitted by any other statute, including but not limited to section 171.05, subdivision 2; provided (i) driver education fees do not exceed the actual cost to the school and school district of providing driver education, and (ii) the driver education courses are open to enrollment to persons between the ages of 15 and 18 who reside or attend school in the school district;

(7) field trips considered supplementary to a district educational program;

(8) any authorized voluntary student health and accident benefit plan;

(9) for the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(10) transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional, and transportation of charter school students participating in extracurricular activities conducted in the resident school district under section 123B.49, subdivision 4, paragraph (a), which must be charged to the charter school;

(11) transportation to and from school of pupils living within two miles from school and all other transportation services not required by law. If a district charges fees for transportation of pupils, it must establish guidelines for that transportation to ensure that no pupil is denied transportation solely because of inability to pay;

(12) motorcycle classroom education courses conducted outside of regular school hours; provided the charge must not exceed the actual cost of these courses to the school district;

(13) transportation to and from post-secondary institutions for pupils enrolled under the post-secondary enrollment options program under section 123B.88, subdivision 22. Fees collected for this service must be reasonable and must be used to reduce the cost of operating the route. Families who qualify for mileage reimbursement under section 124D.09, subdivision 22, may use their state mileage reimbursement to pay this fee. If no fee is charged, districts must allocate costs based on the number of pupils riding the route.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and later.

Sec. 19. Minnesota Statutes 2002, section 123B.49, subdivision 4, is amended to read:

Subd. 4. [BOARD CONTROL OF EXTRACURRICULAR ACTIVITIES.] (a) The board may take charge of and control all extracurricular activities of the teachers and children of the public schools in the district. Extracurricular activities means all direct and personal services for pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member. The board shall allow all resident pupils receiving instruction in a home school as defined in section 123B.36, subdivision 1, paragraph (a), and all resident pupils receiving instruction in a charter school as defined in section 124D.10 to be eligible to fully participate in extracurricular activities on the same basis as public school students enrolled in the district's schools. Charter school students participating in extracurricular activities must meet the academic and student conduct requirements of the charter school and resident district.

(b) Extracurricular activities have all of the following characteristics:

(1) they are not offered for school credit nor required for graduation;

(2) they are generally conducted outside school hours, or if partly during school hours, at times agreed by the participants, and approved by school authorities;

(3) the content of the activities is determined primarily by the pupil participants under the guidance of a staff member or other adult.

(c) If the board does not take charge of and control extracurricular activities, these activities shall be self-sustaining with all expenses, except direct salary costs and indirect costs of the use of school facilities, met by dues, admissions, or other student fund-raising events. The general fund must reflect only those salaries directly related to and readily identified with the activity and paid by public funds. Other revenues and expenditures for extra curricular activities must be recorded according to the "Manual of Instruction for Uniform Student Activities Accounting for Minnesota School Districts and Area Vocational-Technical Colleges." Extracurricular activities not under board control must have an annual financial audit and must also be audited annually for compliance with this section.

(d) If the board takes charge of and controls extracurricular activities, any or all costs of these activities may be provided from school revenues and all revenues and expenditures for these activities shall be recorded in the same manner as other revenues and expenditures of the district.

(e) If the board takes charge of and controls extracurricular activities, the teachers or pupils in the district must not participate in such activity, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board.

(f) School districts may charge charter schools their proportional share of the direct and indirect costs of the extracurricular activities not covered by student fees under section 123B.36, subdivision 1.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and later.

Sec. 20. Minnesota Statutes 2002, section 123B.90, subdivision 2, is amended to read:

Subd. 2. [STUDENT TRAINING.] (a) Each district must provide public school pupils enrolled in ~~grades~~ kindergarten through grade 10 with age-appropriate school bus safety training. ~~The training must be results-oriented and shall consist of both classroom instruction and practical training using a school bus. Upon completing the training, a student shall be able to demonstrate knowledge and understanding, as described in this section of at least the following competencies and concepts:~~

- (1) transportation by school bus is a privilege and not a right;
- (2) district policies for student conduct and school bus safety;
- (3) appropriate conduct while on the school bus;
- (4) the danger zones surrounding a school bus;
- (5) procedures for safely boarding and leaving a school bus;
- (6) procedures for safe street or road crossing; and
- (7) school bus evacuation ~~and other emergency procedures; and~~

~~(8) appropriate training on the use of lap belts or lap and shoulder belts, if the district uses buses equipped with lap belts or lap and shoulder belts.~~

(b) Each nonpublic school located within the district must provide all nonpublic school pupils enrolled in ~~grades~~ kindergarten through grade 10 who are transported by school bus at public expense and attend school within the district's boundaries with training as required in paragraph (a). ~~The school district shall make a bus available for the practical training if the district transports the nonpublic students. Each nonpublic school shall provide the instruction.~~

(c) ~~All~~ Students enrolled in ~~grades~~ kindergarten through ~~3~~ grade 6 who are transported by school bus and are enrolled during the first or second week of school must ~~demonstrate achievement of~~ receive the school bus safety training competencies by the end of the third week of school. ~~All~~ Students enrolled in grades 4 ~~7~~ through 10 who are transported by school bus and are enrolled during the first or second week of school and have not received school bus safety training in kindergarten through grade 6 must ~~demonstrate achievement of~~ receive the competencies by the end of the sixth week of school. Students enrolled in grades 9 and 10 must receive training in the laws and proper procedures when operating a motor vehicle in the vicinity of a school bus. Students enrolled in ~~grades~~ kindergarten through grade 10 who enroll in a school after the second week of school and are transported by school bus and have not received training in their previous school district shall undergo school bus safety training and demonstrate achievement of the school bus safety competencies or receive bus safety instructional materials within four weeks of the first day of attendance. The school transportation safety director in each district must certify to the ~~commissioner~~ superintendent of schools annually that all students transported by school bus within the district have ~~satisfactorily demonstrated knowledge and understanding of~~ received the school bus safety competencies training according to this section ~~or provide an explanation for a student's failure to demonstrate the competencies.~~ The principal or other chief administrator of each nonpublic school must certify annually to the school transportation safety director of the district in which the school is located that ~~all of~~ the school's students transported by school bus at public expense have received training according to this section. ~~A district may deny transportation to a student who fails to demonstrate the competencies, unless the student is unable to achieve the competencies due to a disability, or to a student who attends a nonpublic school that fails to provide training as required by this subdivision.~~

(d) A district and a nonpublic school with students transported by school bus at public expense ~~must, to the extent possible,~~ may provide kindergarten pupils with bus safety training before the first day of school.

(e) A district and a nonpublic school with students transported by school bus at public expense ~~must~~ may also provide student safety education for bicycling and pedestrian safety, for students enrolled in ~~grades~~ kindergarten through grade 5.

(f) A district and a nonpublic school with students transported by school bus at public expense must make reasonable accommodations for the school bus, ~~bicycle, and pedestrian~~ safety training of pupils known to speak English as a second language and pupils with disabilities.

(g) The district must provide students enrolled in kindergarten through grade 3 school bus safety training twice during the school year.

Sec. 21. Minnesota Statutes 2002, section 123B.90, subdivision 3, is amended to read:

Subd. 3. [MODEL TRAINING PROGRAM.] The commissioner shall develop a comprehensive model school bus safety training program for pupils who ride the bus that includes bus safety curriculum for both classroom and practical instruction, ~~methods for assessing attainment of school bus safety competencies,~~ and age-appropriate instructional materials. ~~The model training program for students riding buses with lap belts or lap and shoulder belts must include information on the appropriate use of lap belts or lap and shoulder belts. The program must be adaptable for use by students with disabilities.~~

Sec. 22. Minnesota Statutes 2002, section 123B.91, subdivision 1, is amended to read:

Subdivision 1. [COMPREHENSIVE POLICY.] (a) Each district shall develop and implement a comprehensive, written policy governing pupil transportation safety, including transportation of nonpublic school students, when applicable. The policy, at minimum, must contain:

- (1) provisions for appropriate student bus safety training under section 123B.90;
- (2) rules governing student conduct on school buses and in school bus loading and unloading areas;
- (3) a statement of parent or guardian responsibilities relating to school bus safety;
- (4) ~~provisions for notifying students and parents or guardians of their responsibilities and the rules, including the district's seat belt policy, if applicable;~~
- (5) ~~an intradistrict system for reporting school bus accidents or misconduct and a system for dealing with local law enforcement officials in cases of criminal conduct on a school bus;~~
- (6) ~~(5) a discipline policy to address violations of school bus safety rules, including procedures for revoking a student's bus riding privileges in cases of serious or repeated misconduct;~~
- (7) ~~(6) a system for integrating school bus misconduct records with other discipline records;~~
- (8) ~~a statement of bus driver duties;~~
- (9) ~~(7) where applicable, provisions governing bus monitor qualifications, training, and duties;~~
- (10) ~~(8) rules governing the use and maintenance of type III vehicles, drivers of type III vehicles, qualifications to drive a type III vehicle, qualifications for a type III vehicle, and the circumstances under which a student may be transported in a type III vehicle;~~
- (11) ~~(9) operating rules and procedures;~~
- (12) ~~provisions for annual bus driver in-service training and evaluation;~~
- (13) ~~(10) emergency procedures;~~
- (14) ~~(11) a system for maintaining and inspecting equipment; and~~
- (15) ~~(12) any other requirements of the school district, if any, that exceed state law minimum requirements for school bus operations; and~~
- (16) ~~requirements for basic first-aid training, which must include the Heimlich maneuver and procedures for dealing with obstructed airways, shock, bleeding, and seizures.~~

(b) Districts are encouraged to use the model policy developed by the Minnesota school boards association, the department of public safety, and the department of ~~children, families, and learning~~ education, as well as the current edition of the "National Standards for School Transportation," in developing safety policies. ~~Each district shall review its policy annually to ensure that it conforms to law.~~

Sec. 23. Minnesota Statutes 2002, section 124D.10, subdivision 8, is amended to read:

Subd. 8. [STATE AND LOCAL REQUIREMENTS.] (a) A charter school shall meet all applicable state and local health and safety requirements.

(b) A school sponsored by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(c) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution.

(d) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled.

(e) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(f) A charter school may not charge tuition.

(g) A charter school is subject to and must comply with chapter 363 and section 121A.04.

(h) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(i) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 123B.52, subdivision 5; 471.38; 471.391; 471.392; 471.425; 471.87; 471.88, subdivisions 1, 2, 3, 4, 5, 6, 12, 13, and 15; 471.881; and 471.89. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner. The department of ~~children, families, and learning education~~, state auditor, or legislative auditor may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(j) A charter school is a district for the purposes of tort liability under chapter 466.

(k) A charter school must comply with sections 13.32; 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(l) A charter school where students participate in the extracurricular activities of the student's resident school district is subject to sections 123B.36, subdivision 1, paragraph (b), clause (10), and 123B.49, subdivision 4, paragraph (a).

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and later.

Sec. 24. Minnesota Statutes 2002, section 124D.128, subdivision 3, is amended to read:

Subd. 3. [STUDENT PLANNING.] A district must inform all pupils and their parents about the learning year program ~~and that participation in the program is optional~~. A continual learning plan must be developed at least annually for each pupil with the participation of the pupil, parent or guardian, teachers, and other staff; each participant must sign and date the plan. The plan must specify the learning experiences that must occur during the entire fiscal year and, for secondary students, for graduation. The plan must include:

(1) the pupil's learning objectives and experiences, including courses or credits the pupil plans to complete each year and, for a secondary pupil, the graduation requirements the student must complete;

(2) the assessment measurements used to evaluate a pupil's objectives;

(3) requirements for grade level or other appropriate progression; and

(4) for pupils generating more than one average daily membership in a given grade, an indication of which objectives were unmet.

The plan may be modified to conform to district schedule changes. The district may not modify the plan if the modification would result in delaying the student's time of graduation.

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

Sec. 25. Minnesota Statutes 2002, section 127A.05, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT AND DUTIES.] The department shall be under the administrative control of the commissioner of ~~children, families, and learning education~~ which office is established. The governor shall appoint the commissioner under the provisions of section 15.06.

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. The commissioner shall perform such duties as the law and rules may provide and be held responsible for the efficient administration and discipline of the department. The commissioner is charged with the execution of powers and duties to promote public education in the state and to safeguard the finances pertaining thereto.

Sec. 26. Minnesota Statutes 2002, section 127A.05, subdivision 3, is amended to read:

Subd. 3. [GENERAL SUPERVISION OVER PUBLIC SCHOOLS AND EDUCATIONAL AGENCIES.] The commissioner of ~~children, families, and learning education~~ shall adopt goals for and exercise general supervision over public schools and public educational agencies in the state, classify and standardize public elementary and secondary schools, and prepare for them outlines and suggested courses of study. The commissioner shall develop a plan to attain the adopted goals. The commissioner may recognize educational accrediting agencies for the sole purposes of sections 120A.22, 120A.24, and 120A.26.

Sec. 27. Minnesota Statutes 2002, section 169.28, subdivision 1, is amended to read:

Subdivision 1. [STOP REQUIRED.] (a) The driver of any motor vehicle carrying passengers for hire, or of any school bus whether carrying passengers or not, or of any Head Start bus whether carrying passengers or not, or of any vehicle that is required to stop at railroad grade crossings under Code of Federal Regulations, title 49, section

392.10, before crossing at grade any track or tracks of a railroad, shall stop the vehicle not less than 15 feet nor more than 50 feet from the nearest rail of the railroad and while so stopped shall listen and look in both directions along the track for any approaching train, and for signals indicating the approach of a train, except as hereinafter provided, and shall not proceed until safe to do so. The driver must not shift gears while crossing the railroad tracks.

(b) A school bus or Head Start bus shall not be flagged across railroad grade crossings except at those railroad grade crossings that the local school administrative officer may designate.

(c) A type III school bus, as defined in section 169.01, is exempt from the requirement of school buses to stop at railroad grade crossings.

Sec. 28. Minnesota Statutes 2002, section 169.4503, subdivision 4, is amended to read:

Subd. 4. [CERTIFICATION.] A body manufacturer, school bus dealer, or certified Minnesota commercial vehicle inspector who is also an employee of an organization purchasing a school bus shall certify to the department of public safety that the product meets Minnesota standards.

Sec. 29. Minnesota Statutes 2002, section 169.454, subdivision 6, is amended to read:

Subd. 6. [IDENTIFICATION.] ~~(a)~~ The vehicle must not have the words "school bus" in any location on the exterior of the vehicle, or in any interior location visible to a motorist.

~~(b) The vehicle must display to the rear of the vehicle this sign: "VEHICLE STOPS AT RR CROSSINGS."~~

~~(c) The lettering (except for "AT," which may be one inch smaller) must be a minimum two inch "Series D" as specified in standard alphabets for highway signs as specified by the Federal Highway Administration. The printing must be in a color giving a marked contrast with that of the part of the vehicle on which it is placed.~~

~~(d) The sign must have provisions for being covered, or be of a removable or fold-down type.~~

Sec. 30. Minnesota Statutes 2002, section 171.321, subdivision 5, is amended to read:

Subd. 5. [ANNUAL EVALUATION AND LICENSE VERIFICATION.] (a) ~~A school district's pupil transportation safety director, the chief administrator of a nonpublic school, or a private contractor shall certify annually to the school board or governing board of a nonpublic school that, at minimum, each school bus driver meets the school bus driver training competencies under subdivision 4.~~ A school district, nonpublic school, or private contractor ~~also~~ shall provide in-service training annually to each school bus driver.

(b) A school district, nonpublic school, or private contractor shall annually verify the validity of the driver's license of each person who transports students for the district with the National Drivers Register or with the department of public safety.

Sec. 31. [PILOT PROJECT TO EVALUATE PARENT INVOLVEMENT POLICIES AND STRATEGIES.]

Subdivision 1. [DISTRICT AND SCHOOL SITE POLICY EVALUATION.] A school board may elect to participate in a two-year pilot project to evaluate parent involvement policies and strategies in the district and in school sites with the goal of improving the academic achievement of all students within the district, including at-risk students. Participating districts and school sites must establish parent involvement review committees consistent with subdivision 2 and may adapt the parent involvement policy and process described in United States Code, title 20, section 6319, for purposes consistent with this project.

Subd. 2. [PARENT INVOLVEMENT REVIEW COMMITTEES.] A school board electing to participate and interested school sites within that district must establish a parent involvement review committee or expand the purview of an existing committee composed of a majority of parents. The committees must evaluate the effectiveness of district and school site programs and strategies intended to provide all parents with meaningful opportunities to participate in the process of educating students. The committees, among other things, may evaluate the operation of the instruction and curriculum advisory committee or building team under Minnesota Statutes, section 120B.11, or parent involvement programs developed under Minnesota Statutes, section 124D.895. A majority of committee members must be parents of students enrolled in the district or school site, if applicable. The committee also must include teachers employed by the district and who teach at a school site, if applicable. A district must assist participating school sites at the request of the school site.

Subd. 3. [NOTICE OF PARTICIPATION; NOTICE TO PARENTS.] (a) A school board electing to participate under this section must notify the commissioner of education of its participation and the participation of interested school sites on a form supplied by the commissioner. The commissioner may assist participating districts and school sites at the request of the district or school site.

(b) Participating school districts must transmit timely effective notice of this project to parent organizations throughout the district and to parents of children enrolled in district schools.

Subd. 4. [REPORT.] Participating districts and school sites must report the findings of the evaluation and related recommendations annually by March 1 to the school board, which shall transmit a summary of the findings and recommendations to the commissioner. Information the commissioner receives under this subdivision may be used to modify guidelines and model plans for parent involvement programs under Minnesota Statutes, section 124D.895.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2003-2004 and 2004-2005 school years.

Sec. 32. [REVISOR INSTRUCTION.]

(a) In Minnesota Statutes, the revisor of statutes shall renumber section 119A.02, subdivision 2, as 120A.02, paragraph (a), and section 120A.02 as 120A.02, paragraph (b).

(b) In Minnesota Statutes and Minnesota Rules, the revisor shall change the term "children, families, and learning" to "education."

(c) The revisor shall codify Laws 2001, First Special Session chapter 6, article 2, section 68, as Minnesota Statutes, section 120B.305.

Sec. 33. [REPEALER.]

Minnesota Statutes 2002, sections 119A.01, subdivision 1; 123B.90, subdivision 1; and 169.441, subdivision 4, are repealed."

Delete the title and insert:

"A bill for an act relating to education; renaming the department of children, families, and learning to department of education and making conforming changes; redefining middle school; providing students with instruction on abstinence until marriage premised on risk avoidance; establishing notice requirements for student surveys and similar instruments; permitting school districts to assign students to area learning centers; permitting certain licensed teachers to teach in a content area without a license for that content area; encouraging retired teachers to serve as

short-call substitute teachers; verifying teacher licenses; improving student access to services supporting academic success; providing for charter school student participation in resident district extracurricular activities; modifying certain school bus safety, driver training, and bus equipment provisions; removing notice requirement of optional student participation in learning year program; providing for a pilot project to evaluate school district and school site parent involvement policies and strategies; amending Minnesota Statutes 2002, sections 15.01; 119A.01, subdivision 2; 119A.02, subdivisions 2, 3; 119B.011, subdivisions 8, 10; 120A.02; 120A.05, subdivisions 4, 7, 11; 121A.23, by adding a subdivision; 121A.55; 122A.09, subdivision 10; 122A.18, subdivision 7a; 122A.22; 123B.36, subdivision 1; 123B.49, subdivision 4; 123B.90, subdivisions 2, 3; 123B.91, subdivision 1; 124D.10, subdivision 8; 124D.128, subdivision 3; 127A.05, subdivisions 1, 3; 169.28, subdivision 1; 169.4503, subdivision 4; 169.454, subdivision 6; 171.321, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 121A; 123B; repealing Minnesota Statutes 2002, sections 119A.01, subdivision 1; 123B.90, subdivision 1; 169.441, subdivision 4."

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

The report was adopted.

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

H. F. No. 1228, A bill for an act relating to metropolitan agencies; providing for staggered terms of metropolitan council members; providing that public meetings are not required to fill metropolitan council vacancies within 12 months of initial appointment; adopting the metropolitan council redistricting plan; requiring a metes and bounds description of the plan; removing the old council district boundaries from the statutes; amending Minnesota Statutes 2002, section 473.123, subdivisions 2a, 3; repealing Minnesota Statutes 2002, section 473.123, subdivision 3c.

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. 1244, A bill for an act relating to lawful gambling; making various clarifying and technical changes; providing and modifying definitions; permitting resale of certain gambling equipment; providing for fees, prices, and prize limits; clarifying requirements for gambling managers and employees, premises, records and reports; clarifying conduct of high school raffles and social dice games; amending Minnesota Statutes 2002, sections 349.12, subdivisions 19, 25, by adding subdivisions; 349.151, subdivision 4b; 349.161, subdivision 5; 349.166, subdivision 1; 349.167, subdivisions 4, 7; 349.168, subdivisions 1, 2, 6; 349.169, subdivisions 1, 3; 349.18, subdivision 1; 349.19, subdivision 3; 609.761, subdivisions 4, 5; repealing Minnesota Statutes 2002, section 349.168, subdivision 9.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 349.12, is amended by adding a subdivision to read:

Subd. 3b. [BAR OPERATION.] "Bar operation" means a method of selling and redeeming gambling equipment within a leased premises which is licensed for the on-sale of alcoholic beverages where such sales and redemptions are made by an employee of the lessor from a common area where food and beverages are also sold.

Sec. 2. Minnesota Statutes 2002, section 349.12, is amended by adding a subdivision to read:

Subd. 6a. [BOOTH OPERATION.] "Booth operation" means a method of selling and redeeming gambling equipment by an employee of a licensed organization in a premises the organization leases or owns where such sales and redemptions are made within a separate enclosure that is distinct from areas where food and beverages are sold.

Sec. 3. Minnesota Statutes 2002, section 349.12, subdivision 19, is amended to read:

Subd. 19. [GAMBLING MANAGER.] "Gambling manager" means a person who has been designated by the organization to supervise the lawful gambling conducted by it and who:

(1) has been an active member of the organization for at least two years at the time of the organization's initial application for a license; ~~or~~

(2) has been an active member of the organization for at least the most recent six months prior to the effective date of the organization's renewal license; or

(3) meets other qualifications as prescribed by the board by rule.

Sec. 4. Minnesota Statutes 2002, section 349.12, subdivision 25, is amended to read:

Subd. 25. [LAWFUL PURPOSE.] (a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) or festival organization, as defined in subdivision 15a, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 349.154, which standards must apply to both types of organizations in the same manner and to the same extent;

(2) a contribution to an individual or family suffering from poverty, homelessness, or physical or mental disability, which is used to relieve the effects of that poverty, homelessness, or disability;

(3) a contribution to an individual for treatment for delayed posttraumatic stress syndrome or a contribution to a program recognized by the Minnesota department of human services for the education, prevention, or treatment of compulsive gambling;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to a scholarship fund for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize humanitarian or military service to the United States, the state of Minnesota, or a community, subject to rules of the board, provided that the rules must not include mileage reimbursements in the computation of the per ~~occasion~~ diem reimbursement limit and must impose no aggregate annual limit on the amount of reasonable and necessary expenditures made to support:

(i) members of a military marching or color guard unit for activities conducted within the state;

- (ii) members of an organization solely for services performed by the members at funeral services; or
- (iii) members of military marching, color guard, or honor guard units may be reimbursed for participating in color guard, honor guard, or marching unit events within the state or states contiguous to Minnesota at a per participant rate of up to \$35 per ~~occasion~~ diem;
- (7) recreational, community, and athletic facilities and activities intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender and the organization complies with section 349.154;
- (8) payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, the taxes imposed by section 297E.02, subdivisions 1, 4, 5, and 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;
- (9) payment of real estate taxes and assessments on permitted gambling premises wholly owned by the licensed organization paying the taxes, or wholly leased by a licensed veterans organization under a national charter recognized under section 501(c)(19) of the Internal Revenue Code, not to exceed:
 - (i) for premises used for bingo, the amount that an organization may expend under board rules on rent for bingo; and
 - (ii) \$35,000 per year for premises used for other forms of lawful gambling;
- (10) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency;
- (11) a contribution to or expenditure by a nonprofit organization which is a church or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances;
- (12) payment of the reasonable costs of an audit required in section 297E.06, subdivision 4, provided the annual audit is filed in a timely manner with the department of revenue;
- (13) a contribution to or expenditure on a wildlife management project that benefits the public at-large, provided that the state agency with authority over that wildlife management project approves the project before the contribution or expenditure is made;
- (14) expenditures, approved by the commissioner of natural resources, by an organization for grooming and maintaining snowmobile trails and all-terrain vehicle trails that are (1) grant-in-aid trails established under section 85.019, or (2) other trails open to public use, including purchase or lease of equipment for this purpose; ~~or~~
- (15) conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled;
- (16) a contribution to a community arts organization, or an expenditure to sponsor arts programs in the community, including but not limited to visual, literary, performing, or musical arts;
- (17) an expenditure by a licensed veterans organization for payment of heat, water, sanitation, telephone, and other utility bills fuel for heating, electricity, and sewer costs for a building wholly owned or wholly leased by, and used as the primary headquarters of, a the licensed veterans organization; or

(18) expenditure by a licensed veterans organization of up to \$5,000 in a calendar year in net costs to the organization for meals and other membership events, limited to members and spouses, held in recognition of military service. No more than \$5,000 can be expended in total per calendar year under this clause by all licensed veterans organizations sharing the same veterans post home.

(b) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) the erection, acquisition, improvement, expansion, repair, or maintenance of real property or capital assets owned or leased by an organization, unless the board has first specifically authorized the expenditures after finding that (i) the real property or capital assets will be used exclusively for one or more of the purposes in paragraph (a); (ii) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and that no rental fee is charged for the use; (iii) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building, a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditure may be only for that part of the replacement cost not reimbursed by insurance; (iv) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building a building owned by the organization that was acquired from the organization by eminent domain or sold by the organization to a purchaser that the organization reasonably believed would otherwise have acquired the building by eminent domain, provided that the expenditure may be only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced; or (v) with respect to an expenditure to bring an existing building into compliance with the Americans with Disabilities Act under item (ii), an organization has the option to apply the amount of the board-approved expenditure to the erection or acquisition of a replacement building that is in compliance with the Americans with Disabilities Act;

(4) an expenditure by an organization which is a contribution to a parent organization, foundation, or affiliate of the contributing organization, if the parent organization, foundation, or affiliate has provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value;

(5) a contribution by a licensed organization to another licensed organization unless the board has specifically authorized the contribution. The board must authorize such a contribution when requested to do so by the contributing organization unless it makes an affirmative finding that the contribution will not be used by the recipient organization for one or more of the purposes in paragraph (a); or

(6) a contribution to a statutory or home rule charter city, county, or town by a licensed organization with the knowledge that the governmental unit intends to use the contribution for a pension or retirement fund.

Sec. 5. Minnesota Statutes 2002, section 349.12, is amended by adding a subdivision to read:

Subd. 36. [VETERANS POST HOME.] "Veterans post home" means a building, or portion of a building, that is leased or owned by one or more licensed veterans organizations, and that is considered the post home for all licensed veterans organizations at that site.

Sec. 6. Minnesota Statutes 2002, section 349.12, is amended by adding a subdivision to read:

Subd. 37. [WHOLLY LEASED BUILDING.] "Wholly leased building" means a building that is leased in its entirety by a licensed organization, and no part or portion of the building is subleased to any other entity or licensed organization.

Sec. 7. Minnesota Statutes 2002, section 349.12, is amended by adding a subdivision to read:

Subd. 38. [WHOLLY OWNED BUILDING.] "Wholly owned building" means a building that is owned in its entirety by a licensed organization, and no part or portion of the building is subleased to any other entity or licensed organization.

Sec. 8. Minnesota Statutes 2002, section 349.151, subdivision 4b, is amended to read:

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

(b) Rules adopted under paragraph (a):

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

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

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

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

Sec. 9. Minnesota Statutes 2002, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, or any representative, agent, affiliate, or employee of a distributor, may: (1) be involved in the conduct of lawful gambling by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor or any representative, agent, affiliate, or employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor or any representative, agent, affiliate, or employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased from that distributor is being used in the conduct of lawful gambling.

(e) No distributor or any representative, agent, affiliate, or employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker.

(f) No distributor or any representative, agent, affiliate, or employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(g) No distributor may purchase gambling equipment for resale to a person for use within the state from any person not licensed as a manufacturer under section 349.163, except for gambling equipment returned from an organization licensed under section 349.16, or exempt or excluded from licensing under section 349.166.

(h) No distributor may sell gambling equipment to any person for use in Minnesota other than (i) a licensed organization or organization excluded or exempt from licensing, or (ii) the governing body of an Indian tribe.

(i) No distributor may sell or otherwise provide a pull-tab or tipboard deal with the symbol required by section 349.163, subdivision 5, paragraph (h), visible on the flare to any person other than in Minnesota to a licensed organization or organization exempt from licensing.

Sec. 10. Minnesota Statutes 2002, section 349.166, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] (a) Bingo may be conducted without a license and without complying with sections 349.168, subdivisions 1 and 2; 349.17, subdivisions 1, 4, and 5; 349.18, subdivision 1; and 349.19, if it is conducted:

(1) by an organization in connection with a county fair, the state fair, or a civic celebration and is not conducted for more than 12 consecutive days and is limited to no more than four separate applications for activities applied for and approved in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

An organization that holds a license to conduct lawful gambling under this chapter may not conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, and a manager is appointed to supervise the bingo. Bingo conducted under this paragraph is exempt from sections 349.11 to 349.23, and the board may not require an organization that conducts bingo under this paragraph, or the manager who supervises the bingo, to register or file a report with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

(c) Raffles may be conducted by an organization without a license and without complying with sections 349.154 to 349.165 and 349.167 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed ~~\$750~~ \$1,500.

(d) Except as provided in paragraph (b), the organization must maintain all required records of excluded gambling activity for 3-1/2 years.

Sec. 11. Minnesota Statutes 2002, section 349.167, subdivision 4, is amended to read:

Subd. 4. [TRAINING OF GAMBLING MANAGERS.] The board shall by rule require all persons licensed as gambling managers to receive periodic training in laws and rules governing lawful gambling. The rules must contain the following requirements:

(1) each gambling manager must receive training before being issued a new license, except that in the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must receive the training within 90 days of being issued a license;

(2) each gambling manager applying for a renewal of a license must have received continuing education training, as required by board rule, each year of the two-year license period, or pass a gambling manager examination as required in subdivision 7; and

(3) the training required by this subdivision may be provided by a person authorized by the board to provide the training. Before authorizing a person to provide training, the board must determine that:

(i) the provider and all of the provider's personnel conducting the training are qualified to do so;

(ii) the curriculum to be used fully and accurately covers all elements of lawful gambling law and rules that the board determines are necessary for a gambling manager to know and understand;

(iii) the fee to be charged for participants in the training sessions is fair and reasonable; and

(iv) the training provider has an adequate system for documenting completion of training.

The rules may provide for differing training requirements for gambling managers based on the class of license held by the gambling manager's organization.

The board or the director may provide the training required by this subdivision using employees of the board.

Sec. 12. Minnesota Statutes 2002, section 349.167, subdivision 7, is amended to read:

Subd. 7. [GAMBLING MANAGER EXAMINATION.] Each applicant for a new gambling manager's license, and each renewing applicant that has failed to receive training as required in subdivision 4, must pass an examination prepared and administered by the board that tests the applicant's knowledge of the responsibilities of gambling managers, and of gambling procedures, laws, and rules before being issued the license. In the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must pass the examination within 90 days of being issued a gambling manager's license. The board shall revoke the replacement gambling manager's license if the replacement gambling manager fails to pass the examination as required in this subdivision.

Sec. 13. Minnesota Statutes 2002, section 349.168, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION OF EMPLOYEES.] A person may not receive compensation for participating in the conduct of lawful gambling as an employee of a licensed organization unless the person has first registered with the board on a form the board prescribes. The form must require each registrant to provide: ~~(1) the person's name, address, and date of birth, and social security number; (2) a current photograph; and (3) the name, address, and license number of the employing organization.~~

Sec. 14. Minnesota Statutes 2002, section 349.168, subdivision 2, is amended to read:

Subd. 2. [IDENTIFICATION OF EMPLOYEES.] ~~The board shall issue to each person registering under subdivision 1 a registration number and identification card which must include the employee's photograph. Each person receiving compensation for the conduct of lawful gambling must wear the identification card provided by the board~~ publicly display the person's name at all times while conducting the lawful gambling.

Sec. 15. Minnesota Statutes 2002, section 349.168, subdivision 6, is amended to read:

Subd. 6. [COMPENSATION PAID BY CHECK OR ELECTRONIC TRANSFER.] Compensation paid by an organization in connection with lawful gambling must either be: (1) in the form of a check drawn on the organization's gambling account, as specified in section 349.19, and paid directly to the person being compensated; (2) transferred electronically from the organization's gambling account, as specified in section 349.19, subdivision 3, directly to the employee's bank account; ~~or~~ (3) transferred electronically from the organization's gambling account to the account of a payroll processing firm from which payment in the form of a check is paid directly to the person being compensated; or (4) transferred electronically to and from the account of a payroll processing firm for payment to the employee's account and for the payment of local, state, and federal withholding taxes, provided that the payroll processing firm is (i) currently registered with and meets the criteria of the department of revenue as a third-party bulk filer under section 290.92, subdivision 30, (ii) is able to provide proof of a third-party audit and an annual report and statement of financial condition, (iii) is able to provide evidence of a fidelity bond, and (iv) can provide proof of having been in business as a third-party bulk filer for the most recent three years.

Sec. 16. Minnesota Statutes 2002, section 349.168, is amended by adding a subdivision to read:

Subd. 10. [EMPLOYMENT OF CERTAIN PERSONS.] An organization that sells pull-tabs and tip boards on leased premises within a booth operation may not employ, other than as a seller of pull-tabs and tip boards, the lessor of those premises or a person who is employed by the lessor of those premises.

Sec. 17. Minnesota Statutes 2002, section 349.169, subdivision 1, is amended to read:

Subdivision 1. [FILING REQUIRED.] ~~All~~ When required by the board, manufacturers and distributors must file with the director, ~~not later than the first day of each month,~~ the prices at which the manufacturer or distributor will sell all gambling equipment ~~in that month~~ currently offered for sale by that manufacturer or distributor. The filing must be ~~on a form in a format~~ in a format the director prescribes. ~~Prices filed must include all charges the manufacturer or distributor makes for each item of gambling equipment sold, including all volume discounts, exclusive of transportation costs. All filings are effective on the first day of the month for which they are filed, except that a manufacturer or distributor may amend a filed price within five days of filing it and may file a price any time during a month for gambling equipment not previously included on that month's filed pricing report, but may not later amend the price during the month.~~

Sec. 18. Minnesota Statutes 2002, section 349.169, subdivision 3, is amended to read:

Subd. 3. [SALES AT FILED PRICES.] When required to report under subdivision 1, no manufacturer may sell to a distributor, and no distributor may sell to an organization, any gambling equipment for any price other than a price the manufacturer or distributor has filed with the director under subdivision 1, including volume discounts, and exclusive of transportation costs.

Sec. 19. Minnesota Statutes 2002, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED; RENT LIMITATIONS.] (a) An organization may conduct lawful gambling only on premises it owns or leases. Leases must be on a form prescribed by the board.

Except for leases entered into before August 1, 1994, the term of the lease may not begin before the effective date of the premises permit and must expire on the same day that the premises permit expires. Copies of all leases must be made available to employees of the board and the division of alcohol and gambling enforcement on request. A lease may not provide for payments determined directly or indirectly by the receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling provided that no rule of the board may prescribe a limit of less than \$1,000 per month on rent paid for premises used for lawful gambling other than bingo. Any rule adopted by the board limiting the amount of rent to be paid may only be effective for leases entered into, or renewed, after the effective date of the rule.

(b) Rent paid by an organization for leased premises is subject to the following limits:

(1) for booth operations, including booth operations where a pull-tab dispensing device is located, booth operations where a bar operation is also conducted, and booth operations where both a pull-tab dispensing device is located and a bar operation is also conducted, the maximum rent is:

(i) in any month where the organization's gross profit at those premises does not exceed \$4,000, up to \$400; and

(ii) in any month where the organization's gross profit at those premises exceeds \$4,000, up to \$400 plus not more than ten percent of the gross profit for that month in excess of \$4,000;

(2) for bar operations, including bar operations where a pull-tab dispensing device is located but not including bar operations subject to clause (1), and for locations where only a pull-tab dispensing device is located:

(i) in any month where the organization's gross profit at those premises does not exceed \$1,000, up to \$200; and

(ii) in any month where the organization's gross profit at those premises exceeds \$1,000, up to \$200 plus not more than 20 percent of the gross profit for that month in excess of \$1,000;

(3) a lease not governed by clauses (1) and (2) must be approved by the board before becoming effective;

(4) total rent paid to a lessor from all organizations from leases governed by clause (1) may not exceed \$1,750 per month. Total rent paid to a lessor from all organizations from leases governed by clause (2) may not exceed \$2,000 per month.

(c) Amounts paid as rent under leases are all-inclusive. No other services provided or contracted by the lessor may be paid by the organization, including, but not limited to, trash removal, janitorial and cleaning services, snow removal, lawn services, electricity, heat, security, security monitoring, storage, other utilities or services, and, in the case of bar operations, compensation for cash shortages. Any other expenditure made by an organization that is related to a leased premises must be approved by the director. An organization may not provide any compensation or thing of value to a lessor or the lessor's employees from any fund source other than its gambling account. Rent payments may not be made to an individual.

(d) Notwithstanding paragraph (b), an organization may pay a lessor for food or beverages or meeting room rental if the charge made is comparable to similar charges made to other individuals or groups.

(e) No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity other than the sale or serving of food and beverages on the leased premises during times when lawful gambling is being conducted on the premises.

(e) (f) At a site where the leased premises consists of an area on or behind a bar at which alcoholic beverages are sold and employees of the lessor are employed by the organization as pull-tab sellers at the site, pull-tabs and tipboard tickets may be sold and redeemed by those employees at any place on or behind the bar, but the tipboards and receptacles for pull-tabs and cash drawers for lawful gambling receipts must be maintained only within the leased premises.

(d) (g) Employees of a lessor may participate in lawful gambling on the premises provided (1) if pull-tabs or tipboards are sold, the organization voluntarily posts, or is required to post, the major prizes as specified in section 349.172; and (2) any employee of the lessor participating in lawful gambling is not a gambling employee for the organization conducting lawful gambling on the premises.

(e) (h) A gambling employee may purchase pull-tabs at the site of the employee's place of employment provided:

(1) the organization voluntarily posts, or is required to post, the major prizes for pull-tab or tipboard games as specified in section 349.172; and

(2) the employee is not involved in the sale of pull-tabs at that site.

(f) (i) At a leased site where an organization uses a paddlewheel consisting of 30 numbers or less or a tipboard consisting of 30 tickets or less, tickets may be sold throughout the permitted premises, but winning tickets must be redeemed, the paddlewheel must be located, and the tipboard seal must be opened within the leased premises.

[EFFECTIVE DATE.] This section is effective May 31, 2003, and applies to leases entered into or amended on and after that date.

Sec. 20. Minnesota Statutes 2002, section 349.19, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES.] (a) All expenditures of gross profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment, and must be in compliance with section 349.154. Authorization of the expenditures must be recorded in the monthly meeting minutes of the licensed organization. Checks or authorizations for electronic fund transfers for expenditures of gross profits must be signed by at least two persons authorized by board rules to sign the checks. Expenditures of gross profits from lawful gambling for local, state, and federal taxes as identified in section 349.12, subdivision 25, paragraph (a), clause (8), may be: (1) transferred electronically from the organization's gambling account directly to bank accounts identified by local, state, or federal agencies if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, ~~the account number of the account into which the funds were transferred~~, and the date of the transaction; or (2) transferred electronically to and from the account of a payroll processing firm that meets the criteria for such a firm established under section 349.168, subdivision 6. Expenditures of gross profits from lawful gambling as identified in section 349.12, subdivision 3a, and as authorized by section 349.15, subdivision 1, for utility payments for utilities, insurance, and payroll processing charges may be transferred electronically from the organization's gambling account directly to bank accounts identified by the ~~utility~~ vendor if the organization's gambling account monthly bank statement specifically identifies the payee by name, the amount transferred, the account number of the account into which the funds were transferred, and the date of the transaction. Electronic payments of local, state, and federal taxes and utility, payroll processing, or insurance payments are permitted only if they have been authorized by the membership, the organization maintains supporting documentation, and the expenditures can be verified.

(b) Expenditures authorized by the board according to section 349.12, subdivision 25, paragraph (b), clause (3), must be 51 percent completed within two years of the date of board approval. "Fifty-one percent completed" means that the work completed must represent at least 51 percent of the value of the project as documented by the contractor or vendor. An organization that fails to comply with this paragraph shall reapply to the board for approval of the project.

Sec. 21. Minnesota Statutes 2002, section 609.761, subdivision 5, is amended to read:

Subd. 5. [HIGH SCHOOL RAFFLES.] Sections 609.755 and 609.76 do not prohibit a raffle, as defined in section 349.12, subdivision 33, conducted by a school district or a nonprofit organization organized primarily to support programs of a school district, if the following conditions are complied with:

(1) tickets for the raffle may only be sold and the drawing conducted at a high school event sponsored by a school district. All tickets must be sold for the same price;

(2) tickets may only be sold to persons 18 years of age or older attending the event;

(3) the drawing must be held during or immediately after the conclusion of the event; ~~and~~

(4) one-half of the gross receipts from the sale of tickets must be awarded as prizes for the raffle, and the remaining one-half may only be expended to defray the school district's costs of sending event participants to high school activities held at other locations; and

(5) the school district or organization must report the following information to the gambling control board annually: the total amount of gross receipts received, the total expenses for the raffles, the total prizes awarded, and an accounting of the expenditures from the gross receipts of the raffles.

Sec. 22. [REPEALER.]

Minnesota Statutes 2002, section 349.168, subdivision 9, is repealed."

Amend the title as follows:

Page 1, lines 8 and 9, delete "and social dice games"

Page 1, line 13, before the semicolon, insert ", by adding a subdivision"

Page 1, line 15, delete "subdivisions 4," and insert "subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1253, A bill for an act relating to local government; providing for local government pay equity reports to be filed with the commissioner of employee relations every five years; amending Minnesota Statutes 2002, section 471.999.

Reported the same back with the following amendments:

Page 2, line 3, after the comma, insert "beginning in 2005,"

Page 2, line 6, after the period, insert "No report from a political subdivision is required for 2003 and 2004."

Sec. 2. Minnesota Statutes 2002, section 477A.014, subdivision 4, is amended to read:

Subd. 4. [COSTS.] The director of the office of strategic and long-range planning shall annually bill the commissioner of revenue for one-half of the costs incurred by the state demographer in the preparation of materials required by section 4A.02. The state auditor shall bill the commissioner of revenue for the costs of the services provided by the government information division and the parts of the constitutional office that are related to the government information function, not to exceed \$217,000 in fiscal year 1992 and \$217,000 in fiscal year 1993 and thereafter. The commissioner of administration shall bill the commissioner of revenue for the costs of the local government records program and the intergovernmental information systems activity, not to exceed \$201,100 in fiscal year 1992 and \$205,800 in fiscal year 1993 and thereafter. The commissioner of employee relations shall not bill the commissioner of revenue for the costs of administering the local government pay equity function in fiscal years 2004 and 2005, but shall bill the commissioner of revenue for those costs, not to exceed ~~\$56,000 in fiscal year 1992 and~~ \$55,000 in fiscal year ~~1993~~ 2006 and thereafter.

[EFFECTIVE DATE.] This section is effective for aid payments in fiscal year 2004 and thereafter."

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections" and before the period, insert "; 477A.014, subdivision 4"

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.

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

H. F. No. 1257, A bill for an act relating to natural resources; authorizing a drainage authority to compensate landowners for the removal of a bridge; amending Minnesota Statutes 2002, section 103E.701, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 1268, A bill for an act relating to traffic regulations; clarifying when vehicle lights must be displayed; amending Minnesota Statutes 2002, section 169.48, subdivision 1.

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

The report was adopted.

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

H. F. No. 1285, A bill for an act relating to health; requiring a study of the need for an additional hospital in central Minnesota.

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

The report was adopted.

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

H. F. No. 1306, A bill for an act relating to breath alcohol testing devices; modifying the requirements relating to immunity from liability for breath alcohol testing devices in liquor establishments; amending Minnesota Statutes 2002, section 604A.30.

Reported the same back with the following amendments:

Page 2, line 21, delete "and"

Page 3, line 4, delete everything after "display" and insert "; and

(5) the breath alcohol testing device clearly indicates when alcohol concentration exceeds .11 but does not indicate actual or graduated alcohol concentration levels over .11.

Page 3, line 5, delete "readout" and insert:

"A breath alcohol testing device may also include a digital or numerical readout up to .11 alcohol concentration"

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. 1317, A bill for an act relating to state government; extending the existence of the governor's residence council; amending Minnesota Statutes 2002, section 16B.27, subdivision 3.

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. 1322, A bill for an act relating to campaign finance; clarifying certain terms; requiring assumption of certain obligations; changing certain expenditure, contribution, and reporting requirements; providing additional civil penalties; repealing obsolete and duplicative rules; amending Minnesota Statutes 2002, sections 10A.01,

subdivision 18; 10A.08; 10A.20, subdivision 5; 10A.24, subdivision 2; 10A.25, subdivision 2; 10A.27, subdivision 1; 10A.28, subdivision 2; 10A.31, subdivisions 6, 7; 10A.323; repealing Minnesota Rules, parts 4501.0300, subpart 4; 4501.0600; 4503.0200, subpart 4; 4503.0300, subpart 2; 4503.0400, subpart 2; 4503.0500, subpart 9; 4503.0800, subpart 1.

Reported the same back with the following amendments:

Page 4, line 1, delete the new language and reinstate the stricken language

Page 4, line 2, delete the new language and reinstate the stricken language

Page 4, line 4, delete the new language and reinstate the stricken language

Page 4, line 5, delete the new language

Page 4, line 32, delete the new language and reinstate the stricken language

Page 4, line 33, delete the new language and reinstate the stricken language

Page 4, line 34, delete the new language and reinstate the stricken language

Page 4, line 35, delete the new language and reinstate the stricken language

Page 5, line 2, delete the new language and reinstate the stricken language

Page 5, line 3, delete the new language and reinstate the stricken language

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1326, A bill for an act relating to civil law; clarifying that civil actions against the state may be brought in federal court under certain federal statutes; amending Minnesota Statutes 2002, section 1.05.

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

The report was adopted.

Harder from the Committee on Agriculture and Rural Development Finance to which was referred:

H. F. No. 1333, A bill for an act relating to economic development; clarifying ownership and location requirements for small wind energy conversion systems that qualify for renewable energy production incentive; funding the incentive from assessment on electric utilities; increasing overall limit on number of megawatts of small wind energy conversion systems that qualify for the incentive; excluding very small systems from the overall limit; amending Minnesota Statutes 2002, section 216C.41, subdivisions 1, 2, 3, 4, 5.

Reported the same back with the following amendments:

Page 2, line 4, strike "a natural person"

Page 2, line 5, strike "who" and insert "an entity that is not prohibited from owning agricultural land under section 500.24 that"

Page 2, lines 28 and 29, delete the new language and insert "an entity that is not prohibited from owning agricultural land under section 500.24"

Page 2, line 33, strike "a natural person who" and insert "an entity that is not prohibited from owning agricultural land under section 500.24 that"

Page 4, line 17, strike "2015" and insert "2017"

Page 4, line 28, strike "2015" and insert "2017"

Amend the title as follows:

Page 1, line 4, after "systems" insert "and on-farm biogas recovery facilities"

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

The report was adopted.

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

H. F. No. 1335, A bill for an act relating to veterans; providing for placement in the capitol area of a statue commemorating Hmong veterans of the campaign in Laos during the Vietnam War.

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

The report was adopted.

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

H. F. No. 1336, A bill for an act relating to education; establishing requirements for qualified teachers and paraprofessionals; amending Minnesota Statutes 2002, section 122A.22; proposing coding for new law in Minnesota Statutes, chapter 122A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [122A.34] [CREDENTIAL FOR EDUCATION PARAPROFESSIONALS.]

Subdivision 1. [RULEMAKING.] The board of teaching must adopt rules for a statewide credential for education paraprofessionals who assist a licensed teacher in providing student instruction. The rules must not take effect until approved by law.

Subd. 2. [TRAINING POSSIBILITIES.] In adopting rules for a statewide education paraprofessional credential under subdivision 1, the board must consider including provisions that give paraprofessionals training in students' characteristics, support the teaching and learning environment, provide academic instructional skills, and develop ethical practices.

Subd. 3. [INITIAL TRAINING.] A school board must consider a policy on training its paraprofessionals in topics including emergency procedures, confidentiality, vulnerability, reporting obligations, discipline policies, roles and responsibilities, and building orientation before the paraprofessional supervises or works with students.

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

Delete the title and insert:

"A bill for an act relating to education; establishing requirements for paraprofessionals; providing for rulemaking; proposing coding for new law in Minnesota Statutes, chapter 122A."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1345, A bill for an act relating to the metropolitan council; adding lieutenant governor to the membership of the legislative commission on metropolitan government; requiring legislative approval for metropolitan council operating levies; amending Minnesota Statutes 2002, sections 3.8841, subdivisions 2, 3, 5, 7; 473.167, subdivision 3; 473.249, subdivision 1; 473.253, subdivision 1; repealing Minnesota Statutes 2002, sections 473.167, subdivision 4; 473.249, subdivision 2.

Reported the same back with the following amendments:

Pages 1 and 2, delete sections 1 to 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "adding"

Page 1, delete lines 3 and 4

Page 1, line 7, delete everything after "sections"

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

The report was adopted.

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

H. F. No. 1361, A bill for an act relating to human services; implementing certain county initiatives; amending Minnesota Statutes 2002, sections 119B.11, subdivision 1; 124D.23, subdivision 2; 245.478, subdivision 6; 245.4932, subdivision 1; 245.494, subdivision 1; 245A.10; 253B.05, subdivision 3; 256.935, subdivision 1; 256B.0625, subdivision 20; 256F.13, subdivisions 1, 2; 261.035; 393.07, subdivision 1; 518.167, subdivision 1; repealing Minnesota Statutes 2002, sections 119B.11, subdivisions 1, 4; 245.478; 245.4888; 256B.0911, subdivision 3; 256B.0945, subdivisions 2, 4, 6, 7, 8, 9, 10; 256B.83; 256F.10, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2002, section 119B.11, subdivision 1, is amended to read:

Subdivision 1. [COUNTY CONTRIBUTIONS REQUIRED.] (a) ~~In addition to payments from basic sliding fee child care program participants, each county shall contribute from county tax or other sources a fixed local match equal to its calendar year 1996 required county contribution reduced by the administrative funding loss that would have occurred in state fiscal year 1996 under section 119B.15. The commissioner shall recover funds from the county as necessary to bring county expenditures into compliance with this subdivision. The commissioner may accept county contributions, including contributions above the fixed local match, in order to make state payments.~~

~~(b)~~ The commissioner may accept payments from counties to:

~~(1) fulfill the county contribution as required under subdivision 1;~~

~~(2)~~ pay for services authorized under this chapter beyond those paid for with federal or state funds or with the required county contributions; or

~~(3)~~ (2) pay for child care services in addition to those authorized under this chapter, as authorized under other federal, state, or local statutes or regulations.

~~(e)~~ (b) The county payments must be deposited in an account in the special revenue fund. Money in this account is appropriated to the commissioner for child care assistance under this chapter and other applicable statutes and regulations and is in addition to other state and federal appropriations.

Sec. 2. Minnesota Statutes 2002, section 124D.23, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] (a) Each collaborative must:

(1) establish, with assistance from families and service providers, clear goals for addressing the health, developmental, educational, and family-related needs of children and youth and use outcome-based indicators to measure progress toward achieving those goals;

(2) establish a comprehensive planning process that involves all sectors of the community, identifies local needs, and surveys existing local programs;

(3) integrate service funding sources so that children and their families obtain services from providers best able to anticipate and meet their needs;

(4) coordinate families' services to avoid duplicative and overlapping assessment and intake procedures;

- (5) focus primarily on family-centered services;
 - (6) encourage parents and volunteers to actively participate by using flexible scheduling and actively recruiting volunteers;
 - (7) provide services in locations that are readily accessible to children and families;
 - (8) to the extent possible, use ~~new or reallocated~~ funds to improve or enhance services provided to children and their families;
 - (9) identify federal, state, and local institutional barriers to coordinating services and suggest ways to remove these barriers; and
 - (10) design and implement an integrated local service delivery system for children and their families that coordinates services across agencies and is client centered. The delivery system shall provide a continuum of services for children birth to age 18, or birth through age 21 for individuals with disabilities. The collaborative shall describe the community plan for serving pregnant women and children from birth to age six.
- (b) The outcome-based indicators developed in paragraph (a), clause (1), may include the number of low birth weight babies, the infant mortality rate, the number of children who are adequately immunized and healthy, require out-of-home placement or long-term special education services, and the number of minor parents.

Sec. 3. Minnesota Statutes 2002, section 245.4932, subdivision 1, is amended to read:

Subdivision 1. [COLLABORATIVE RESPONSIBILITIES.] The children's mental health collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

- (1) the collaborative must establish an integrated fund;
- (2) the collaborative shall designate a lead county or other qualified entity as the fiscal agency for reporting, claiming, and receiving payments;
- (3) the collaborative or lead county may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement;
- (4) ~~the collaborative shall use any enhanced revenue attributable to the activities of the collaborative, including administrative and service revenue, solely to provide mental health services or to expand the operational target population. The lead county or other qualified entity may not use enhanced federal revenue for any other purpose;~~
- (5) ~~the members of the collaborative must continue the base level of expenditures, as defined in section 245.492, subdivision 2, for services for children with emotional or behavioral disturbances and their families from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under sections 245.491 to 245.496, would have been available for those services. The base year for purposes of this subdivision shall be the accounting period closest to state fiscal year 1993;~~
- (6) the collaborative or lead county must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the contract with the commissioner of human services;

~~(7)~~ (5) the collaborative or its members may elect to pay the nonfederal share of the medical assistance costs for services designated by the collaborative; and

~~(8)~~ (6) the lead county or other qualified entity may not use federal funds or local funds designated as matching for other federal funds to provide the nonfederal share of medical assistance.

Sec. 4. Minnesota Statutes 2002, section 245.494, subdivision 1, is amended to read:

Subdivision 1. [CHILDREN'S CABINET.] The children's cabinet, in consultation with the integrated fund task force, shall:

(1) assist local children's mental health collaboratives in meeting the requirements of sections 245.491 to 245.496, by seeking consultation and technical assistance from national experts and coordinating presentations and assistance from these experts to local children's mental health collaboratives;

(2) assist local children's mental health collaboratives in identifying an economically viable operational target population;

(3) develop methods to reduce duplication and promote coordinated services including uniform forms for reporting, billing, and planning of services;

(4) by September 1, 1994, develop a model multiagency plan of care that can be used by local children's mental health collaboratives in place of an individual education plan, individual family community support plan, individual family support plan, and an individual treatment plan;

(5) assist in the implementation and operation of local children's mental health collaboratives by facilitating the integration of funds, coordination of services, and measurement of results, and by providing other assistance as needed;

(6) develop procedures and provide technical assistance to allow local children's mental health collaboratives to integrate resources for children's mental health services with other resources available to serve children in the target population in order to maximize federal participation and improve efficiency of funding;

(7) ensure that local children's mental health collaboratives and the services received through these collaboratives meet the requirements set out in sections 245.491 to 245.496;

(8) identify base level funding from state and federal sources across systems;

(9) explore ways to access additional federal funds and enhance revenues available to address the needs of the target population;

(10) develop a mechanism for identifying the state share of funding for services to children in the target population and for making these funds available on a per capita basis for services provided through the local children's mental health collaborative to children in the target population. Each year beginning January 1, 1994, forecast the growth in the state share and increase funding for local children's mental health collaboratives accordingly; and

(11) identify barriers to integrated service systems that arise from data practices and make recommendations including legislative changes needed in the Data Practices Act to address these barriers; ~~and~~

~~(12) annually review the expenditures of local children's mental health collaboratives to ensure that funding for services provided to the target population continues from sources other than the federal funds earned under sections 245.491 to 245.496 and that federal funds earned are spent consistent with sections 245.491 to 245.496.~~

Sec. 5. Minnesota Statutes 2002, section 245A.10, is amended to read:

245A.10 [FEES.]

(a) The commissioner shall charge a fee for evaluation of applications and inspection of programs, other than ~~family day care~~ and foster care, which are licensed under this chapter. The commissioner may charge a fee for the licensing of school age child care programs, in an amount sufficient to cover the cost to the state agency of processing the license.

(b) A county agency may charge a fee to an applicant or license holder for criminal background checks in an amount not to exceed the actual cost of conducting background checks, but in any case not to exceed \$100, and may charge for conducting licensing inspections of family day care and group family day care programs that are licensed under this chapter in an amount not to exceed the actual cost of licensing, but in any case not to exceed \$150.

(c) Counties may elect to reduce or waive the fees in paragraph (b):

(1) if a provider is currently receiving public assistance under chapter 256J;

(2) in cases of extreme financial hardship;

(3) for new providers;

(4) for providers who have attained at least 16 hours of training before seeking initial licensure; and

(5) if the county has a shortage of providers in the county's area.

(d) Counties may allow providers to pay the applicant fees in paragraph (b) on an installment basis for up to one year. If the provider is receiving child care assistance payments from the state, the provider may have the fees under paragraph (b) deducted from the child care assistance payments for up to one year and the state shall reimburse the county for the county fees collected in this manner.

Sec. 6. Minnesota Statutes 2002, section 253B.05, subdivision 3, is amended to read:

Subd. 3. [DURATION OF HOLD.] (a) Any person held pursuant to this section may be held up to 72 hours, exclusive of Saturdays, Sundays, and legal holidays after admission based upon a determination by the examiner that a hold is necessary. If a petition for the commitment of the person is filed in the district court in the county of the person's residence or of the county in which the treatment facility is located, the court may issue a judicial hold order pursuant to section 253B.07, subdivision 2b.

(b) During the 72-hour hold period, a court may not release a person held under this section unless the court has received a written petition for release and held a summary hearing regarding the release. The petition must include the name of the person being held, the basis for and location of the hold, and a statement as to why the hold is improper. The petition also must include copies of any written documentation under subdivision 1 or 2 in support of the hold, unless the person holding the petitioner refuses to supply the documentation. The hearing must be held as

soon as practicable and may be conducted by means of a telephone conference call or similar method by which the participants are able to simultaneously hear each other. If the court decides to release the person, the court shall direct the release and shall issue written findings supporting the decision. The release may not be delayed pending the written order. Before deciding to release the person, the court shall make every reasonable effort to provide notice of the proposed release to:

(1) any specific individuals identified in a statement under subdivision 1 or 2 or individuals identified in the record who might be endangered if the person was not held;

(2) the examiner whose written statement was a basis for a hold under subdivision 1; and

(3) the peace or health officer who applied for a hold under subdivision 2.

(c) If at any time during the 72 hours the examiner or treating physician determines a patient held in a detoxification facility no longer meets the criteria to be held under this section, the examiner or treating physician may discharge the patient and must provide a written statement specifying the reason why the patient no longer meets the criteria for an emergency hold. The county or provider is not liable if a patient is discharged from a detoxification facility before the expiration of a 72-hour hold if the requirements of this paragraph are met.

(d) If a person is intoxicated in public and held under this section for detoxification, a treatment facility may release the person without providing notice under paragraph (e) as soon as the treatment facility determines the person is no longer intoxicated.

(e) If a treatment facility releases a person during the 72-hour hold period, the head of the treatment facility shall immediately notify the agency which employs the peace or health officer who transported the person to the treatment facility under this section.

Sec. 7. Minnesota Statutes 2002, section 256.935, subdivision 1, is amended to read:

Subdivision 1. ~~[FUNERAL BURIAL OR CREMATION EXPENSES.]~~ On the death of any person receiving public assistance through MFIP, the county agency shall pay an amount for ~~funeral burial or cremation~~ expenses not exceeding the amount paid for comparable services under section 261.035 plus actual cemetery charges. The county agency may pay for cremation instead of burial expenses being respectful of cultural and religious preferences of the decedent or the decedent's next of kin. No ~~funeral burial or cremation~~ expenses shall be paid if the estate of the deceased is sufficient to pay such expenses or if the spouse, who was legally responsible for the support of the deceased while living, is able to pay such expenses; ~~provided, that the additional payment or donation of the cost of cemetery lot, interment, religious service, or for the transportation of the body into or out of the community in which the deceased resided, shall not limit payment by the county agency as herein authorized. Freedom of choice in the selection of a funeral director shall be granted to persons lawfully authorized to make arrangements for the burial of any such deceased recipient.~~ In determining the sufficiency of such estate, due regard shall be had for the nature and marketability of the assets of the estate. The county agency may grant ~~funeral burial or cremation~~ expenses where the sale would cause undue loss to the estate. Any amount paid for ~~funeral burial or cremation~~ expenses shall be a prior claim against the estate, as provided in section 524.3-805, and any amount recovered shall be reimbursed to the agency which paid the expenses. The commissioner shall specify requirements for reports, including fiscal reports, according to section 256.01, subdivision 2, paragraph (17). The state share shall pay the entire amount of county agency expenditures. Benefits shall be issued to recipients by the state or county subject to provisions of section 256.017.

Sec. 8. Minnesota Statutes 2002, section 256B.0625, subdivision 20, is amended to read:

Subd. 20. [MENTAL HEALTH CASE MANAGEMENT.] (a) To the extent authorized by rule of the state agency, medical assistance covers case management services to persons with serious and persistent mental illness and children with severe emotional disturbance. Services provided under this section must meet the relevant standards in sections 245.461 to 245.4888, the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

(b) Entities meeting program standards set out in rules governing family community support services as defined in section 245.4871, subdivision 17, are eligible for medical assistance reimbursement for case management services for children with severe emotional disturbance when these services meet the program standards in Minnesota Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

(c) Medical assistance and MinnesotaCare payment for mental health case management shall be made on a monthly basis. In order to receive payment for an eligible child, the provider must document at least a face-to-face contact with the child, the child's parents, or the child's legal representative. To receive payment for an eligible adult, the provider must document:

(1) at least a face-to-face contact with the adult or the adult's legal representative; or

(2) at least a telephone contact with the adult or the adult's legal representative and document a face-to-face contact with the adult or the adult's legal representative within the preceding two months.

(d) Payment for mental health case management provided by county or state staff shall be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph (b), with separate rates calculated for child welfare and mental health, and within mental health, separate rates for children and adults.

(e) Payment for mental health case management provided by Indian health services or by agencies operated by Indian tribes may be made according to this section or other relevant federally approved rate setting methodology.

(f) Payment for mental health case management provided by vendors who contract with a county or Indian tribe shall be based on a monthly rate negotiated by the host county or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same service to other payers. If the service is provided by a team of contracted vendors, the county or tribe may negotiate a team rate with a vendor who is a member of the team. The team shall determine how to distribute the rate among its members. No reimbursement received by contracted vendors shall be returned to the county or tribe, except to reimburse the county or tribe for advance funding provided by the county or tribe to the vendor.

(g) If the service is provided by a team which includes contracted vendors, tribal staff, and county or state staff, the costs for county or state staff participation in the team shall be included in the rate for county-provided services. In this case, the contracted vendor, the tribal agency, and the county may each receive separate payment for services provided by each entity in the same month. In order to prevent duplication of services, each entity must document, in the recipient's file, the need for team case management and a description of the roles of the team members.

(h) The commissioner shall calculate the nonfederal share of actual medical assistance and general assistance medical care payments for each county, based on the higher of calendar year 1995 or 1996, by service date, project that amount forward to 1999, and transfer one-half of the result from medical assistance and general assistance medical care to each county's mental health grants under sections 245.4886 and 256E.12 for calendar year 1999. The annualized minimum amount added to each county's mental health grant shall be \$3,000 per year for children and \$5,000 per year for adults. The commissioner may reduce the statewide growth factor in order to fund these minimums. The annualized total amount transferred shall become part of the base for future mental health grants for each county.

~~(i)~~ Any net increase in revenue to the county or tribe as a result of the change in this section must be used to provide expanded mental health services as defined in sections 245.461 to 245.488, the Comprehensive Adult and Children's Mental Health Acts, excluding inpatient and residential treatment. For adults, increased revenue may also be used for services and consumer supports which are part of adult mental health projects approved under Laws 1997, chapter 203, article 7, section 25. For children, increased revenue may also be used for respite care and nonresidential individualized rehabilitation services as defined in section 245.492, subdivisions 17 and 23. "Increased revenue" has the meaning given in Minnesota Rules, part 9520.0903, subpart 3.

~~(j)~~ Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for mental health case management shall be provided by the recipient's county of responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds used to match other federal funds. If the service is provided by a tribal agency, the nonfederal share, if any, shall be provided by the recipient's tribe.

~~(k)~~ ~~(j)~~ The commissioner may suspend, reduce, or terminate the reimbursement to a provider that does not meet the reporting or other requirements of this section. The county of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency, is responsible for any federal disallowances. The county or tribe may share this responsibility with its contracted vendors.

~~(l)~~ ~~(k)~~ The commissioner shall set aside a portion of the federal funds earned under this section to repay the special revenue maximization account under section 256.01, subdivision 2, clause (15). The repayment is limited to:

(1) the costs of developing and implementing this section; and

(2) programming the information systems.

~~(m)~~ ~~(l)~~ Payments to counties and tribal agencies for case management expenditures under this section shall only be made from federal earnings from services provided under this section. Payments to county-contracted vendors shall include both the federal earnings and the county share.

~~(n)~~ ~~(m)~~ Notwithstanding section 256B.041, county payments for the cost of mental health case management services provided by county or state staff shall not be made to the state treasurer. For the purposes of mental health case management services provided by county or state staff under this section, the centralized disbursement of payments to counties under section 256B.041 consists only of federal earnings from services provided under this section.

~~(o)~~ ~~(n)~~ Case management services under this subdivision do not include therapy, treatment, legal, or outreach services.

~~(p)~~ ~~(o)~~ If the recipient is a resident of a nursing facility, intermediate care facility, or hospital, and the recipient's institutional care is paid by medical assistance, payment for case management services under this subdivision is limited to the last 180 days of the recipient's residency in that facility and may not exceed more than six months in a calendar year.

~~(q)~~ ~~(p)~~ Payment for case management services under this subdivision shall not duplicate payments made under other program authorities for the same purpose.

~~(r)~~ ~~(q)~~ By July 1, 2000, the commissioner shall evaluate the effectiveness of the changes required by this section, including changes in number of persons receiving mental health case management, changes in hours of service per person, and changes in caseload size.

~~(s)~~ (r) For each calendar year beginning with the calendar year 2001, the annualized amount of state funds for each county determined under paragraph (h) shall be adjusted by the county's percentage change in the average number of clients per month who received case management under this section during the fiscal year that ended six months prior to the calendar year in question, in comparison to the prior fiscal year.

~~(t)~~ (s) For counties receiving the minimum allocation of \$3,000 or \$5,000 described in paragraph (h), the adjustment in paragraph (s) shall be determined so that the county receives the higher of the following amounts:

(1) a continuation of the minimum allocation in paragraph (h); or

(2) an amount based on that county's average number of clients per month who received case management under this section during the fiscal year that ended six months prior to the calendar year in question, times the average statewide grant per person per month for counties not receiving the minimum allocation.

~~(u)~~ (t) The adjustments in paragraphs ~~(s)~~ (r) and ~~(t)~~ (s) shall be calculated separately for children and adults.

Sec. 9. Minnesota Statutes 2002, section 256B.0911, subdivision 3, is amended to read:

Subd. 3. [LONG-TERM CARE CONSULTATION TEAM.] ~~(a)~~ A long-term care consultation team shall be established by the county board of commissioners. Each local consultation team shall consist of at least one social worker and at least one public health nurse from their respective county agencies. The board may designate public health or social services as the lead agency for long-term care consultation services. If a county does not have a public health nurse available, it may request approval from the commissioner to assign a county registered nurse with at least one year experience in home care to participate on the team. Two or more counties may collaborate to establish a joint local consultation team or teams.

~~(b) The team is responsible for providing long term care consultation services to all persons located in the county who request the services, regardless of eligibility for Minnesota health care programs.~~

Sec. 10. Minnesota Statutes 2002, section 256F.13, subdivision 1, is amended to read:

Subdivision 1. [FEDERAL REVENUE ENHANCEMENT.] (a) [DUTIES OF COMMISSIONER OF HUMAN SERVICES.] The commissioner of human services may enter into an agreement with one or more family services collaboratives to enhance federal reimbursement under Title IV-E of the Social Security Act and federal administrative reimbursement under Title XIX of the Social Security Act. The commissioner may contract with the department of children, families, and learning for purposes of transferring the federal reimbursement to the commissioner of children, families, and learning to be distributed to the collaboratives according to clause (2). The commissioner shall have the following authority and responsibilities regarding family services collaboratives:

(1) the commissioner shall submit amendments to state plans and seek waivers as necessary to implement the provisions of this section;

(2) the commissioner shall pay the federal reimbursement earned under this subdivision to each collaborative based on their earnings. Payments to collaboratives for expenditures under this subdivision will only be made of federal earnings from services provided by the collaborative;

(3) the commissioner shall review expenditures of family services collaboratives using reports specified in the agreement with the collaborative ~~to ensure that the base level of expenditures is continued and new federal reimbursement is used to expand education, social, health, or health related services to young children and their families;~~

~~(4) the commissioner may reduce, suspend, or eliminate a family services collaborative's obligations to continue the base level of expenditures or expansion of services if the commissioner determines that one or more of the following conditions apply:~~

~~(i) imposition of levy limits that significantly reduce available funds for social, health, or health-related services to families and children;~~

~~(ii) reduction in the net tax capacity of the taxable property eligible to be taxed by the lead county or subcontractor that significantly reduces available funds for education, social, health, or health-related services to families and children;~~

~~(iii) reduction in the number of children under age 19 in the county, collaborative service delivery area, subcontractor's district, or catchment area when compared to the number in the base year using the most recent data provided by the state demographer's office; or~~

~~(iv) termination of the federal revenue earned under the family services collaborative agreement;~~

~~(5) the commissioner shall not use the federal reimbursement earned under this subdivision in determining the allocation or distribution of other funds to counties or collaboratives;~~

~~(6) (5) the commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the reporting or other requirements of this subdivision;~~

~~(7) (6) the commissioner shall recover from the family services collaborative any federal fiscal disallowances or sanctions for audit exceptions directly attributable to the family services collaborative's actions in the integrated fund, or the proportional share if federal fiscal disallowances or sanctions are based on a statewide random sample; and~~

~~(8) (7) the commissioner shall establish criteria for the family services collaborative for the accounting and financial management system that will support claims for federal reimbursement.~~

(b) [FAMILY SERVICES COLLABORATIVE RESPONSIBILITIES.] The family services collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

(1) the family services collaborative shall be the party with which the commissioner contracts. A lead county shall be designated as the fiscal agency for reporting, claiming, and receiving payments;

(2) the family services collaboratives may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement, or to expand education, social, health, or health-related services to families and children;

~~(3) the family services collaborative must continue the base level of expenditures for education, social, health, or health-related services to families and children from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under this subdivision, would have been available for those services, except as provided in subdivision 1, paragraph (a), clause (4). The base year for purposes of this subdivision shall be the four quarter calendar year ending at least two calendar quarters before the first calendar quarter in which the new federal reimbursement is earned;~~

~~(4) the family services collaborative must use all new federal reimbursement resulting from federal revenue enhancement to expand expenditures for education, social, health, or health related services to families and children beyond the base level, except as provided in subdivision 1, paragraph (a), clause (4);~~

~~(5) the family services collaborative must ensure that expenditures submitted for federal reimbursement are not made from federal funds or funds used to match other federal funds. Notwithstanding section 256B.19, subdivision 1, for the purposes of family services collaborative expenditures under agreement with the department, the nonfederal share of costs shall be provided by the family services collaborative from sources other than federal funds or funds used to match other federal funds;~~

~~(6) (4) the family services collaborative must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the agreement; and~~

~~(7) (5) the family services collaborative shall submit an annual report to the commissioner as specified in the agreement.~~

Sec. 11. Minnesota Statutes 2002, section 256F.13, subdivision 2, is amended to read:

Subd. 2. [AGREEMENTS WITH FAMILY SERVICES COLLABORATIVES.] At a minimum, the agreement between the commissioner and the family services collaborative shall include the following provisions:

(1) specific documentation of the expenditures eligible for federal reimbursement;

(2) the process for developing and submitting claims to the commissioner;

~~(3) specific identification of the education, social, health, or health related services to families and children which are to be expanded with the federal reimbursement;~~

~~(4) reasonable reporting and review procedures ensuring that the family services collaborative must continue the base level of expenditures for the education, social, health, or health related services for families and children as specified in subdivision 2, clause (3) that emphasize a small number of data elements actually necessary for state decision making;~~

~~(5) reporting and review procedures to ensure that federal revenue earned under this section is spent specifically to expand education, social, health, or health related services for families and children as specified in subdivision 2, clause (4);~~

~~(6) (4) the period of time, not to exceed three years, governing the terms of the agreement and provisions for amendments to, and renewal of the agreement; and~~

~~(7) (5) an annual report prepared by the family services collaborative.~~

Sec. 12. Minnesota Statutes 2002, section 261.035, is amended to read:

261.035 [FUNERALS BURIAL AT EXPENSE OF COUNTY.]

When a person dies in any county without apparent means to provide for that person's ~~funeral or final disposition~~ burial or cremation, the county board shall first investigate to determine whether that person had contracted for any prepaid funeral arrangements. If arrangements have been made, the county shall authorize arrangements to be implemented in accord with the instructions of the deceased. If it is determined that the person did not leave

sufficient means to defray the necessary expenses of a ~~funeral and final disposition~~ burial or cremation, nor any spouse of sufficient ability to procure the burial or cremation, the county board shall provide for a ~~funeral and final disposition~~ burial or cremation, being respectful of cultural and religious preferences, of the person's remains to be made at the expense of the county. Any ~~funeral and final disposition~~ burial or cremation provided at the expense of the county shall be in accordance with religious and moral beliefs of the decedent ~~or the decedent's spouse or the decedent's next of kin~~. If the wishes of the decedent are not known and the county has no information about the existence of or location of any next of kin, the county may determine the method of final disposition.

Sec. 13. Minnesota Statutes 2002, section 393.07, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC CHILD WELFARE PROGRAM.] (a) To assist in carrying out the child protection, delinquency prevention and family assistance responsibilities of the state, the local social services agency shall administer a program of social services and financial assistance to be known as the public child welfare program. The public child welfare program shall be supervised by the commissioner of human services and administered by the local social services agency in accordance with law and with rules of the commissioner.

(b) The purpose of the public child welfare program is to assure protection for and financial assistance to children who are confronted with social, physical, or emotional problems requiring protection and assistance. These problems include, but are not limited to the following:

(1) mental, emotional, or physical handicap;

(2) birth of a child to a mother who was not married to the child's father when the child was conceived nor when the child was born, including but not limited to costs of prenatal care, confinement and other care necessary for the protection of a child born to a mother who was not married to the child's father at the time of the child's conception nor at the birth;

(3) dependency, neglect;

(4) delinquency;

(5) abuse or rejection of a child by its parents;

(6) absence of a parent or guardian able and willing to provide needed care and supervision;

(7) need of parents for assistance with child rearing problems, or in placing the child in foster care.

(c) A local social services agency shall make the services of its public child welfare program available as required by law, by the commissioner, or by the courts and shall cooperate with other agencies, public or private, dealing with the problems of children and their parents as provided in this subdivision.

~~The public child welfare program shall be available in divorce cases for investigations of children and home conditions and for supervision of children when directed by the court hearing the divorce.~~

(d) A local social services agency may rent, lease, or purchase property, or in any other way approved by the commissioner, contract with individuals or agencies to provide needed facilities for foster care of children. It may purchase services or child care from duly authorized individuals, agencies or institutions when in its judgment the needs of a child or the child's family can best be met in this way.

Sec. 14. Minnesota Statutes 2002, section 518.167, subdivision 1, is amended to read:

Subdivision 1. [COURT ORDER.] In contested custody proceedings, and in other custody proceedings if a parent or the child's custodian requests, the court may order an investigation and report concerning custodial arrangements for the child. If the county elects to conduct an investigation, the county may charge a fee. The investigation and report may be made by the county welfare agency or department of court services or a private vendor.

Sec. 15. [FISCAL YEAR 2004-2005 STATE MANDATE MORATORIUM.]

Subdivision 1. [COUNTY MAY DENY, REDUCE, OR TERMINATE SERVICES.] (a) Notwithstanding any state law or rule to the contrary, a county may deny, reduce, or terminate services, subject to the proportionality requirement in paragraph (b), if:

(1) the services are state-mandated services supervised by the commissioners of health and human services, the administration of which is delegated by state law or rule to the counties;

(2) the county demonstrates at the meeting under subdivision 2 that previous funds available to provide the state-mandated services, whether from the state or federal sources available to the county, are at least ten percent less than the previous biennium; and

(3) the county's denial, reduction, or termination of state-mandated services does not pose a significant threat to public safety.

(b) If a county denies, reduces, or terminates state-mandated services, the aggregate funding reduction due to the denial, reduction, or termination must be proportional to the shortfall in funding under paragraph (a).

(c) This section does not apply to a service or program required by federal law.

Subd. 2. [COUNTY NOTICE; MEETING.] At least 30 days before denying, reducing, or terminating state-mandated services under this section, the county must identify the denial, reduction, or termination of services as an item of business in a meeting notice for either a regular or special meeting of the county board. The county must provide the meeting notice at least ten days before the meeting. The county board must allow a reasonable amount of time for persons to testify at the meeting on the proposed denial, reduction, or termination of services. The county board must accept both oral and written testimony.

Subd. 3. [COUNTY REPORT TO DEPARTMENT AND LEGISLATURE.] At least 30 days before denying, reducing, or terminating state-mandated services under this section, the county must notify the appropriate commissioner and the chairs of the house and senate committees with jurisdiction over the budgets of the departments of health and human services in writing of the proposed denial, reduction, or termination of services under this section. The appropriate commissioner must respond in writing to the county's notice and must approve or reject the county's proposed denial, reduction, or termination of state-mandated services within 30 days after receiving the notice. The commissioner may not reject the county's proposed action without providing the county with adequate resources to provide the state-mandated services or an alternative proposal for the county to provide the state-mandated services within existing resources. If the appropriate commissioner does not respond within 30 days, the county's proposed action is deemed approved.

Subd. 4. [APPEAL RIGHTS.] An individual whose application for services is denied or whose services are reduced or terminated solely on the basis of a county's action under this section, does not have the right to a hearing under Minnesota Statutes, section 256.045.

[EFFECTIVE DATE; EXPIRATION DATE.] This section is effective the day following final enactment and expires June 30, 2005.

Sec. 16. [MANDATE IDENTIFICATION; REPORT TO LEGISLATURE.]

The commissioners of health and human services must identify required state services or programs in law or rule that are under each agency's respective jurisdictions, the administration or provision of which the state has delegated to the counties. For each state-mandated service or program, the commissioner must describe:

(1) the year enacted and the scope of the service or program;

(2) the funding sources for the service or program;

(3) related federal requirements and support;

(4) data on the costs, number of persons served, and the cost of the county not providing the service or program; and

(5) alternatives to requiring the counties to administer or provide the service or program.

The commissioners must seek the advice of the county officials knowledgeable about the state-mandated services and programs, county associations, consumer representatives, and service or program providers. Each commissioner must submit a report to the house and senate committees with jurisdiction over the budget of departments of health and human services by January 15, 2004.

[EFFECTIVE DATE; EXPIRATION DATE.] This section is effective the day following final enactment and expires June 30, 2005.

Sec. 17. [REPEALER.]

Minnesota Statutes 2002, sections 119B.11, subdivision 4; 145A.17, subdivision 9; 245.478; 245.4888; 245.714; 256B.0945, subdivisions 6, 7, 8, and 10; 256B.83; and 256F.10, subdivision 7, are repealed."

Delete the title and insert:

"A bill for an act relating to human services; implementing certain county initiatives; amending Minnesota Statutes 2002, sections 119B.11, subdivision 1; 124D.23, subdivision 2; 245.4932, subdivision 1; 245.494, subdivision 1; 245A.10; 253B.05, subdivision 3; 256.935, subdivision 1; 256B.0625, subdivision 20; 256B.0911, subdivision 3; 256F.13, subdivisions 1, 2; 261.035; 393.07, subdivision 1; 518.167, subdivision 1; repealing Minnesota Statutes 2002, sections 119B.11, subdivision 4; 145A.17, subdivision 9; 245.478; 245.4888; 245.714; 256B.0945, subdivisions 6, 7, 8, 10; 256B.83; 256F.10, subdivision 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1383, A bill for an act relating to health; restricting the construction of radiation therapy facilities; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, line 9, delete "on the campus of" and insert "by an entity owned, operated, or controlled by"

Page 1, line 10, before the period, insert "either alone or in cooperation with another entity"

Page 1, line 13, after the period, insert "This section expires August 1, 2008."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1425, A bill for an act relating to judgments; regulating stays of execution on money judgments; limiting bond amounts; amending Minnesota Statutes 2002, section 550.36.

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

The report was adopted.

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

H. F. No. 1426, A bill for an act relating to workers' compensation; making technical changes; freezing the medical fee schedule conversion factor for one year; instructing the commissioner of commerce to establish a surcharge rate; amending Minnesota Statutes 2002, sections 79A.12, subdivision 2; 176.081, subdivision 1; 176.092, subdivision 1a; 176.129, subdivisions 1b, 2a; 176.135, subdivision 7; 176.136, subdivision 1a; 176.231, subdivision 5; 176.391, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 79.

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

The report was adopted.

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

H. F. No. 1444, A bill for an act relating to human services; allowing medical assistance coverage for some over-the-counter drugs; amending Minnesota Statutes 2002, section 256B.0625, subdivision 13.

Reported the same back with the following amendments:

Page 6, line 26, delete ", or when authorized" and insert "or"

Page 7, line 1, after the period, insert:

"A pharmacist may prescribe over-the-counter medications as provided under this paragraph, for purposes of receiving reimbursement under Medicaid."

Page 7, line 2, delete "authorizing" and insert "prescribing"

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.

SECOND READING OF HOUSE BILLS

H. F. Nos. 30, 261, 293, 389, 414, 476, 505, 517, 561, 643, 687, 730, 810, 850, 852, 859, 865, 885, 892, 927, 943, 958, 964, 971, 996, 999, 1007, 1035, 1039, 1040, 1054, 1059, 1071, 1126, 1140, 1145, 1213, 1214, 1226, 1228, 1244, 1257, 1268, 1285, 1306, 1317, 1322, 1326, 1335, 1336, 1361, 1383, 1425 and 1426 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Abrams introduced:

H. F. No. 1469, A bill for an act relating to public finance; providing for capital improvement bonds for cities and other capital and public financing and economic development tools and procedures for cities, counties, and other municipalities and local government units; amending Minnesota Statutes 2002, sections 373.01, subdivision 3; 373.45, subdivision 1; 376.009; 376.55, subdivision 3, by adding a subdivision; 376.56, subdivision 3; 410.32; 412.301; 469.034, subdivision 2; 469.103, subdivision 2; 469.175, subdivision 3, by adding a subdivision; 469.1813, subdivision 8; 475.58, subdivision 3b; proposing coding for new law in Minnesota Statutes, chapter 410.

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

Gerlach introduced:

H. F. No. 1470, A bill for an act relating to traffic regulations; requiring driver to stop at scene of accident resulting in alleged bodily injury; amending Minnesota Statutes 2002, section 169.09, subdivision 1.

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

Soderstrom introduced:

H. F. No. 1471, A bill for an act relating to subdivision regulation; requiring disclosure on conveyances as to compliance with subdivision regulations; proposing coding for new law in Minnesota Statutes, chapters 394; 462.

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

Soderstrom introduced:

H. F. No. 1472, A bill for an act relating to taxation; sales and use; exempting the purchase of certain property used in constructing a fire department facility in the city of Mora; amending Minnesota Statutes 2002, section 297A.71, by adding a subdivision.

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

McNamara; Sieben; Johnson, S.; Slawik; Mariani; Tingelstad; Dempsey and Atkins introduced:

H. F. No. 1473, A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for the Red Rock corridor transitway.

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

Erickson introduced:

H. F. No. 1474, A bill for an act relating to retirement; modifying retirement plan provisions governing Minnesota state colleges and universities employees; amending Minnesota Statutes 2002, sections 354.05, subdivisions 2, 35; 354.07, subdivision 9; 354.091; 354.51, by adding a subdivision; 354.52, by adding a subdivision; 354B.20, subdivisions 4, 6; 354B.23, subdivision 1; 354B.32; 354C.11, subdivision 2.

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

Mullery, Thao, Clark, Walker and Ellison introduced:

H. F. No. 1475, A bill for an act relating to gambling; appropriating money for a culturally competent compulsive gambling treatment program in the Southeast Asian communities.

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

Abrams introduced:

H. F. No. 1476, A bill for an act relating to taxation; providing an exemption from sales tax for construction materials for the Walker Art Center; amending Minnesota Statutes 2002, section 297A.71, by adding a subdivision.

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

Lindgren introduced:

H. F. No. 1477, A bill for an act relating to capital improvements; providing for a grant to independent school district No. 38, Red Lake, for school construction costs and related improvements; authorizing bonds; appropriating money.

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

Osterman introduced:

H. F. No. 1478, A bill for an act relating to the city of New Hope; authorizing creation of a tax increment financing district subject to certain rules.

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

Atkins; Lesch; Mullery; Sieben; Rukavina; Davnie; Goodwin; Nelson, M.; Sertich; Wasiluk; Hornstein; Thissen; Juhnke; Koenen; Lenczewski; Larson; Kelliher; Bernardy; Latz; Slawik; Johnson, S.; Thao; Ellison; Murphy; Hausman; Eken; Hilty and Greiling introduced:

H. F. No. 1479, A bill for an act relating to taxation; individual income; requiring the commissioner of revenue to adjust rate brackets under certain conditions; amending Minnesota Statutes 2002, section 290.06, subdivision 2c.

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

Juhnke and Urdahl introduced:

H. F. No. 1480, A bill for an act relating to education finance; authorizing a levy for independent school district No. 2396, A.C.G.C., for certain early retirement and health insurance costs.

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

Wilkin, Atkins, Powell, Sieben, Holberg, Kuisle and Adolphson introduced:

H. F. No. 1481, A bill for an act relating to counties; eliminating certain maintenance of effort provisions and relieving unnecessary or duplicative or otherwise onerous reporting, publishing, or other requirements; amending Minnesota Statutes 2002, sections 6.48; 6.54; 6.55; 6.64; 6.66; 6.67; 6.68, subdivision 1; 6.70; 6.71; 6.77; 15.99, subdivision 1; 84.83, by adding a subdivision; 119B.061, subdivision 1; 125A.36; 126C.55, subdivision 6; 134.201, subdivision 5; 144E.11, subdivision 6; 145.88; 145.881, subdivision 2; 145.882, subdivisions 1, 2, 3, 7, by adding a subdivision; 145.883, subdivisions 1, 9; 145A.02, subdivisions 5, 6, 7; 145A.06, subdivision 1; 145A.09, subdivisions 2, 4, 7; 145A.10, subdivisions 2, 5, 10, by adding a subdivision; 145A.11, subdivisions 2, 4; 145A.12, subdivisions 1, 2, by adding a subdivision; 145A.13, by adding a subdivision; 145A.14, subdivision 2; 169A.44; 201.171; 256.935; 256F.13, subdivision 1; 260B.157, subdivision 1; 260C.007, subdivision 19; 273.124, subdivision 13; 275.07, subdivisions 1, 4, 5; 276.04, subdivision 2; 279.09; 279.10; 331A.03, subdivision 1, by adding a subdivision; 354A.12, subdivision 3b; 373.41; 373.45, subdivision 8; 375.055, subdivision 1; 375.194, subdivisions 4, 5; 383A.75, subdivision 3; 386.30; 465.719, subdivision 9; 469.1791, subdivision 10; 469.1815, subdivision 1; 473.13, subdivision 1; 609.115, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 145; 145A; 345; proposing coding for new law as Minnesota Statutes, chapter 331B; repealing Minnesota Statutes 2002, sections 6.745; 119B.11, subdivisions 1, 4; 125A.38; 134.34, subdivision 4; 144.401; 144.9507, subdivision 3; 145.56, subdivision 2; 145.882, subdivisions 4, 5, 6, 8; 145.883, subdivisions 4, 7; 145.884; 145.885; 145.886; 145.888; 145.889; 145.890; 145.9266, subdivisions 2, 4, 5, 6, 7; 145.928, subdivision 9; 145A.02, subdivisions 9, 10, 11, 12, 13, 14; 145A.10, subdivisions 5, 6, 8; 145A.11, subdivision 3; 145A.12, subdivisions 3, 4, 5; 145A.14, subdivisions 3, 4; 145A.17, subdivisions 2, 9; 245.714; 256B.0911, subdivisions 4a, 4b, 4c, 4d; 256B.0945, subdivisions 6, 7, 8, 9; 256B.83; 256E.06; 256E.081; 256E.09; 256F.05, subdivision 8; 256F.10, subdivision 7; 268.872, subdivision 2; 275.065; 375.12, subdivision 2; 518.167; 611A.037, subdivision 1; Minnesota Rules, parts 4736.0010; 4736.0020; 4736.0030; 4736.0040; 4736.0050; 4736.0060; 4736.0070; 4736.0080; 4736.0090; 4736.0120; 4736.0130.

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

Soderstrom; Smith; Anderson, J.; Powell; Murphy; Walz; Meslow; McNamara; Samuelson; Lesch; Hilstrom and Blaine introduced:

H. F. No. 1482, A bill for an act relating to crime prevention; clarifying the reporting requirements of the predatory offender registration law; amending Minnesota Statutes 2002, section 243.166, subdivisions 3, 4a.

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

Sertich introduced:

H. F. No. 1483, A bill for an act relating to taxation; tax increment financing; treating the state general tax rate as a local tax rate for purposes of a tax increment financing district in the city of Hibbing.

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

Mariani introduced:

H. F. No. 1484, A bill for an act relating to liquor; authorizing the city of St. Paul to issue an on-sale intoxicating liquor license for the Minnesota Centennial Showboat.

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

Otto; Severson; Eken; Vandever; Erhardt; Nelson, M., and Olson, M., introduced:

H. F. No. 1485, A bill for an act relating to traffic regulations; authorizing town road authority to set speed limit under 40 miles per hour for unpaved, rural town road; amending Minnesota Statutes 2002, section 169.14, by adding a subdivision.

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

Krinkie, Seifert, Jacobson, Gerlach, Erickson, Adolphson, Borrell, DeLaForest, Kohls, Hoppe, Holberg, Kielkucki and Zellers introduced:

H. F. No. 1486, A bill for an act relating to public employee labor relations; requiring annual notice of a state employee's right to reduce union dues expended for certain purposes; requiring an accounting of certain expenditures by a union to its members; proposing coding for new law in Minnesota Statutes, chapter 179A.

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

Abeler and Huntley introduced:

H. F. No. 1487, A bill for an act relating to health; providing for specialty licensure for dentists and requiring malpractice insurance; amending Minnesota Statutes 2002, sections 150A.06, subdivision 1c; 150A.08, subdivision 1.

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

Anderson, I., introduced:

H. F. No. 1488, A resolution memorializing the President and Congress to provide a Vehicle and Cargo Inspection System machine in Ranier, Minnesota.

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

Anderson, I., introduced:

H. F. No. 1489, A bill for an act relating to taxation; extending the time during which a sales tax exemption for a biomass electric generating facility applies; amending Laws 1999, chapter 243, article 4, section 19, as amended.

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

Eken and Lieder introduced:

H. F. No. 1490, A bill for an act relating to domestic abuse training; requiring additional training for peace officers, teachers, and school administrators; amending Minnesota Statutes 2002, section 626.8451, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 122A.

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

Lanning, Penas, Swenson, Marquart and Koenen introduced:

H. F. No. 1491, A bill for an act relating to tax increment financing; allowing certain disaster areas to qualify as redevelopment districts with an original tax capacity equal to the land value; amending Minnesota Statutes 2002, sections 469.174, subdivision 10, by adding a subdivision; 469.177, subdivision 1.

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

Hornstein and Osterman introduced:

H. F. No. 1492, A bill for an act relating to crime prevention; prohibiting children under the age of 17 from possessing certain video games; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Dorman introduced:

H. F. No. 1493, A bill for an act relating to liquor; eliminating certain geographic restrictions on competition for municipal liquor stores; extending bar hours to 2:00 a.m.; providing for uniform hours for off-sale of liquor in the state; removing restrictions on the number of on-sale and off-sale liquor licenses that may be issued by a municipality; amending Minnesota Statutes 2002, sections 340A.404, subdivision 6; 340A.405, subdivision 2; 340A.504, subdivisions 1, 2, 3, 4, 5; repealing Minnesota Statutes 2002, section 340A.413.

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

Gerlach introduced:

H. F. No. 1494, A bill for an act relating to employment; modifying the definition of "prevailing hours of labor" for prevailing wage purposes; amending Minnesota Statutes 2002, section 177.42, subdivision 4.

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

Pelowski; Pugh; Greiling; Sieben; Nelson, M.; Mahoney; Lesch; Atkins; Johnson, S.; Eken; Otremba; Juhnke; Lieder; Thao; Wasiluk; Murphy; Jaros; Wagenius; Larson; Walker; Koenen; Lenczewski; Latz; Mullery and Hilstrom introduced:

H. F. No. 1495, A bill for an act relating to veterans; providing free tuition to certain military veterans at public colleges and universities; appropriating money.

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

Pugh introduced:

H. F. No. 1496, A bill for an act relating to corporate franchise tax; providing for taxation of deemed dividends received from foreign operating corporations; amending Minnesota Statutes 2002, sections 290.01, subdivision 6b; 290.17, subdivision 4.

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

Murphy introduced:

H. F. No. 1497, A bill for an act relating to public safety; imposing fine surcharge on traffic violators apprehended by state patrol; creating trooper training account; appropriating money; amending Minnesota Statutes 2002, sections 169.89, by adding a subdivision; 299D.03, subdivisions 5, 6, by adding a subdivision.

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

Davids, Juhnke, Westrom, Hoppe and Hilty introduced:

H. F. No. 1498, A bill for an act relating to telecommunications; regulating open video systems; proposing coding for new law as Minnesota Statutes, chapter 238A.

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

Seagren and Erhardt introduced:

H. F. No. 1499, A bill for an act relating to highways; authorizing issuance of trunk highway bonds for improvements to I-494; appropriating money.

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

Nelson, M., introduced:

H. F. No. 1500, A bill for an act relating to highways; authorizing state bonds for construction of an interchange at the intersection of marked trunk highway 169, Hennepin county state-aid highway 81, and 85th Avenue North; appropriating money.

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

Juhnke and Solberg introduced:

H. F. No. 1501, A bill for an act relating to transportation appropriations; prohibiting spending by department of transportation on passenger automobiles, mobile telephones, pagers, and travel; requiring spending reductions on overhead, administration, information technology, and research; requiring department to sell passenger vehicles, mobile telephones, and pagers.

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

Dorman; Marquart; Davids; Juhnke; Westrom; Koenen; Harder; Magnus; Dill; Anderson, J.; Lieder; Finstad; Heidgerken; Opatz; Walz; Simpson; Abeler; Pugh; Pelowski; Fuller; Gunther; Swenson; Severson; Paymar; Hausman and Urdahl introduced:

H. F. No. 1502, A bill for an act relating to taxation; eliminating payment of market value homestead credit reimbursements to cities; reinstating authorization to levy for transit purposes; providing for additional means of financing transit; reducing local government aid payable to cities; amending Minnesota Statutes 2002, sections 273.1384, subdivision 4; 473.388, subdivisions 4, 7; 473.446, subdivision 1, by adding subdivisions; 477A.03, subdivision 2; repealing Minnesota Statutes 2002, sections 174.242; 477A.03, subdivision 4.

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

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 1001, 351, 479, 816, 675, 980 and 1095.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1001, A bill for an act relating to environment; modifying requirements for solid waste plans; amending Minnesota Statutes 2002, section 115A.46, subdivision 1.

The bill was read for the first time.

McNamara moved that S. F. No. 1001 and H. F. No. 1054, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 351, A bill for an act relating to crime prevention; providing that in certain cases authorized representatives of entities possessing a permit to use radio equipment capable of receiving police emergency transmissions may use and possess the equipment without a permit; amending Minnesota Statutes 2002, section 299C.37, subdivisions 1, 3.

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

S. F. No. 479, A bill for an act relating to auditing; allowing certified public accountants to perform annual audits for county nursing homes; amending Minnesota Statutes 2002, section 6.552.

The bill was read for the first time.

Nornes moved that S. F. No. 479 and H. F. No. 585, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 816, A bill for an act relating to the metropolitan radio board; extending the expiration date for the board; proposing coding for new law in Minnesota Statutes, chapter 473.

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

S. F. No. 675, A bill for an act relating to agriculture; eliminating the expiration date for the Minnesota agriculture education leadership council; repealing Minnesota Statutes 2002, section 41D.01, subdivision 4.

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

S. F. No. 980, A bill for an act relating to crime; providing reporting procedures and venue for identity theft; amending Minnesota Statutes 2002, section 609.527, by adding subdivisions.

The bill was read for the first time.

Paulsen moved that S. F. No. 980 and H. F. No. 821, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1095, A bill for an act relating to veterans affairs; clarifying that certain benefits are limited to state residents; amending Minnesota Statutes 2002, section 197.05.

The bill was read for the first time.

Kielkucki moved that S. F. No. 1095 and H. F. No. 912, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

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

MOTION TO FIX TIME TO CONVENE

Paulsen moved that when the House adjourns today it adjourn until 4:30 p.m., Wednesday, April 9, 2003. The motion prevailed.

CALENDAR FOR THE DAY

S. F. No. 187, as amended, was reported to the House.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on Wednesday, April 2, 2003, whereby the House upheld the ruling of the Speaker relating to the point of order raised by Ellison to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Seifert amendment to S. F. No. 187 was adopted Wednesday, April 2, 2003, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 47 yeas and 85 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|----------|-------------|------------|-----------|----------|
| Abrams | Dorn | Hilty | Latz | Olson, M. | Slawik |
| Anderson, I. | Ellison | Hornstein | Lesch | Osterman | Solberg |
| Atkins | Entenza | Huntley | Lieder | Otto | Thao |
| Bernardy | Erhardt | Jaros | Mahoney | Peterson | Thissen |
| Biernat | Goodwin | Johnson, S. | Mariani | Pugh | Wagenius |
| Carlson | Greiling | Kahn | Mullery | Rhodes | Walker |
| Clark | Hausman | Kelliher | Murphy | Rukavina | Wasiluk |
| Davnie | Hilstrom | Larson | Nelson, M. | Sieben | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lindgren | Pelowski | Tingelstad |
| Adolphson | Dempsey | Hoppe | Lindner | Penas | Urdahl |
| Anderson, B. | Dill | Howes | Lipman | Powell | Vandever |
| Anderson, J. | Dorman | Jacobson | Magnus | Ruth | Walz |
| Beard | Eastlund | Johnson, J. | Marquart | Samuelson | Wardlow |
| Blaine | Eken | Juhnke | McNamara | Seagren | Westerberg |
| Borrell | Erickson | Kielkucki | Meslow | Seifert | Westrom |
| Boudreau | Finstad | Klinzing | Nelson, C. | Severson | Wilkin |
| Bradley | Fuller | Knoblach | Nelson, P. | Simpson | Zellers |
| Brod | Gerlach | Koenen | Nornes | Smith | Spk. Sviggum |
| Buesgens | Gunther | Kohls | Olsen, S. | Soderstrom | |
| Cornish | Haas | Krinkie | Opatz | Stang | |
| Cox | Hackbarth | Kuisle | Otremba | Strachan | |
| Davids | Harder | Lanning | Ozment | Swenson | |
| DeLaForest | Heidgerken | Lenczewski | Paulsen | Sykora | |

The motion did not prevail.

MOTION FOR RECONSIDERATION

Seifert moved that the vote on Wednesday, April 2, 2003, whereby the House upheld the ruling of the Speaker relating to the point of order raised by Ellison to the Holberg amendment to S. F. No. 187, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 43 yeas and 89 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Ellison | Hornstein | Lesch | Pugh | Wagenius |
| Atkins | Entenza | Huntley | Mahoney | Rhodes | Walker |
| Bernardy | Erhardt | Jaros | Mariani | Rukavina | Wasiluk |
| Biernat | Goodwin | Johnson, S. | Mullery | Sieben | |
| Carlson | Greiling | Kahn | Nelson, M. | Slawik | |
| Clark | Hausman | Kelliher | Osterman | Solberg | |
| Davnie | Hilstrom | Larson | Otto | Thao | |
| Dorn | Hilty | Latz | Peterson | Thissen | |

Those who voted in the negative were:

| | | | | | |
|--------------|----------|------------|----------|------------|-------------|
| Abeler | Borrell | Davids | Eken | Hackbarth | Johnson, J. |
| Adolphson | Boudreau | DeLaForest | Erickson | Harder | Juhnke |
| Anderson, B. | Bradley | Demmer | Finstad | Heidgerken | Kielkucki |
| Anderson, I. | Brod | Dempsey | Fuller | Holberg | Klinzing |
| Anderson, J. | Buesgens | Dill | Gerlach | Hoppe | Knoblach |
| Beard | Cornish | Dorman | Gunther | Howes | Koenen |
| Blaine | Cox | Eastlund | Haas | Jacobson | Kohls |

| | | | | | |
|------------|------------|-----------|-----------|------------|--------------|
| Krinkie | Magnus | Olsen, S. | Powell | Soderstrom | Walz |
| Kuisle | Marquart | Olson, M. | Ruth | Stang | Wardlow |
| Lanning | McNamara | Opatz | Samuelson | Strachan | Westerberg |
| Lenczewski | Meslow | Otremba | Seagren | Swenson | Westrom |
| Lieder | Murphy | Ozment | Seifert | Sykora | Wilkin |
| Lindgren | Nelson, C. | Paulsen | Severson | Tingelstad | Zellers |
| Lindner | Nelson, P. | Pelowski | Simpson | Urdahl | Spk. Sviggum |
| Lipman | Nornes | Penas | Smith | Vandevveer | |

The motion did not prevail.

Holberg moved to amend S. F. No. 187, as amended, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

Section 1. [SHORT TITLE.]

Sections 1 to 10 shall be known and may be cited as the "Woman's Right to Know Act."

Sec. 2. [145.4241] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] As used in sections 145.4241 to 145.4249, the following terms have the meaning given them.

Subd. 2. [ABORTION.] "Abortion" means the use or prescription of any instrument, medicine, drug, or any other substance or device to intentionally terminate the pregnancy of a female known to be pregnant, with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus.

Subd. 3. [ATTEMPT TO PERFORM AN ABORTION.] "Attempt to perform an abortion" means an act, or an omission of a statutorily required act, that, under the circumstances as the actor believes them to be, constitutes a substantial step in a course of conduct planned to culminate in the performance of an abortion in Minnesota in violation of sections 145.4241 to 145.4249.

Subd. 4. [MEDICAL EMERGENCY.] "Medical emergency" means any condition that, on the basis of the physician's good faith clinical judgment, so complicates the medical condition of a pregnant female as to necessitate the immediate abortion of her pregnancy to avert her death or for which a delay will create serious risk of substantial and irreversible impairment of a major bodily function.

Subd. 5. [PHYSICIAN.] "Physician" means a person licensed as a physician or osteopath under chapter 147.

Subd. 6. [PROBABLE GESTATIONAL AGE OF THE UNBORN CHILD.] "Probable gestational age of the unborn child" means what will, in the judgment of the physician, with reasonable probability, be the gestational age of the unborn child at the time the abortion is planned to be performed.

Subd. 7. [STABLE INTERNET WEB SITE.] "Stable Internet Web site" means a Web site that, to the extent reasonably practicable, is safeguarded from having its content altered other than by the commissioner of health.

Subd. 8. [UNBORN CHILD.] "Unborn child" means a member of the species Homo sapiens from fertilization until birth.

Sec. 3. [145.4242] [INFORMED CONSENT.]

No abortion shall be performed in this state except with the voluntary and informed consent of the female upon whom the abortion is to be performed. Except in the case of a medical emergency, consent to an abortion is voluntary and informed only if:

(1) the female is told the following, by telephone or in person, by the physician who is to perform the abortion or by a referring physician, at least 24 hours before the abortion:

(i) the particular medical risks associated with the particular abortion procedure to be employed including, when medically accurate, the risks of infection, hemorrhage, breast cancer, danger to subsequent pregnancies, and infertility;

(ii) the probable gestational age of the unborn child at the time the abortion is to be performed; and

(iii) the medical risks associated with carrying her child to term.

The information required by this clause may be provided by telephone without conducting a physical examination or tests of the patient, in which case the information required to be provided may be based on facts supplied to the physician by the female and whatever other relevant information is reasonably available to the physician. It may not be provided by a tape recording, but must be provided during a consultation in which the physician is able to ask questions of the female and the female is able to ask questions of the physician. If a physical examination, tests, or the availability of other information to the physician subsequently indicate, in the medical judgment of the physician, a revision of the information previously supplied to the patient, that revised information may be communicated to the patient at any time prior to the performance of the abortion. Nothing in this section may be construed to preclude provision of required information in a language understood by the patient through a translator;

(2) the female is informed, by telephone or in person, by the physician who is to perform the abortion, by a referring physician, or by an agent of either physician at least 24 hours before the abortion:

(i) that medical assistance benefits may be available for prenatal care, childbirth, and neonatal care;

(ii) that the father is liable to assist in the support of her child, even in instances when the father has offered to pay for the abortion; and

(iii) that she has the right to review the printed materials described in section 145.4243, that these materials are available on a state-sponsored Web site, and what the Web site address is. The physician or the physician's agent shall orally inform the female that the materials have been provided by the state of Minnesota and that they describe the unborn child, list agencies that offer alternatives to abortion, and contain information on fetal pain. If the female chooses to view the materials other than on the Web site, they shall either be given to her at least 24 hours before the abortion or mailed to her at least 72 hours before the abortion by certified mail, restricted delivery to addressee, which means the postal employee can only deliver the mail to the addressee.

The information required by this clause may be provided by a tape recording if provision is made to record or otherwise register specifically whether the female does or does not choose to have the printed materials given or mailed to her;

(3) the female certifies in writing, prior to the abortion, that the information described in clauses (1) and (2) has been furnished to her and that she has been informed of her opportunity to review the information referred to in clause (2), subclause (iii); and

(4) prior to the performance of the abortion, the physician who is to perform the abortion or the physician's agent obtains a copy of the written certification prescribed by clause (3) and retains it on file with the female's medical record for at least three years following the date of receipt.

Sec. 4. [145.4243] [PRINTED INFORMATION.]

(a) Within 90 days after the effective date of sections 145.4241 to 145.4249, the commissioner of health shall cause to be published, in English and in each language that is the primary language of two percent or more of the state's population, and shall cause to be available on the state Web site provided for under section 145.4244 the following printed materials in such a way as to ensure that the information is easily comprehensible:

(1) geographically indexed materials designed to inform the female of public and private agencies and services available to assist a female through pregnancy, upon childbirth, and while the child is dependent, including adoption agencies, which shall include a comprehensive list of the agencies available, a description of the services they offer, and a description of the manner, including telephone numbers, in which they might be contacted or, at the option of the commissioner of health, printed materials including a toll-free, 24-hours-a-day telephone number that may be called to obtain, orally or by a tape recorded message tailored to a zip code entered by the caller, such a list and description of agencies in the locality of the caller and of the services they offer;

(2) materials designed to inform the female of the probable anatomical and physiological characteristics of the unborn child at two-week gestational increments from the time when a female can be known to be pregnant to full term, including any relevant information on the possibility of the unborn child's survival and pictures or drawings representing the development of unborn children at two-week gestational increments, provided that any such pictures or drawings must contain the dimensions of the fetus and must be realistic and appropriate for the stage of pregnancy depicted. The materials shall be objective, nonjudgmental, and designed to convey only accurate scientific information about the unborn child at the various gestational ages. The material shall also contain objective information describing the methods of abortion procedures commonly employed, the medical risks commonly associated with each procedure, the possible detrimental psychological effects of abortion, and the medical risks commonly associated with carrying a child to term; and

(3) materials with the following information concerning an unborn child of 20 weeks gestational age and at two weeks gestational increments thereafter in such a way as to ensure that the information is easily comprehensible:

(i) the development of the nervous system of the unborn child;

(ii) fetal responsiveness to adverse stimuli and other indications of capacity to experience organic pain; and

(iii) the impact on fetal organic pain of each of the methods of abortion procedures commonly employed at this stage of pregnancy.

The material under this clause shall be objective, nonjudgmental, and designed to convey only accurate scientific information.

(b) The materials referred to in this section must be printed in a typeface large enough to be clearly legible. The Web site provided for under section 145.4244 shall be maintained at a minimum resolution of 70 DPI (dots per inch). All pictures appearing on the Web site shall be a minimum of 200x300 pixels. All letters on the Web site shall be a minimum of 11-point font. All information and pictures shall be accessible with an industry standard browser, requiring no additional plug-ins. The materials required under this section must be available at no cost from the commissioner of health upon request and in appropriate number to any person, facility, or hospital.

Sec. 5. [145.4244] [INTERNET WEB SITE.]

The commissioner of health shall develop and maintain a stable Internet Web site to provide the information described under section 145.4243. No information regarding who uses the Web site shall be collected or maintained. The commissioner of health shall monitor the Web site on a weekly basis to prevent and correct tampering.

Sec. 6. [145.4245] [PROCEDURE IN CASE OF MEDICAL EMERGENCY.]

When a medical emergency compels the performance of an abortion, the physician shall inform the female, prior to the abortion if possible, of the medical indications supporting the physician's judgment that an abortion is necessary to avert her death or that a 24-hour delay will create serious risk of substantial and irreversible impairment of a major bodily function.

Sec. 7. [145.4246] [REPORTING REQUIREMENTS.]

Subdivision 1. [REPORTING FORM.] Within 90 days after the effective date of sections 145.4241 to 145.4249, the commissioner of health shall prepare a reporting form for physicians containing a reprint of sections 145.4241 to 145.4249 and listing:

(1) the number of females to whom the physician provided the information described in section 145.4242, clause (1); of that number, the number provided by telephone and the number provided in person; and of each of those numbers, the number provided in the capacity of a referring physician and the number provided in the capacity of a physician who is to perform the abortion;

(2) the number of females to whom the physician or an agent of the physician provided the information described in section 145.4242, clause (2); of that number, the number provided by telephone and the number provided in person; of each of those numbers, the number provided in the capacity of a referring physician and the number provided in the capacity of a physician who is to perform the abortion; and of each of those numbers, the number provided by the physician and the number provided by an agent of the physician;

(3) the number of females who availed themselves of the opportunity to obtain a copy of the printed information described in section 145.4243 other than on the Web site and the number who did not; and of each of those numbers, the number who, to the best of the reporting physician's information and belief, went on to obtain the abortion; and

(4) the number of abortions performed by the physician in which information otherwise required to be provided at least 24 hours before the abortion was not so provided because an immediate abortion was necessary to avert the female's death and the number of abortions in which such information was not so provided because a delay would create serious risk of substantial and irreversible impairment of a major bodily function.

Subd. 2. [DISTRIBUTION OF FORMS.] The commissioner of health shall ensure that copies of the reporting forms described in subdivision 1 are provided:

(1) by December 1, 2003, and by December 1 of each subsequent year thereafter to all physicians licensed to practice in this state; and

(2) to each physician who subsequently becomes newly licensed to practice in this state, at the same time as official notification to that physician that the physician is so licensed.

Subd. 3. [REPORTING REQUIREMENT.] By April 1, 2005, and by April 1 of each subsequent year thereafter, each physician who provided, or whose agent provided, information to one or more females in accordance with section 145.4242 during the previous calendar year shall submit to the commissioner of health a copy of the form described in subdivision 1 with the requested data entered accurately and completely.

Subd. 4. [ADDITIONAL REPORTING.] Nothing in this section shall be construed to preclude the voluntary or required submission of other reports or forms regarding abortions.

Subd. 5. [FAILURE TO REPORT AS REQUIRED.] Reports that are not submitted by the end of a grace period of 30 days following the due date shall be subject to a late fee of \$500 for each additional 30-day period or portion of a 30-day period they are overdue. Any physician required to report according to this section who has not submitted a report, or has submitted only an incomplete report, more than one year following the due date, may, in an action brought by the commissioner of health, be directed by a court of competent jurisdiction to submit a complete report within a period stated by court order or be subject to sanctions for civil contempt.

Subd. 6. [PUBLIC STATISTICS.] By July 1, 2005, and by July 1 of each subsequent year thereafter, the commissioner of health shall issue a public report providing statistics for the previous calendar year compiled from all of the reports covering that year submitted according to this section for each of the items listed in subdivision 1. Each report shall also provide the statistics for all previous calendar years, adjusted to reflect any additional information from late or corrected reports. The commissioner of health shall take care to ensure that none of the information included in the public reports could reasonably lead to the identification of any individual providing or provided information according to section 145.4242.

Subd. 7. [CONSOLIDATION.] The commissioner of health may consolidate the forms or reports described in this section with other forms or reports to achieve administrative convenience or fiscal savings or to reduce the burden of reporting requirements.

Sec. 8. [145.4247] [REMEDIES.]

Subdivision 1. [CIVIL REMEDIES.] Any person upon whom an abortion has been performed without complying with sections 145.4241 to 145.4249 may maintain an action against the person who performed the abortion in knowing or reckless violation of sections 145.4241 to 145.4249 for actual and punitive damages. Any person upon whom an abortion has been attempted without complying with sections 145.4241 to 145.4249 may maintain an action against the person who attempted to perform the abortion in knowing or reckless violation of sections 145.4241 to 145.4249 for actual and punitive damages. No civil liability may be assessed for failure to comply with section 145.4242, clause (2), item (iii), or that portion of section 145.4242, clause (2), requiring written certification that the female has been informed of her opportunity to review the information referred to in section 145.4242, clause (2), item (iii), unless the commissioner of health has made the printed materials or Web site address available at the time the physician or the physician's agent is required to inform the female of her right to review them.

Subd. 2. [SUIT TO COMPEL STATISTICAL REPORT.] If the commissioner of health fails to issue the public report required under section 145.4246, subdivision 6, or fails in any way to enforce this act, any group of ten or more citizens of this state may seek an injunction in a court of competent jurisdiction against the commissioner of health requiring that a complete report be issued within a period stated by court order. Failure to abide by such an injunction shall subject the commissioner to sanctions for civil contempt.

Subd. 3. [ATTORNEY FEES.] If judgment is rendered in favor of the plaintiff in any action described in this section, the court shall also render judgment for reasonable attorney fees in favor of the plaintiff against the defendant. If judgment is rendered in favor of the defendant and the court finds that the plaintiff's suit was frivolous and brought in bad faith, the court shall also render judgment for reasonable attorney fees in favor of the defendant against the plaintiff.

Subd. 4. [PROTECTION OF PRIVACY IN COURT PROCEEDINGS.] In every civil action brought under sections 145.4241 to 145.4249, the court shall rule whether the anonymity of any female upon whom an abortion has been performed or attempted shall be preserved from public disclosure if she does not give her consent to such

disclosure. The court, upon motion or sua sponte, shall make such a ruling and, upon determining that her anonymity should be preserved, shall issue orders to the parties, witnesses, and counsel and shall direct the sealing of the record and exclusion of individuals from courtrooms or hearing rooms to the extent necessary to safeguard her identity from public disclosure. Each order must be accompanied by specific written findings explaining why the anonymity of the female should be preserved from public disclosure, why the order is essential to that end, how the order is narrowly tailored to serve that interest, and why no reasonable, less restrictive alternative exists. In the absence of written consent of the female upon whom an abortion has been performed or attempted, anyone, other than a public official, who brings an action under subdivision 1, shall do so under a pseudonym. This section may not be construed to conceal the identity of the plaintiff or of witnesses from the defendant.

Sec. 9. [145.4248] [SEVERABILITY.]

If any one or more provision, section, subsection, sentence, clause, phrase, or word of sections 145.4241 to 145.4249 or the application thereof to any person or circumstance is found to be unconstitutional, the same is hereby declared to be severable and the balance of sections 145.4241 to 145.4249 shall remain effective notwithstanding such unconstitutionality. The legislature hereby declares that it would have passed sections 145.4241 to 145.4249, and each provision, section, subsection, sentence, clause, phrase, or word thereof, irrespective of the fact that any one or more provision, section, subsection, sentence, clause, phrase, or word be declared unconstitutional.

Sec. 10. [145.4249] [SUPREME COURT JURISDICTION.]

The Minnesota supreme court has original jurisdiction over an action challenging the constitutionality of sections 145.4241 to 145.4249 and shall expedite the resolution of the action.

Sec. 11. [APPROPRIATION.]

\$274,000 in fiscal year 2004 and \$214,000 in fiscal year 2005 are appropriated from the general fund to the commissioner of health for the purposes of this act. The base for this program in fiscal year 2006 and thereafter is \$207,000.

ARTICLE 2

Section 1. Minnesota Statutes 2002, section 145.4134, is amended to read:

145.4134 [COMMISSIONER'S PUBLIC REPORT.]

(a) By July 1 of each year, except for 1998 and 1999 information, the commissioner shall issue a public report providing statistics for the previous calendar year compiled from the data submitted under sections 145.4131 to 145.4133 and sections 145.4241 to 145.4249. For 1998 and 1999 information, the report shall be issued October 1, 2000. Each report shall provide the statistics for all previous calendar years, adjusted to reflect any additional information from late or corrected reports. The commissioner shall ensure that none of the information included in the public reports can reasonably lead to identification of an individual having performed or having had an abortion. All data included on the forms under sections 145.4131 to 145.4133 and sections 145.4241 to 145.4249 must be included in the public report, except that the commissioner shall maintain as confidential, data which alone or in combination may constitute information from which an individual having performed or having had an abortion may be identified using epidemiologic principles. The commissioner shall submit the report to the senate health and family security committee and the house health and human services committee.

(b) The commissioner may, by rules adopted under chapter 14, alter the submission dates established under sections 145.4131 to 145.4133 for administrative convenience, fiscal savings, or other valid reason, provided that physicians or facilities and the commissioner of human services submit the required information once each year and the commissioner issues a report once each year.

Sec. 2. [REPEALER.]

Minnesota Statutes 2002, section 145.413, subdivision 1, is repealed. Notwithstanding Minnesota Statutes, section 14.05, repeal of section 145.413, subdivision 1, does not repeal rules adopted under that subdivision."

Delete the title and insert:

"A bill for an act relating to health; requiring informed consent of a female upon whom an abortion is performed; providing civil remedies; repealing an obsolete law; appropriating money; amending Minnesota Statutes 2002, section 145.4134; proposing coding for new law in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 2002, section 145.413, subdivision 1."

A roll call was requested and properly seconded.

Huntley moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 12, line 8, before "Minnesota" insert "(a)"

Page 12, after line 11, insert:

"(b) Minnesota Statutes 2002, section 37.26, is repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 44 yeas and 88 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hilty | Latz | Peterson | Thissen |
| Anderson, I. | Ellison | Hornstein | Lesch | Pugh | Wagenius |
| Atkins | Entenza | Huntley | Lieder | Rhodes | Walker |
| Bernardy | Erhardt | Jaros | Mahoney | Rukavina | Wasiluk |
| Biernat | Goodwin | Johnson, S. | Mariani | Sieben | |
| Carlson | Greiling | Kahn | Mullery | Slawik | |
| Clark | Hausman | Kelliher | Nelson, M. | Solberg | |
| Davnie | Hilstrom | Larson | Otto | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|----------|-------------|------------|------------|
| Abeler | Brod | Dorman | Hackbarth | Kielkucki | Lindgren |
| Adolphson | Buesgens | Eastlund | Harder | Klinzing | Lindner |
| Anderson, B. | Cornish | Eken | Heidgerken | Knoblach | Lipman |
| Anderson, J. | Cox | Erickson | Holberg | Koenen | Magnus |
| Beard | Dauids | Finstad | Hoppe | Kohls | Marquart |
| Blaine | DeLaForest | Fuller | Howes | Krinkie | McNamara |
| Borrell | Demmer | Gerlach | Jacobson | Kuisle | Meslow |
| Boudreau | Dempsey | Gunther | Johnson, J. | Lanning | Murphy |
| Bradley | Dill | Haas | Juhnke | Lenczewski | Nelson, C. |

| | | | | | |
|------------|----------|-----------|------------|------------|--------------|
| Nelson, P. | Otremba | Ruth | Smith | Tingelstad | Westrom |
| Nornes | Ozment | Samuelson | Soderstrom | Urdahl | Wilkin |
| Olsen, S. | Paulsen | Seagren | Stang | Vandever | Zellers |
| Olson, M. | Pelowski | Seifert | Strachan | Walz | Spk. Sviggum |
| Opatz | Penas | Severson | Swenson | Wardlow | |
| Osterman | Powell | Simpson | Sykora | Westerberg | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Huntley amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Huntley amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered. The motion did not prevail.

Kahn moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 2, line 33, delete "breast"

Page 2, line 34, delete "cancer."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 44 yeas and 88 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Ellison | Hornstein | Lesch | Peterson | Thissen |
| Atkins | Entenza | Huntley | Mahoney | Pugh | Wagenius |
| Bernardy | Erhardt | Jaros | Mariani | Rhodes | Walker |
| Biernat | Goodwin | Johnson, S. | Mullery | Rukavina | Wasiluk |
| Carlson | Greiling | Kahn | Nelson, M. | Sieben | |
| Clark | Hausman | Kelliher | Opatz | Slawik | |
| Davnie | Hilstrom | Larson | Osterman | Solberg | |
| Dorman | Hilty | Latz | Otto | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Heidgerken | Lenczewski | Otremba | Strachan |
| Adolphson | Demmer | Holberg | Lieder | Ozment | Swenson |
| Anderson, B. | Dempsey | Hoppe | Lindgren | Paulsen | Sykora |
| Anderson, I. | Dill | Howes | Lindner | Pelowski | Tingelstad |
| Anderson, J. | Dorn | Jacobson | Lipman | Penas | Urdahl |
| Beard | Eastlund | Johnson, J. | Magnus | Powell | Vandever |
| Blaine | Eken | Juhnke | Marquart | Ruth | Walz |
| Borrell | Erickson | Kielkucki | McNamara | Samuelson | Wardlow |
| Boudreau | Finstad | Klinzing | Meslow | Seagren | Westerberg |
| Bradley | Fuller | Knoblach | Murphy | Seifert | Westrom |
| Brod | Gerlach | Koenen | Nelson, C. | Severson | Wilkin |
| Buesgens | Gunther | Kohls | Nelson, P. | Simpson | Zellers |
| Cornish | Haas | Krinkie | Nornes | Smith | Spk. Sviggum |
| Cox | Hackbarth | Kuisele | Olsen, S. | Soderstrom | |
| Davids | Harder | Lanning | Olson, M. | Stang | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 36 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Ellison | Hilty | Kelliher | Mullery | Sieben |
| Atkins | Entenza | Hornstein | Larson | Nelson, M. | Slawik |
| Bernardy | Erhardt | Huntley | Latz | Otto | Thissen |
| Carlson | Goodwin | Jaros | Lesch | Peterson | Wagenius |
| Clark | Greiling | Johnson, S. | Mahoney | Rhodes | Walker |
| Davnie | Hilstrom | Kahn | Mariani | Rukavina | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|-----------|-------------|------------|------------|--------------|
| Abeler | Demmer | Heidgerken | Lieder | Otremba | Stang |
| Adolphson | Dempsey | Holberg | Lindgren | Ozment | Strachan |
| Anderson, B. | Dill | Hoppe | Lindner | Paulsen | Swenson |
| Anderson, I. | Dorman | Howes | Lipman | Pelowski | Sykora |
| Anderson, J. | Dorn | Jacobson | Magnus | Penas | Tingelstad |
| Beard | Eastlund | Johnson, J. | Marquart | Powell | Urdahl |
| Blaine | Eken | Juhnke | McNamara | Pugh | Vandaveer |
| Borrell | Erickson | Kielkucki | Meslow | Ruth | Walz |
| Boudreau | Finstad | Klinzing | Murphy | Samuelson | Wardlow |
| Bradley | Fuller | Knoblach | Nelson, C. | Seagren | Westerberg |
| Brod | Gerlach | Koenen | Nelson, P. | Seifert | Westrom |
| Buesgens | Gunther | Kohls | Nornes | Severson | Wilkin |
| Cornish | Haas | Krinkie | Olsen, S. | Simpson | Zellers |
| Cox | Hackbarth | Kuisle | Olson, M. | Smith | Spk. Sviggum |
| Davids | Harder | Lanning | Opatz | Soderstrom | |
| DeLaForest | Hausman | Lenczewski | Osterman | Solberg | |

The motion did not prevail.

Wagenius, Huntley and Walker moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 5, line 23, delete "and" and insert:

"(3) materials designed to inform the female about the need for pregnant women to avoid certain known risk factors for spontaneous abortions, birth defects, developmental abnormalities, premature deliveries or low birth weight babies. Information on such risk factors must include:

(i) risks associated with maternal use of alcohol, cigarettes, controlled substances, or non-prescription drugs;

(ii) risks associated with maternal exposure to toxins and pesticides;

(iii) risks associated with maternal consumption of contaminated well water, including the recommendation that all wells should be tested at least annually for coliform bacteria and nitrate, that all wells should be tested at least once for arsenic, and that further measures including testing for pesticides are necessary if a well tests positive for nitrates;

(iv) risks associated with maternal consumption of mercury and PCBs in fish, including information regarding access to health department fish advisories; and

(v) risks associated with maternal infection with rubella, varicella zoster, or toxoplasmosis.

The information on risk factors shall be objective, nonjudgmental and designed to convey only accurate scientific information; and"

Page 5, line 25, delete "(3)" and insert "(4)"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 44 yeas and 87 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hornstein | Lesch | Peterson | Thissen |
| Atkins | Ellison | Huntley | Mahoney | Pugh | Wagenius |
| Bernardy | Entenza | Jaros | Mariani | Rhodes | Walker |
| Biernat | Erhardt | Johnson, S. | Mullery | Rukavina | Wasiluk |
| Carlson | Greiling | Kahn | Nelson, M. | Sieben | |
| Clark | Hausman | Kelliher | Nelson, P. | Slawik | |
| Cox | Hilstrom | Larson | Osterman | Solberg | |
| Davnie | Hilty | Latz | Otto | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lieder | Ozment | Swenson |
| Adolphson | Dempsey | Hoppe | Lindgren | Paulsen | Sykora |
| Anderson, B. | Dill | Howes | Lindner | Pelowski | Tingelstad |
| Anderson, I. | Dorman | Jacobson | Lipman | Penas | Urdahl |
| Anderson, J. | Eastlund | Johnson, J. | Magnus | Powell | Vandever |
| Beard | Eken | Juhnke | Marquart | Ruth | Walz |
| Blaine | Erickson | Kielkucki | McNamara | Samuelson | Wardlow |
| Borrell | Finstad | Klinzing | Meslow | Seagren | Westerberg |
| Boudreau | Fuller | Knoblach | Murphy | Seifert | Westrom |
| Bradley | Gerlach | Koenen | Nelson, C. | Severson | Wilkin |
| Brod | Gunther | Kohls | Nornes | Simpson | Zellers |
| Buesgens | Haas | Krinkie | Olsen, S. | Smith | Spk. Sviggum |
| Cornish | Hackbarth | Kuisle | Olson, M. | Soderstrom | |
| Davids | Harder | Lanning | Opatz | Stang | |
| DeLaForest | Heidgerken | Lenczewski | Otremba | Strachan | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Wagenius et al amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Wagenius et al amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 36 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-----------|------------|------------|----------|
| Abrams | Entenza | Hornstein | Latz | Nelson, P. | Slawik |
| Bernardy | Erhardt | Huntley | Lesch | Osterman | Thao |
| Carlson | Goodwin | Jaros | Mahoney | Otto | Thissen |
| Clark | Hausman | Kahn | Mariani | Peterson | Wagenius |
| Davnie | Hilstrom | Kelliher | Mullery | Rhodes | Walker |
| Ellison | Hilty | Larson | Nelson, M. | Rukavina | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Harder | Lenczewski | Ozment | Stang |
| Adolphson | Demmer | Heidgerken | Lieder | Paulsen | Strachan |
| Anderson, B. | Dempsey | Holberg | Lindgren | Pelowski | Swenson |
| Anderson, I. | Dill | Hoppe | Lindner | Penas | Sykora |
| Anderson, J. | Dorman | Howes | Lipman | Powell | Tingelstad |
| Atkins | Dorn | Jacobson | Magnus | Pugh | Urdahl |
| Beard | Eastlund | Johnson, J. | Marquart | Ruth | Vandever |
| Blaine | Eken | Juhnke | McNamara | Samuelson | Walz |
| Borrell | Erickson | Kielkucki | Meslow | Seagren | Wardlow |
| Boudreau | Finstad | Klinzing | Murphy | Seifert | Westerberg |
| Bradley | Fuller | Knoblach | Nelson, C. | Severson | Westrom |
| Brod | Gerlach | Koenen | Nornes | Sieben | Wilkin |
| Buesgens | Greiling | Kohls | Olsen, S. | Simpson | Zellers |
| Cornish | Gunther | Krinkie | Olson, M. | Smith | Spk. Sviggum |
| Cox | Haas | Kuistle | Opatz | Soderstrom | |
| Davids | Hackbarth | Lanning | Otremba | Solberg | |

The motion did not prevail.

Pugh moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 10, after line 25 of the Holberg amendment, insert:

"Subd. 5. [RIGHT OF DISCOVERY.] Any materials, facts, information, or other data which would or should be available to a litigant in an action brought pursuant to chapter 145, including sections 145.4241 to 145.4249, in the course of discovery from other sources, is discoverable from available sources, including, but not limited to, peer review organizations, and is admissible in evidence.

Any information that reasonably should have been contained in the medical records, but was not contained in the medical records, is discoverable from any peer review organization and is admissible in evidence.

Any disseminated data pursuant to this subdivision shall not be deemed data from a peer review organization."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 36 yeas and 95 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|---------|------------|----------|
| Atkins | Ellison | Hilty | Larson | Nelson, M. | Solberg |
| Bernardy | Entenza | Hornstein | Latz | Peterson | Thao |
| Biernat | Goodwin | Jaros | Lesch | Pugh | Thissen |
| Carlson | Greiling | Johnson, S. | Mahoney | Rhodes | Wagenius |
| Clark | Hausman | Kahn | Mariani | Sieben | Walker |
| Davnie | Hilstrom | Kelliher | Mullery | Slawik | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Harder | Lanning | Opatz | Soderstrom |
| Abrams | Demmer | Heidgerken | Lenczewski | Osterman | Stang |
| Adolphson | Dempsey | Holberg | Lieder | Otremba | Strachan |
| Anderson, B. | Dill | Hoppe | Lindgren | Otto | Swenson |
| Anderson, I. | Dorman | Howes | Lindner | Ozment | Sykora |
| Anderson, J. | Dorn | Huntley | Lipman | Paulsen | Tingelstad |
| Beard | Eastlund | Jacobson | Magnus | Pelowski | Urdahl |
| Blaine | Eken | Johnson, J. | Marquart | Penas | Vandever |
| Borrell | Erhardt | Juhnke | McNamara | Powell | Walz |
| Boudreau | Erickson | Kielkucki | Meslow | Rukavina | Wardlow |
| Bradley | Finstad | Klinzing | Murphy | Ruth | Westerberg |
| Brod | Fuller | Knoblach | Nelson, C. | Samuelson | Westrom |
| Buesgens | Gerlach | Koenen | Nelson, P. | Seagren | Wilkin |
| Cornish | Gunther | Kohls | Nornes | Seifert | Zellers |
| Cox | Haas | Krinkie | Olsen, S. | Severson | Spk. Sviggum |
| Davids | Hackbarth | Kuisle | Olson, M. | Simpson | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Pugh amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Pugh amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

MOTION TO LAY ON THE TABLE

Kelliher moved that the Seifert motion to reconsider be laid on the table. The motion did not prevail.

The question recurred on the Seifert motion and the roll was called. There were 36 yeas and 95 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|---------|------------|----------|
| Atkins | Entenza | Hornstein | Larson | Nelson, M. | Solberg |
| Bernardy | Goodwin | Huntley | Latz | Peterson | Thao |
| Carlson | Greiling | Jaros | Lesch | Pugh | Thissen |
| Clark | Hausman | Johnson, S. | Mahoney | Rhodes | Wagenius |
| Davnie | Hilstrom | Kahn | Mariani | Sieben | Walker |
| Ellison | Hilty | Kelliher | Mullery | Slawik | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Harder | Lenczewski | Osterman | Soderstrom |
| Abrams | Demmer | Heidgerken | Lieder | Otremba | Stang |
| Adolphson | Dempsey | Holberg | Lindgren | Otto | Strachan |
| Anderson, B. | Dill | Hoppe | Lindner | Ozment | Swenson |
| Anderson, I. | Dorman | Howes | Lipman | Paulsen | Sykora |
| Anderson, J. | Dorn | Jacobson | Magnus | Pelowski | Tingelstad |
| Beard | Eastlund | Johnson, J. | Marquart | Penas | Urdahl |
| Blaine | Eken | Juhnke | McNamara | Powell | Vandever |
| Borrell | Erhardt | Kielkucki | Meslow | Rukavina | Walz |
| Boudreau | Erickson | Klinzing | Murphy | Ruth | Wardlow |
| Bradley | Finstad | Knoblach | Nelson, C. | Samuelson | Westerberg |
| Brod | Fuller | Koenen | Nelson, P. | Seagren | Westrom |
| Buesgens | Gerlach | Kohls | Nornes | Seifert | Wilkin |
| Cornish | Gunther | Krinkie | Olsen, S. | Severson | Zellers |
| Cox | Haas | Kuisle | Olson, M. | Simpson | Spk. Sviggum |
| Davids | Hackbarth | Lanning | Opatz | Smith | |

The motion did not prevail.

Kahn moved to amend the Holberg amendment to S. F. 187, as amended, as follows:

Page 2, line 36, after "cancer" insert "including the Internet address of the federal Center for Disease Control fact sheet on abortion and breast cancer."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 45 yeas and 87 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|---------|----------|-----------|-------------|------------|
| Abrams | Clark | Entenza | Hilstrom | Johnson, S. | Lesch |
| Atkins | Davnie | Erhardt | Hilty | Kahn | Mahoney |
| Bernardy | Dorman | Goodwin | Hornstein | Kelliher | Mariani |
| Biernat | Dorn | Greiling | Huntley | Larson | Mullery |
| Carlson | Ellison | Hausman | Jaros | Latz | Nelson, M. |

| | | | | |
|----------|----------|---------|---------|----------|
| Osterman | Pugh | Seagren | Solberg | Wagenius |
| Otto | Rhodes | Sieben | Thao | Walker |
| Peterson | Rukavina | Slawik | Thissen | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Holberg | Lieder | Otremba | Swenson |
| Adolphson | Demmer | Hoppe | Lindgren | Ozment | Sykora |
| Anderson, B. | Dempsey | Howes | Lindner | Paulsen | Tingelstad |
| Anderson, I. | Dill | Jacobson | Lipman | Pelowski | Urdahl |
| Anderson, J. | Eastlund | Johnson, J. | Magnus | Penas | Vandev eer |
| Beard | Eken | Juhnke | Marquart | Powell | Walz |
| Blaine | Erickson | Kielkucki | McNamara | Ruth | Wardlow |
| Borrell | Finstad | Klinzing | Meslow | Samuelson | Westerberg |
| Boudreau | Fuller | Knoblach | Murphy | Seifert | Westrom |
| Bradley | Gerlach | Koenen | Nelson, C. | Severson | Wilkin |
| Brod | Gunther | Kohls | Nelson, P. | Simpson | Zellers |
| Buesgens | Haas | Krinkie | Nornes | Smith | Spk. Sviggum |
| Cornish | Hackbarth | Kuisle | Olsen, S. | Soderstrom | |
| Cox | Harder | Lanning | Olson, M. | Stang | |
| Davids | Heidgerken | Lenczewski | Opatz | Strachan | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 36 yeas and 92 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Entenza | Hilty | Kelliher | Mullery | Sieben |
| Bernardy | Erhardt | Hornstein | Larson | Nelson, M. | Thao |
| Carlson | Goodwin | Huntley | Latz | Osterman | Thissen |
| Clark | Greiling | Jaros | Lesch | Peterson | Peterson |
| Davnie | Hausman | Johnson, S. | Mahoney | Rhodes | Walker |
| Ellison | Hilstrom | Kahn | Mariani | Rukavina | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Heidgerken | Lieder | Paulsen | Swenson |
| Adolphson | Demmer | Holberg | Lindgren | Pelowski | Sykora |
| Anderson, B. | Dempsey | Hoppe | Lindner | Penas | Tingelstad |
| Anderson, I. | Dill | Howes | Lipman | Powell | Urdahl |
| Anderson, J. | Dorman | Jacobson | Marquart | Pugh | Vandever |
| Atkins | Dorn | Johnson, J. | McNamara | Ruth | Walz |
| Beard | Eastlund | Juhnke | Meslow | Samuelson | Wardlow |
| Blaine | Eken | Kielkucki | Nelson, C. | Seagren | Westerberg |
| Borrell | Erickson | Klinzing | Nelson, P. | Seifert | Westrom |
| Boudreau | Finstad | Knoblach | Nornes | Severson | Wilkin |
| Bradley | Fuller | Koenen | Olsen, S. | Simpson | Zellers |
| Brod | Gerlach | Kohls | Olson, M. | Smith | Spk. Sviggum |
| Buesgens | Gunther | Krinkie | Opatz | Soderstrom | |
| Cornish | Haas | Kuisle | Otremba | Solberg | |
| Cox | Hackbarth | Lanning | Otto | Stang | |
| Davids | Harder | Lenczewski | Ozment | Strachan | |

The motion did not prevail.

Walker moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 6, after line 1, insert:

"(4) materials with information about resources available to her for the purpose of preventing future unwanted pregnancies including consultation, examination, medical treatment, genetic counseling, prescriptions, and products such as charts, thermometers, drugs, medical preparations, and contraceptive devices."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 47 yeas and 85 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hilty | Latz | Opatz | Slawik |
| Atkins | Ellison | Hornstein | Lenczewski | Osterman | Solberg |
| Bernardy | Entenza | Huntley | Lesch | Otto | Thao |
| Biernat | Erhardt | Jaros | Mahoney | Peterson | Thissen |
| Carlson | Goodwin | Johnson, S. | Mariani | Pugh | Wagenius |
| Clark | Greiling | Kahn | Mullery | Rhodes | Walker |
| Davnie | Hausman | Kelliher | Nelson, M. | Rukavina | Wasiluk |
| Dorman | Hilstrom | Larson | Nelson, P. | Sieben | |

Those who voted in the negative were:

| | | | | | |
|--------------|--------------|----------|------------|----------|----------|
| Abeler | Anderson, J. | Boudreau | Cornish | Demmer | Eken |
| Adolphson | Beard | Bradley | Cox | Dempsey | Erickson |
| Anderson, B. | Blaine | Brod | Davids | Dill | Finstad |
| Anderson, I. | Borrell | Buesgens | DeLaForest | Eastlund | Fuller |

| | | | | | |
|-------------|-----------|------------|-----------|------------|--------------|
| Gerlach | Juhnke | Lindner | Otremba | Simpson | Wardlow |
| Gunther | Kielkucki | Lipman | Ozment | Smith | Westerberg |
| Haas | Klinzing | Magnus | Paulsen | Soderstrom | Westrom |
| Hackbarth | Knoblach | Marquart | Pelowski | Stang | Wilkin |
| Harder | Koenen | McNamara | Penas | Strachan | Zellers |
| Heidgerken | Kohls | Meslow | Powell | Swenson | Spk. Sviggum |
| Holberg | Krinkie | Murphy | Ruth | Sykora | |
| Hoppe | Kuisle | Nelson, C. | Samuelson | Tingelstad | |
| Howes | Lanning | Nornes | Seagren | Urdahl | |
| Jacobson | Lieder | Olsen, S. | Seifert | Vandever | |
| Johnson, J. | Lindgren | Olson, M. | Severson | Walz | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Walker amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Walker amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 35 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-----------|---------|------------|----------|
| Abrams | Entenza | Hilty | Larson | Nelson, M. | Thao |
| Bernardy | Erhardt | Hornstein | Latz | Osterman | Thissen |
| Carlson | Goodwin | Huntley | Lesch | Otto | Wagenius |
| Clark | Greiling | Jaros | Mahoney | Peterson | Walker |
| Davnie | Hausman | Kahn | Mariani | Rhodes | Wasiluk |
| Ellison | Hilstrom | Kelliher | Mullery | Rukavina | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|----------|------------|-------------|------------|
| Abeler | Bradley | Dill | Gunther | Johnson, J. | Lanning |
| Adolphson | Brod | Dorman | Haas | Juhnke | Lenczewski |
| Anderson, B. | Buesgens | Dorn | Hackbarth | Kielkucki | Lieder |
| Anderson, I. | Cornish | Eastlund | Harder | Klinzing | Lindgren |
| Anderson, J. | Cox | Eken | Heidgerken | Knoblach | Lindner |
| Beard | Dauids | Erickson | Holberg | Koenen | Lipman |
| Blaine | DeLaForest | Finstad | Hoppe | Kohls | Magnus |
| Borrell | Demmer | Fuller | Howes | Krinkie | Marquart |
| Boudreau | Dempsey | Gerlach | Jacobson | Kuisle | McNamara |

| | | | | | |
|------------|----------|-----------|------------|------------|--------------|
| Meslow | Opatz | Pugh | Simpson | Sykora | Westrom |
| Murphy | Otremba | Ruth | Smith | Tingelstad | Wilkin |
| Nelson, C. | Ozment | Samuelson | Soderstrom | Urdahl | Zellers |
| Nelson, P. | Paulsen | Seagren | Solberg | Vandever | Spk. Sviggum |
| Nornes | Pelowski | Seifert | Stang | Walz | |
| Olsen, S. | Penas | Severson | Strachan | Wardlow | |
| Olson, M. | Powell | Sieben | Swenson | Westerberg | |

The motion did not prevail.

Thissen moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 3, line 28, before the semicolon, insert ", and what the percentage is of noncustodial and custodial parents that pay child support"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 39 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hilstrom | Kelliher | Peterson | Thissen |
| Atkins | Ellison | Hilty | Larson | Rhodes | Wagenius |
| Bernardy | Entenza | Hornstein | Latz | Rukavina | Walker |
| Biernat | Erhardt | Huntley | Lesch | Sieben | Wasiluk |
| Carlson | Goodwin | Jaros | Mahoney | Slawik | |
| Clark | Greiling | Johnson, S. | Mariani | Solberg | |
| Davnie | Hausman | Kahn | Nelson, M. | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Hoppe | Lindner | Otto | Strachan |
| Adolphson | Dempsey | Howes | Lipman | Ozment | Swenson |
| Anderson, B. | Dill | Jacobson | Magnus | Paulsen | Sykora |
| Anderson, I. | Dorman | Johnson, J. | Marquart | Pelowski | Tingelstad |
| Anderson, J. | Eastlund | Juhnke | McNamara | Penas | Urdahl |
| Beard | Eken | Kielkucki | Meslow | Powell | Vandever |
| Blaine | Erickson | Klinzing | Mullery | Pugh | Walz |
| Borrell | Finstad | Knoblach | Murphy | Ruth | Wardlow |
| Boudreau | Fuller | Koenen | Nelson, C. | Samuelson | Westerberg |
| Bradley | Gerlach | Kohls | Nelson, P. | Seagren | Westrom |
| Brod | Gunther | Krinkie | Nornes | Seifert | Wilkin |
| Buesgens | Haas | Kuisele | Olsen, S. | Severson | Zellers |
| Cornish | Hackbarth | Lanning | Olson, M. | Simpson | Spk. Sviggum |
| Cox | Harder | Lenczewski | Opatz | Smith | |
| Davids | Heidgerken | Lieder | Osterman | Soderstrom | |
| DeLaForest | Holberg | Lindgren | Otremba | Stang | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Thissen amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Thissen amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 34 yeas and 96 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Entenza | Hilty | Kelliher | Nelson, M. | Thissen |
| Bernardy | Erhardt | Hornstein | Larson | Peterson | Wagenius |
| Carlson | Goodwin | Huntley | Latz | Rhodes | Walker |
| Clark | Greiling | Jaros | Lesch | Rukavina | Wasiluk |
| Davnie | Hausman | Johnson, S. | Mahoney | Slawik | |
| Ellison | Hilstrom | Kahn | Mariani | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Heidgerken | Lindgren | Otremba | Soderstrom |
| Adolphson | Demmer | Holberg | Lindner | Otto | Solberg |
| Anderson, B. | Dempsey | Hoppe | Lipman | Ozment | Stang |
| Anderson, I. | Dill | Howes | Magnus | Paulsen | Strachan |
| Anderson, J. | Dorman | Jacobson | Marquart | Pelowski | Swenson |
| Atkins | Dorn | Johnson, J. | McNamara | Penas | Sykora |
| Beard | Eastlund | Juhnke | Meslow | Powell | Tingelstad |
| Blaine | Eken | Kielkucki | Mullery | Pugh | Urdahl |
| Borrell | Erickson | Klinzing | Murphy | Ruth | Vandever |
| Boudreau | Finstad | Knoblach | Nelson, C. | Samuelson | Walz |
| Bradley | Fuller | Koenen | Nelson, P. | Seagren | Wardlow |
| Brod | Gerlach | Kohls | Nornes | Seifert | Westerberg |
| Buesgens | Gunther | Krinkie | Olsen, S. | Severson | Westrom |
| Cornish | Haas | Kuisle | Olson, M. | Sieben | Wilkin |
| Cox | Hackbarth | Lenczewski | Opatz | Simpson | Zellers |
| Davids | Harder | Lieder | Osterman | Smith | Spk. Sviggum |

The motion did not prevail.

Davnie moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 2, line 26, after "emergency," insert "or if the female, in consultation with her physician and following compliance with the informed consent provisions of section 145.412, subdivision 1, chooses to waive her rights to the other provisions of this act,"

Page 4, line 14, after "(iii)" insert ", or that she has waived her right to receive such information"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 40 yeas and 90 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Ellison | Hornstein | Latz | Peterson | Thao |
| Bernardy | Entenza | Huntley | Lesch | Pugh | Thissen |
| Biernat | Erhardt | Jaros | Mahoney | Rhodes | Wagenius |
| Carlson | Goodwin | Johnson, S. | Mariani | Rukavina | Walker |
| Clark | Greiling | Kahn | Nelson, M. | Sieben | Wasiluk |
| Davnie | Hausman | Kelliher | Osterman | Slawik | |
| Dorn | Hilstrom | Larson | Otto | Solberg | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Heidgerken | Lenczewski | Olson, M. | Soderstrom |
| Adolphson | Demmer | Holberg | Lieder | Opatz | Stang |
| Anderson, B. | Dempsey | Hoppe | Lindgren | Otremba | Strachan |
| Anderson, I. | Dill | Howes | Lindner | Ozment | Swenson |
| Anderson, J. | Dorman | Jacobson | Lipman | Paulsen | Sykora |
| Beard | Eastlund | Johnson, J. | Magnus | Pelowski | Tingelstad |
| Blaine | Eken | Juhnke | Marquart | Penas | Urdahl |
| Borrell | Erickson | Kielkucki | McNamara | Powell | Vandever |
| Boudreau | Finstad | Klinzing | Meslow | Ruth | Walz |
| Bradley | Fuller | Knoblach | Mullery | Samuelson | Wardlow |
| Brod | Gerlach | Koenen | Murphy | Seagren | Westerberg |
| Buesgens | Gunther | Kohls | Nelson, C. | Seifert | Westrom |
| Cornish | Haas | Krinkie | Nelson, P. | Severson | Wilkin |
| Cox | Hackbarth | Kuisle | Nornes | Simpson | Zellers |
| Davids | Harder | Lanning | Olsen, S. | Smith | Spk. Sviggum |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Davnie amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Davnie amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 31 yeas and 98 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-----------|------------|----------|---------|
| Abrams | Entenza | Hornstein | Lesch | Rhodes | Wasiluk |
| Bernardy | Erhardt | Huntley | Mahoney | Slawik | |
| Carlson | Goodwin | Kahn | Mariani | Thao | |
| Clark | Greiling | Kelliher | Nelson, M. | Thissen | |
| Davnie | Hilstrom | Larson | Osterman | Wagenius | |
| Ellison | Hilty | Latz | Peterson | Walker | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Hoppe | Lindner | Paulsen | Strachan |
| Adolphson | Dempsey | Howes | Lipman | Pelowski | Swenson |
| Anderson, B. | Dill | Jacobson | Magnus | Penas | Sykora |
| Anderson, I. | Dorman | Jaros | Marquart | Powell | Tingelstad |
| Anderson, J. | Dorn | Johnson, J. | McNamara | Pugh | Urdahl |
| Atkins | Eastlund | Juhnke | Meslow | Rukavina | Vandever |
| Beard | Eken | Kielkucki | Mullery | Ruth | Walz |
| Blaine | Erickson | Klinzing | Murphy | Samuelson | Wardlow |
| Borrell | Finstad | Knoblach | Nelson, C. | Seagren | Westerberg |
| Boudreau | Fuller | Koenen | Nelson, P. | Seifert | Westrom |
| Bradley | Gerlach | Kohls | Nornes | Severson | Wilkin |
| Brod | Gunther | Krinkie | Olsen, S. | Sieben | Zellers |
| Buesgens | Haas | Kuisle | Olson, M. | Simpson | Spk. Sviggum |
| Cornish | Hackbarth | Lanning | Opatz | Smith | |
| Cox | Harder | Lenczewski | Otremba | Soderstrom | |
| Davids | Hausman | Lieder | Otto | Solberg | |
| DeLaForest | Heidgerken | Lindgren | Ozment | Stang | |

The motion did not prevail.

Atkins offered an amendment to the Holberg amendment to S. F. No. 187, as amended.

POINT OF ORDER

Knoblach raised a point of order pursuant to rule 3.21 that the Atkins amendment to the Holberg amendment to S. F. No. 187, as amended, was not in order. The Speaker ruled the point of order well taken and the Atkins amendment to the Holberg amendment out of order.

Atkins appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 82 yeas and 49 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Holberg | Lindner | Pelowski | Sykora |
| Adolphson | Demmer | Hoppe | Lipman | Penas | Thissen |
| Anderson, B. | Dempsey | Howes | Magnus | Powell | Tingelstad |
| Anderson, J. | Dorman | Jacobson | Marquart | Ruth | Urdahl |
| Beard | Eastlund | Johnson, J. | McNamara | Samuelson | Vandever |
| Blaine | Erickson | Johnson, S. | Meslow | Seagren | Walz |
| Borrell | Finstad | Kielkucki | Mullery | Seifert | Wardlow |
| Boudreau | Fuller | Klinzing | Nelson, C. | Severson | Westerberg |
| Bradley | Gerlach | Knoblach | Nelson, P. | Simpson | Westrom |
| Brod | Gunther | Kohls | Nornes | Smith | Wilkin |
| Buesgens | Haas | Krinkie | Olsen, S. | Soderstrom | Zellers |
| Cornish | Hackbarth | Kuisle | Olson, M. | Stang | Spk. Sviggum |
| Cox | Harder | Lanning | Ozment | Strachan | |
| Davids | Heidgerken | Lindgren | Paulsen | Swenson | |

Those who voted in the negative were:

| | | | | | |
|--------------|----------|-----------|------------|----------|----------|
| Abrams | Dorn | Hilty | Latz | Otremba | Thao |
| Anderson, I. | Eken | Hornstein | Lenczewski | Otto | Wagenius |
| Atkins | Ellison | Huntley | Lesch | Peterson | Walker |
| Bernardy | Entenza | Jaros | Lieder | Pugh | Wasiluk |
| Biernat | Erhardt | Juhnke | Mahoney | Rhodes | |
| Carlson | Goodwin | Kahn | Mariani | Rukavina | |
| Clark | Greiling | Kelliher | Nelson, M. | Sieben | |
| Davnie | Hausman | Koenen | Opatz | Slawik | |
| Dill | Hilstrom | Larson | Osterman | Solberg | |

So it was the judgment of the House that the decision of the Speaker should stand.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote whereby the House upheld the ruling of the Speaker relating to the point of order raised by Knoblach to the Atkins amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the House upheld the ruling of the Speaker relating to the point of order raised by Knoblach to the Atkins amendment to the Holberg amendment to S. F. No. 187, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 44 yeas and 87 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|----------|-------------|------------|----------|----------|
| Abrams | Eken | Hilty | Latz | Peterson | Thissen |
| Anderson, I. | Ellison | Hornstein | Lesch | Pugh | Wagenius |
| Atkins | Entenza | Huntley | Lieder | Rhodes | Walker |
| Bernardy | Erhardt | Jaros | Mahoney | Rukavina | Wasiluk |
| Carlson | Goodwin | Johnson, S. | Mariani | Sieben | |
| Clark | Greiling | Kahn | Nelson, M. | Slawik | |
| Davnie | Hausman | Kelliher | Osterman | Solberg | |
| Dorn | Hilstrom | Larson | Otto | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Hoppe | Lindner | Ozment | Swenson |
| Adolphson | Dempsey | Howes | Lipman | Paulsen | Sykora |
| Anderson, B. | Dill | Jacobson | Magnus | Pelowski | Tingelstad |
| Anderson, J. | Dorman | Johnson, J. | Marquart | Penas | Urdahl |
| Beard | Eastlund | Juhnke | McNamara | Powell | Vandever |
| Blaine | Erickson | Kielkucki | Meslow | Ruth | Walz |
| Borrell | Finstad | Klinzing | Mullery | Samuelson | Wardlow |
| Boudreau | Fuller | Knoblach | Murphy | Seagren | Westerberg |
| Bradley | Gerlach | Koenen | Nelson, C. | Seifert | Westrom |
| Brod | Gunther | Kohls | Nelson, P. | Severson | Wilkin |
| Buesgens | Haas | Krinkie | Nornes | Simpson | Zellers |
| Cornish | Hackbarth | Kuisle | Olsen, S. | Smith | Spk. Sviggum |
| Cox | Harder | Lanning | Olson, M. | Soderstrom | |
| Davids | Heidgerken | Lenczewski | Opatz | Stang | |
| DeLaForest | Holberg | Lindgren | Otremba | Strachan | |

The motion did not prevail.

Greiling moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 3, line 25, before the semicolon, insert "and what the eligibility criteria are for medical assistance benefits"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 40 yeas and 89 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|---------|---------|----------|-------------|----------|
| Abrams | Carlson | Ellison | Greiling | Hornstein | Kahn |
| Atkins | Davnie | Entenza | Hausman | Huntley | Kelliher |
| Bernardy | Dorn | Erhardt | Hilstrom | Jaros | Larson |
| Biernat | Eken | Goodwin | Hilty | Johnson, S. | Latz |

| | | | | | |
|---------|------------|----------|--------|----------|---------|
| Lesch | Nelson, M. | Peterson | Sieben | Thissen | Wasiluk |
| Mahoney | Osterman | Rhodes | Slawik | Wagenius | |
| Mariani | Otto | Rukavina | Thao | Walker | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Hoppe | Lindgren | Otremba | Solberg |
| Adolphson | Demmer | Howes | Lindner | Ozment | Stang |
| Anderson, B. | Dempsey | Jacobson | Lipman | Paulsen | Strachan |
| Anderson, I. | Dill | Johnson, J. | Magnus | Pelowski | Swenson |
| Anderson, J. | Dorman | Juhnke | Marquart | Penas | Sykora |
| Beard | Eastlund | Kielkucki | McNamara | Powell | Tingelstad |
| Blaine | Erickson | Klinzing | Meslow | Pugh | Urdahl |
| Borrell | Finstad | Knoblach | Mullery | Ruth | Vandever |
| Boudreau | Fuller | Koenen | Murphy | Samuelson | Walz |
| Bradley | Gerlach | Kohls | Nelson, C. | Seagren | Wardlow |
| Brod | Gunther | Krinkie | Nelson, P. | Seifert | Westerberg |
| Buesgens | Haas | Kuisle | Nornes | Severson | Wilkin |
| Cornish | Hackbarth | Lanning | Olsen, S. | Simpson | Zellers |
| Cox | Harder | Lenczewski | Olson, M. | Smith | Spk. Sviggum |
| Davids | Holberg | Lieder | Opatz | Soderstrom | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Greiling amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Greiling amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 35 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Entenza | Hilty | Kelliher | Nelson, M. | Thao |
| Atkins | Erhardt | Hornstein | Larson | Osterman | Thissen |
| Bernardy | Goodwin | Huntley | Latz | Peterson | Wagenius |
| Carlson | Greiling | Jaros | Lesch | Rhodes | Walker |
| Clark | Hausman | Johnson, S. | Mahoney | Rukavina | Wasiluk |
| Davnie | Hilstrom | Kahn | Mariani | Slawik | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lindgren | Paulsen | Strachan |
| Adolphson | Dempsey | Hoppe | Lindner | Pelowski | Swenson |
| Anderson, B. | Dill | Howes | Lipman | Penas | Sykora |
| Anderson, I. | Dorman | Jacobson | Magnus | Powell | Tingelstad |
| Anderson, J. | Dorn | Johnson, J. | Marquart | Pugh | Urdahl |
| Beard | Eastlund | Juhnke | McNamara | Ruth | Vandever |
| Blaine | Eken | Kielkucki | Meslow | Samuelson | Walz |
| Borrell | Erickson | Klinzing | Murphy | Seagren | Wardlow |
| Boudreau | Finstad | Knoblach | Nelson, C. | Seifert | Westerberg |
| Bradley | Fuller | Koenen | Nelson, P. | Severson | Westrom |
| Brod | Gerlach | Kohls | Nornes | Sieben | Wilkin |
| Buesgens | Gunther | Krinkie | Olsen, S. | Simpson | Zellers |
| Cornish | Haas | Kuisle | Olson, M. | Smith | Spk. Sviggum |
| Cox | Hackbarth | Lanning | Opatz | Soderstrom | |
| Davids | Harder | Lenczewski | Otto | Solberg | |
| DeLaForest | Heidgerken | Lieder | Ozment | Stang | |

The motion did not prevail.

Rukavina; Anderson, I.; Lieder and Sieben moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 12, after line 6, insert:

"Sec. 2. [145.899] [DISPLAY OF AMERICAN FLAG.]

Every public building owned or operated by state or local units of government in Minnesota and any facility providing advice under chapter 145 must display an American flag that is manufactured in the United States of America."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 44 yeas and 84 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|------------|-------------|------------|----------|----------|
| Abrams | Entenza | Howes | Lenczewski | Peterson | Wagenius |
| Atkins | Erhardt | Huntley | Lesch | Pugh | Walker |
| Bernardy | Greiling | Jaros | Mahoney | Rhodes | Walz |
| Biernat | Hausman | Johnson, S. | Mariani | Rukavina | Wasiluk |
| Carlson | Heidgerken | Kahn | Nelson, M. | Slawik | |
| Clark | Hilstrom | Kelliher | Opatz | Solberg | |
| Davnie | Hilty | Larson | Osterman | Thao | |
| Dorn | Hornstein | Latz | Otto | Thissen | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | Davids | Hackbarth | Lanning | Olson, M. | Soderstrom |
| Adolphson | DeLaForest | Harder | Lieder | Otremba | Stang |
| Anderson, B. | Demmer | Holberg | Lindgren | Ozment | Strachan |
| Anderson, I. | Dempsey | Hoppe | Lindner | Paulsen | Swenson |
| Anderson, J. | Dill | Jacobson | Lipman | Pelowski | Sykora |
| Beard | Dorman | Johnson, J. | Magnus | Penas | Tingelstad |
| Blaine | Eastlund | Juhnke | Marquart | Powell | Urdahl |
| Borrell | Eken | Kielkucki | McNamara | Ruth | Vandever |
| Boudreau | Erickson | Klinzing | Meslow | Samuelson | Wardlow |
| Bradley | Finstad | Knoblach | Murphy | Seagren | Westerberg |
| Brod | Fuller | Koenen | Nelson, C. | Seifert | Westrom |
| Buesgens | Gerlach | Kohls | Nelson, P. | Severson | Wilkin |
| Cornish | Gunther | Krinkie | Nornes | Simpson | Zellers |
| Cox | Haas | Kuisle | Olsen, S. | Smith | Spk. Sviggum |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Rukavina et al amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Rukavina et al amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 37 yeas and 91 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|-----------|-------------|------------|----------|---------|
| Abrams | Erhardt | Howes | Lesch | Rukavina | Walz |
| Atkins | Goodwin | Jaros | Mahoney | Slawik | Wasiluk |
| Bernardy | Greiling | Johnson, S. | Mariani | Solberg | |
| Carlson | Hausman | Kahn | Nelson, M. | Thao | |
| Clark | Hilstrom | Kelliher | Peterson | Thissen | |
| Davnie | Hilty | Larson | Pugh | Wagenius | |
| Entenza | Hornstein | Latz | Rhodes | Walker | |

Those who voted in the negative were:

| | | | | | |
|--------------|--------------|----------|----------|---------|------------|
| Abeler | Anderson, I. | Blaine | Bradley | Cornish | DeLaForest |
| Adolphson | Anderson, J. | Borrell | Brod | Cox | Demmer |
| Anderson, B. | Beard | Boudreau | Buesgens | Davids | Dempsey |

| | | | | | |
|-----------|-------------|------------|-----------|------------|--------------|
| Dill | Heidgerken | Lanning | Nornes | Samuelson | Urdahl |
| Dorman | Holberg | Lenczewski | Olsen, S. | Seagren | Vandever |
| Dorn | Hoppe | Lieder | Olson, M. | Seifert | Wardlow |
| Eastlund | Jacobson | Lindgren | Opatz | Severson | Westerberg |
| Eken | Johnson, J. | Lindner | Osterman | Sieben | Westrom |
| Erickson | Juhnke | Lipman | Otremba | Simpson | Wilkin |
| Finstad | Kielkucki | Magnus | Otto | Smith | Zellers |
| Fuller | Klinzing | Marquart | Ozment | Soderstrom | Spk. Sviggum |
| Gerlach | Knoblach | McNamara | Paulsen | Stang | |
| Gunther | Koenen | Meslow | Pelowski | Strachan | |
| Haas | Kohls | Murphy | Penas | Swenson | |
| Hackbarth | Krinkie | Nelson, C. | Powell | Sykora | |
| Harder | Kuisle | Nelson, P. | Ruth | Tingelstad | |

The motion did not prevail.

Kahn moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 2, delete lines 20 and 21

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 39 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Ellison | Hilty | Larson | Otto | Thissen |
| Bernardy | Entenza | Hornstein | Latz | Peterson | Wagenius |
| Biernat | Erhardt | Huntley | Lesch | Rhodes | Walker |
| Carlson | Goodwin | Jaros | Mahoney | Rukavina | Wasiluk |
| Clark | Greiling | Johnson, S. | Mariani | Sieben | |
| Davnie | Hausman | Kahn | Mullery | Slawik | |
| Dorn | Hilstrom | Kelliher | Nelson, M. | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-----------|-------------|------------|------------|
| Abeler | Bradley | Dorman | Harder | Knoblach | Lipman |
| Adolphson | Brod | Eastlund | Heidgerken | Koenen | Magnus |
| Anderson, B. | Buesgens | Eken | Holberg | Kohls | Marquart |
| Anderson, I. | Cornish | Erickson | Hoppe | Krinkie | McNamara |
| Anderson, J. | Cox | Finstad | Howes | Kuisle | Meslow |
| Atkins | Dauids | Fuller | Jacobson | Lanning | Murphy |
| Beard | DeLaForest | Gerlach | Johnson, J. | Lenczewski | Nelson, C. |
| Blaine | Demmer | Gunther | Juhnke | Lieder | Nelson, P. |
| Borrell | Dempsey | Haas | Kielkucki | Lindgren | Nornes |
| Boudreau | Dill | Hackbarth | Klinzing | Lindner | Olsen, S. |

| | | | | | |
|-----------|-----------|------------|------------|------------|--------------|
| Olson, M. | Pelowski | Seagren | Solberg | Urdahl | Wilkin |
| Opatz | Penas | Seifert | Stang | Vandeveer | Zellers |
| Osterman | Powell | Severson | Strachan | Walz | Spk. Sviggum |
| Otremba | Pugh | Simpson | Swenson | Wardlow | |
| Ozment | Ruth | Smith | Sykora | Westerberg | |
| Paulsen | Samuelson | Soderstrom | Tingelstad | Westrom | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Kahn amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 34 yeas and 91 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|---------|------------|----------|
| Abrams | Ellison | Hilty | Larson | Nelson, M. | Thissen |
| Atkins | Entenza | Hornstein | Latz | Peterson | Wagenius |
| Bernardy | Erhardt | Huntley | Lesch | Rhodes | Walker |
| Carlson | Greiling | Jaros | Mahoney | Rukavina | Wasiluk |
| Davnie | Hausman | Johnson, S. | Mariani | Slawik | |
| Dorn | Hilstrom | Kelliher | Mullery | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|-----------|
| Abeler | Cox | Gunther | Knoblach | McNamara | Paulsen |
| Adolphson | Davids | Haas | Koenen | Meslow | Pelowski |
| Anderson, B. | DeLaForest | Hackbarth | Kohls | Murphy | Penas |
| Anderson, I. | Demmer | Harder | Krinkie | Nelson, C. | Powell |
| Anderson, J. | Dempsey | Heidgerken | Kuisle | Nelson, P. | Ruth |
| Beard | Dill | Holberg | Lanning | Nornes | Samuelson |
| Blaine | Dorman | Hoppe | Lenczewski | Olsen, S. | Seagren |
| Borrell | Eastlund | Howes | Lieder | Olson, M. | Seifert |
| Boudreau | Eken | Jacobson | Lindgren | Opatz | Severson |
| Bradley | Erickson | Johnson, J. | Lindner | Osterman | Sieben |
| Brod | Finstad | Juhnke | Lipman | Otremba | Simpson |
| Buesgens | Fuller | Kielkucki | Magnus | Otto | Smith |
| Cornish | Gerlach | Klinzing | Marquart | Ozment | Solberg |

| | | | | |
|----------|------------|------------|---------|--------------|
| Stang | Sykora | Vandev eer | Westrom | Spk. Sviggum |
| Strachan | Tingelstad | Walz | Wilkin | |
| Swenson | Urdahl | Westerberg | Zellers | |

The motion did not prevail.

Kelliher offered an amendment to the Holberg amendment to S. F. No. 187, as amended.

POINT OF ORDER

Stang raised a point of order pursuant to rule 3.21 that the Kelliher amendment to the Holberg amendment to S. F. No. 187, as amended, was not in order. The Speaker ruled the point of order well taken and the Kelliher amendment to the Holberg amendment out of order.

Kelliher appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 87 yeas and 44 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Heidgerken | Lenczewski | Ozment | Swenson |
| Adolphson | Demmer | Holberg | Lindgren | Paulsen | Sykora |
| Anderson, B. | Dempsey | Hoppe | Lindner | Pelowski | Tingelstad |
| Anderson, I. | Dill | Howes | Lipman | Penas | Urdahl |
| Anderson, J. | Dorman | Jacobson | Magnus | Powell | Vandev eer |
| Beard | Eastlund | Johnson, J. | Marquart | Ruth | Walz |
| Blaine | Eken | Juhnke | McNamara | Samuelson | Wardlow |
| Borrell | Erickson | Kielkucki | Meslow | Seagren | Westerberg |
| Boudreau | Finstad | Klinzing | Murphy | Seifert | Westrom |
| Bradley | Fuller | Knoblach | Nelson, C. | Severson | Wilkin |
| Brod | Gerlach | Koenen | Nelson, P. | Simpson | Zellers |
| Buesgens | Gunther | Kohls | Nornes | Smith | Spk. Sviggum |
| Cornish | Haas | Krinkie | Olsen, S. | Soderstrom | |
| Cox | Hackbarth | Kuisle | Olson, M. | Stang | |
| Davids | Harder | Lanning | Otremba | Strachan | |

Those who voted in the negative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Ellison | Hornstein | Lesch | Peterson | Thissen |
| Atkins | Entenza | Huntley | Lieder | Pugh | Wagenius |
| Bernardy | Erhardt | Jaros | Mahoney | Rhodes | Walker |
| Biernat | Goodwin | Johnson, S. | Mariani | Rukavina | Wasiluk |
| Carlson | Greiling | Kahn | Nelson, M. | Sieben | |
| Clark | Hausman | Kelliher | Opatz | Slawik | |
| Davnie | Hilstrom | Larson | Osterman | Solberg | |
| Dorn | Hilty | Latz | Otto | Thao | |

So it was the judgment of the House that the decision of the Speaker should stand.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote whereby the House upheld the ruling of the Speaker relating to the point of order raised by Stang to the Kelliher amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the House upheld the ruling of the Speaker relating to the point of order raised by Stang to the Kelliher amendment to the Holberg amendment to S. F. No. 187, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 36 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Ellison | Hilstrom | Kahn | Mariani | Slawik |
| Atkins | Entenza | Hilty | Kelliher | Nelson, M. | Thao |
| Bernardy | Erhardt | Hornstein | Larson | Osterman | Thissen |
| Carlson | Goodwin | Huntley | Latz | Peterson | Wagenius |
| Clark | Greiling | Jaros | Lesch | Rhodes | Walker |
| Davnie | Hausman | Johnson, S. | Mahoney | Rukavina | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lindgren | Ozment | Stang |
| Adolphson | Dempsey | Hoppe | Lindner | Paulsen | Strachan |
| Anderson, B. | Dill | Howes | Lipman | Pelowski | Swenson |
| Anderson, I. | Dorman | Jacobson | Magnus | Penas | Sykora |
| Anderson, J. | Dorn | Johnson, J. | Marquart | Powell | Tingelstad |
| Beard | Eastlund | Juhnke | McNamara | Pugh | Urdahl |
| Blaine | Eken | Kielkucki | Meslow | Ruth | Vandever |
| Borrell | Erickson | Klinzing | Murphy | Samuelson | Walz |
| Boudreau | Finstad | Knoblach | Nelson, C. | Seagren | Wardlow |
| Bradley | Fuller | Koenen | Nelson, P. | Seifert | Westerberg |
| Brod | Gerlach | Kohls | Nornes | Severson | Westrom |
| Buesgens | Gunther | Krinkie | Olsen, S. | Sieben | Wilkin |
| Cornish | Haas | Kuisle | Olson, M. | Simpson | Zellers |
| Cox | Hackbarth | Lanning | Opatz | Smith | Spk. Sviggum |
| Davids | Harder | Lenczewski | Otremba | Soderstrom | |
| DeLaForest | Heidgerken | Lieder | Otto | Solberg | |

The motion did not prevail.

Slawik moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 11, delete section 11

Page 12, after line 6, insert:

"Sec. 2. Minnesota Statutes 2002, section 145.894, is amended to read:

145.894 [STATE COMMISSIONER OF HEALTH; DUTIES, RESPONSIBILITIES.]

The commissioner of health shall:

(a) develop a comprehensive state plan for the delivery of nutritional supplements to pregnant and lactating women, infants, and children;

(b) contract with existing local public or private nonprofit organizations for the administration of the nutritional supplement program;

(c) develop and implement a public education program promoting the provisions of sections 145.891 to 145.897, and provide for the delivery of individual and family nutrition education and counseling at project sites. The education programs must include a campaign to promote breast feeding;

(d) develop in cooperation with other agencies and vendors a uniform state voucher system for the delivery of nutritional supplements;

(e) authorize local health agencies to issue vouchers bimonthly to some or all eligible individuals served by the agency, provided the agency demonstrates that the federal minimum requirements for providing nutrition education will continue to be met and that the quality of nutrition education and health services provided by the agency will not be adversely impacted;

(f) investigate and implement a system to reduce the cost of nutritional supplements and maintain ongoing negotiations with nonparticipating manufacturers and suppliers to maximize cost savings;

(g) develop, analyze, and evaluate the health aspects of the nutritional supplement program and establish nutritional guidelines for the program;

(h) apply for, administer, and annually expend at least 99 percent of available federal or private funds;

(i) aggressively market services to eligible individuals by conducting ongoing outreach activities and by coordinating with and providing marketing materials and technical assistance to local human services and community service agencies and nonprofit service providers;

(j) determine, on July 1 of each year, the number of pregnant women participating in each special supplemental food program for women, infants, and children (WIC) and, in 1986, 1987, and 1988, at the commissioner's discretion, designate a different food program deliverer if the current deliverer fails to increase the participation of pregnant women in the program by at least ten percent over the previous year's participation rate;

(k) promulgate all rules necessary to carry out the provisions of sections 145.891 to 145.897; ~~and~~

(l) ensure that any state appropriation to supplement the federal program is spent consistent with federal requirements; and

(m) eliminate the positions of deputy commissioner of health and assistant commissioner of health and their direct staff."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 32 yeas and 100 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|---------|
| Atkins | Ellison | Hilty | Lesch | Rukavina | Walker |
| Bernardy | Entenza | Jaros | Mahoney | Sieben | Wasiluk |
| Biernat | Goodwin | Johnson, S. | Mariani | Slawik | |
| Brod | Greiling | Kahn | Nelson, M. | Solberg | |
| Clark | Hausman | Kelliher | Otto | Thao | |
| Davnie | Hilstrom | Larson | Pugh | Wagenius | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lenczewski | Osterman | Stang |
| Abrams | Dempsey | Hoppe | Lieder | Otremba | Strachan |
| Adolphson | Dill | Hornstein | Lindgren | Ozment | Swenson |
| Anderson, B. | Dorman | Howes | Lindner | Paulsen | Sykora |
| Anderson, I. | Dorn | Huntley | Lipman | Pelowski | Thissen |
| Anderson, J. | Eastlund | Jacobson | Magnus | Penas | Tingelstad |
| Beard | Eken | Johnson, J. | Marquart | Peterson | Urdahl |
| Blaine | Erhardt | Juhnke | McNamara | Powell | Vandever |
| Borrell | Erickson | Kielkucki | Meslow | Rhodes | Walz |
| Boudreau | Finstad | Klinzing | Mullery | Ruth | Wardlow |
| Bradley | Fuller | Knoblach | Murphy | Samuelson | Westerberg |
| Buesgens | Gerlach | Koenen | Nelson, C. | Seagren | Westrom |
| Carlson | Gunther | Kohls | Nelson, P. | Seifert | Wilkin |
| Cornish | Haas | Krinkie | Nornes | Severson | Zellers |
| Cox | Hackbarth | Kuisle | Olsen, S. | Simpson | Spk. Sviggum |
| Davids | Harder | Lanning | Olson, M. | Smith | |
| DeLaForest | Heidgerken | Latz | Opatz | Soderstrom | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Slawik amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Slawik amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 30 yeas and 101 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|---------|------------|----------|
| Atkins | Entenza | Hilty | Larson | Nelson, M. | Solberg |
| Bernardy | Goodwin | Jaros | Latz | Pugh | Thao |
| Clark | Greiling | Johnson, S. | Lesch | Rukavina | Wagenius |
| Davnie | Hausman | Kahn | Mahoney | Sieben | Walker |
| Ellison | Hilstrom | Kelliher | Mariani | Slawik | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Heidgerken | Lenczewski | Osterman | Soderstrom |
| Abrams | Demmer | Holberg | Lieder | Otremba | Stang |
| Adolphson | Dempsey | Hoppe | Lindgren | Otto | Strachan |
| Anderson, B. | Dill | Hornstein | Lindner | Ozment | Swenson |
| Anderson, I. | Dorman | Howes | Lipman | Paulsen | Sykora |
| Anderson, J. | Dorn | Huntley | Magnus | Pelowski | Thissen |
| Beard | Eastlund | Jacobson | Marquart | Penas | Tingelstad |
| Blaine | Eken | Johnson, J. | McNamara | Peterson | Urdahl |
| Borrell | Erhardt | Juhnke | Meslow | Powell | Vandever |
| Boudreau | Erickson | Kielkucki | Mullery | Rhodes | Walz |
| Bradley | Finstad | Klinzing | Murphy | Ruth | Wardlow |
| Brod | Fuller | Knobloch | Nelson, C. | Samuelson | Westerberg |
| Buesgens | Gerlach | Koenen | Nelson, P. | Seagren | Westrom |
| Carlson | Gunther | Kohls | Nornes | Seifert | Wilkin |
| Cornish | Haas | Krinkie | Olsen, S. | Severson | Zellers |
| Cox | Hackbarth | Kuisle | Olson, M. | Simpson | Spk. Sviggum |
| Davids | Harder | Lanning | Opatz | Smith | |

The motion did not prevail.

Tingelstad and Thissen were excused for the remainder of today's session.

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

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Boudreau.

Harder was excused between the hours of 10:45 p.m. and 11:00 p.m.

CALENDAR FOR THE DAY, Continued

Opatz offered an amendment to the Holberg amendment to S. F. No. 187, as amended.

POINT OF ORDER

Opatz raised a point of order pursuant to rule 3.21 that the Opatz amendment to the Holberg amendment was not in order. Speaker pro tempore Boudreau ruled the point of order well taken and the Opatz amendment to the Holberg amendment out of order.

Wasiluk appealed the decision of Speaker pro tempore Boudreau.

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The vote was taken on the question "Shall the decision of Speaker pro tempore Boudreau stand as the judgment of the House?" and the roll was called. There were 97 yeas and 28 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|------------|
| Abeler | Cox | Gerlach | Klinzing | Marquart | Ozment |
| Abrams | Dauids | Gunther | Knoblach | McNamara | Paulsen |
| Adolphson | DeLaForest | Haas | Koenen | Meslow | Pelowski |
| Anderson, B. | Demmer | Hackbarth | Kohls | Murphy | Penas |
| Anderson, I. | Dempsey | Hausman | Krinkie | Nelson, C. | Powell |
| Anderson, J. | Dill | Heidgerken | Kuisle | Nelson, M. | Rhodes |
| Beard | Dorman | Hilty | Lanning | Nelson, P. | Ruth |
| Blaine | Dorn | Holberg | Lenczewski | Nornes | Seagren |
| Borrell | Eastlund | Hoppe | Lieder | Olsen, S. | Seifert |
| Boudreau | Entenza | Howes | Lindgren | Olson, M. | Severson |
| Bradley | Erhardt | Jacobson | Lindner | Opatz | Simpson |
| Brod | Erickson | Johnson, J. | Lipman | Osterman | Smith |
| Buesgens | Finstad | Juhnke | Magnus | Otremba | Soderstrom |
| Cornish | Fuller | Kielkucki | Mahoney | Otto | Solberg |

| | | | | |
|----------|----------|------------|---------|--------------|
| Stang | Sykora | Walz | Westrom | Spk. Sviggum |
| Strachan | Urdahl | Wardlow | Wilkin | |
| Swenson | Vandever | Westerberg | Zellers | |

Those who voted in the negative were:

| | | | | | |
|----------|----------|-------------|----------|----------|----------|
| Atkins | Davnie | Hilstrom | Kahn | Peterson | Wagenius |
| Bernardy | Eken | Hornstein | Kelliher | Pugh | Walker |
| Biernat | Ellison | Huntley | Larson | Rukavina | Wasiluk |
| Carlson | Goodwin | Jaros | Latz | Sieben | |
| Clark | Greiling | Johnson, S. | Lesch | Thao | |

So it was the judgment of the House that the decision of Speaker pro tempore Boudreau should stand.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote whereby the House upheld the ruling of Speaker pro tempore Boudreau relating to the point of order raised by Opatz to the Opatz amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the House upheld the ruling of Speaker pro tempore Boudreau relating to the point of order raised by Opatz to the Opatz amendment to the Holberg amendment to S. F. No. 187, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 30 yeas and 96 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Atkins | Ellison | Hilstrom | Kahn | Mahoney | Solberg |
| Bernardy | Entenza | Hornstein | Kelliher | Nelson, M. | Thao |
| Carlson | Goodwin | Huntley | Larson | Peterson | Wagenius |
| Clark | Greiling | Jaros | Latz | Pugh | Walker |
| Davnie | Hausman | Johnson, S. | Lesch | Rukavina | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|--------------|----------|----------|------------|----------|
| Abeler | Anderson, I. | Borrell | Buesgens | DeLaForest | Dorman |
| Abrams | Anderson, J. | Boudreau | Cornish | Demmer | Dorn |
| Adolphson | Beard | Bradley | Cox | Dempsey | Eastlund |
| Anderson, B. | Blaine | Brod | Davids | Dill | Eken |

| | | | | | |
|------------|-------------|------------|------------|------------|--------------|
| Erhardt | Hoppe | Lanning | Nelson, P. | Powell | Strachan |
| Erickson | Howes | Lenczewski | Nornes | Rhodes | Swenson |
| Finstad | Jacobson | Lieder | Olsen, S. | Ruth | Sykora |
| Fuller | Johnson, J. | Lindgren | Olson, M. | Samuelson | Urdahl |
| Gerlach | Juhnke | Lindner | Opatz | Seagren | Vandever |
| Gunther | Kielkucki | Lipman | Osterman | Seifert | Walz |
| Haas | Klinzing | Magnus | Otremba | Severson | Wardlow |
| Hackbarth | Knoblach | Marquart | Otto | Sieben | Westerberg |
| Harder | Koenen | McNamara | Ozment | Simpson | Westrom |
| Heidgerken | Kohls | Meslow | Paulsen | Smith | Wilkin |
| Hilty | Krinkie | Murphy | Pelowski | Soderstrom | Zellers |
| Holberg | Kuisle | Nelson, C. | Penas | Stang | Spk. Sviggum |

The motion did not prevail.

Thao and Rukavina moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 2, line 36, delete "and"

Page 3, line 2, before the period, insert "; and

(iv) information about the time and location of upcoming circus events"

Amend the title accordingly

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Thao and Rukavina amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Thao and Rukavina amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 30 yeas and 97 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-----------|-------------|------------|----------|
| Abrams | Ellison | Hausman | Johnson, S. | Mahoney | Rukavina |
| Atkins | Entenza | Hilstrom | Kahn | Mullery | Slawik |
| Bernardy | Erhardt | Hornstein | Kelliher | Nelson, M. | Solberg |
| Clark | Goodwin | Huntley | Latz | Peterson | Thao |
| Davnie | Greiling | Jaros | Lesch | Rhodes | Walker |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lindgren | Ozment | Swenson |
| Adolphson | Dempsey | Hoppe | Lindner | Paulsen | Sykora |
| Anderson, B. | Dill | Howes | Lipman | Pelowski | Urdahl |
| Anderson, I. | Dorman | Jacobson | Magnus | Penas | Vandever |
| Anderson, J. | Dorn | Johnson, J. | Marquart | Powell | Walz |
| Beard | Eastlund | Juhnke | McNamara | Pugh | Wardlow |
| Blaine | Eken | Kielkucki | Meslow | Ruth | Wasiluk |
| Borrell | Erickson | Klinzing | Murphy | Samuelson | Westerberg |
| Boudreau | Finstad | Knoblach | Nelson, C. | Seagren | Westrom |
| Bradley | Fuller | Koenen | Nelson, P. | Seifert | Wilkin |
| Brod | Gerlach | Kohls | Nornes | Severson | Zellers |
| Buesgens | Gunther | Krinkie | Olsen, S. | Sieben | Spk. Sviggum |
| Carlson | Haas | Kuisle | Olson, M. | Simpson | |
| Cornish | Hackbarth | Lanning | Opatz | Smith | |
| Cox | Harder | Larson | Osterman | Soderstrom | |
| Davids | Heidgerken | Lenczewski | Otremba | Stang | |
| DeLaForest | Hilty | Lieder | Otto | Strachan | |

The motion did not prevail.

Clark; Sieben; Walker; Johnson, S., and Kelliher moved to amend the Holberg amendment to S. F. No. 187, as amended, as follows:

Page 12, after line 6, insert:

"Sec. 2. [145.9251] [COVERAGE OF PRESCRIPTION CONTRACEPTIVES.]

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

(b) "Enrollee" has the meaning given in section 62Q.01, subdivision 2a.

(c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes the coverages described in section 62A.011, subdivision 3, clauses (7) and (10).

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

(e) "Outpatient contraceptive services" means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive drugs and devices to prevent pregnancy.

Subd. 2. [PARITY FOR CONTRACEPTIVES.] (a) A health plan that covers prescription drugs or devices must not exclude or restrict coverage to enrollees of any prescription contraceptive drug or device approved by the federal Food and Drug Administration.

(b) A health plan that covers outpatient services provided by a health care professional must not exclude or restrict coverage of outpatient contraceptive services for enrollees.

Subd. 3. [SPECIAL RESTRICTIONS PROHIBITED.] (a) A health plan must not impose deductibles, co-payments, coinsurance, other enrollee cost-sharing provisions, or waiting periods, for prescription contraceptive drugs or devices that are greater than those imposed for other covered prescription drugs or devices.

(b) A health plan must not impose deductibles, co-payments, coinsurance, other enrollee cost-sharing provisions, or waiting periods, for outpatient contraceptive services that are greater than those imposed for other covered outpatient services.

Subd. 4. [CERTAIN PRACTICES PROHIBITED.] A health plan company must not:

(1) deny eligibility, continued eligibility, enrollment, or renewal of coverage to any individual because of the individual's use or potential use of contraceptives;

(2) provide monetary payments or rebates to enrollees to encourage them to accept less than the minimum protections available under this section;

(3) penalize, or otherwise reduce or limit the reimbursement of a health care professional or health care provider, because the professional or provider prescribed contraceptive drugs or devices, or provided contraceptive services; or

(4) provide incentives, monetary or otherwise, to a health care professional or health care provider to induce the professional or provider to withhold contraceptive drugs, devices, or services from enrollees.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to health plans issued or renewed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 37 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|-----------|-------------|------------|----------|---------|
| Atkins | Entenza | Huntley | Lesch | Pugh | Walker |
| Bernardy | Goodwin | Jaros | Mahoney | Rukavina | Wasiluk |
| Biernat | Greiling | Johnson, S. | Mariani | Sieben | |
| Carlson | Hausman | Kahn | Mullery | Slawik | |
| Clark | Hilstrom | Kelliher | Nelson, M. | Solberg | |
| Davnie | Hilty | Larson | Otto | Thao | |
| Ellison | Hornstein | Latz | Peterson | Wagenius | |

Those who voted in the negative were:

| | | | | | |
|--------------|----------|------------|----------|------------|-------------|
| Abeler | Blaine | Cox | Dorn | Gerlach | Hoppe |
| Abrams | Borrell | Dauids | Eastlund | Gunther | Howes |
| Adolphson | Boudreau | DeLaForest | Eken | Haas | Jacobson |
| Anderson, B. | Bradley | Demmer | Erhardt | Hackbarth | Johnson, J. |
| Anderson, I. | Brod | Dempsey | Erickson | Harder | Juhnke |
| Anderson, J. | Buesgens | Dill | Finstad | Heidgerken | Kielkucki |
| Beard | Cornish | Dorman | Fuller | Holberg | Klinzing |

| | | | | | |
|------------|------------|-----------|-----------|------------|--------------|
| Knoblach | Lindner | Nornes | Penas | Smith | Wardlow |
| Koenen | Lipman | Olsen, S. | Powell | Soderstrom | Westerberg |
| Kohls | Magnus | Olson, M. | Rhodes | Stang | Westrom |
| Krinkie | Marquart | Opatz | Ruth | Strachan | Wilkin |
| Kuisle | McNamara | Osterman | Samuelson | Swenson | Zellers |
| Lanning | Meslow | Otremba | Seagren | Sykora | Spk. Sviggum |
| Lenczewski | Murphy | Ozment | Seifert | Urdahl | |
| Lieder | Nelson, C. | Paulsen | Severson | Vandevveer | |
| Lindgren | Nelson, P. | Pelowski | Simpson | Walz | |

The motion did not prevail and the amendment to the amendment was not adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Clark et al amendment to the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Clark et al amendment to the Holberg amendment to S. F. No. 187, as amended, was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 33 yeas and 95 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|-----------|-------------|----------|----------|----------|
| Atkins | Goodwin | Huntley | Latz | Pugh | Wagenius |
| Bernardy | Greiling | Jaros | Lesch | Rukavina | Walker |
| Carlson | Hausman | Johnson, S. | Mahoney | Sieben | Wasiluk |
| Clark | Hilstrom | Kahn | Mariani | Slawik | |
| Davnie | Hilty | Kelliher | Mullery | Solberg | |
| Entenza | Hornstein | Larson | Peterson | Thao | |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-----------|-------------|------------|------------|
| Abeler | Brod | Eastlund | Heidgerken | Kohls | McNamara |
| Abrams | Buesgens | Eken | Holberg | Krinkie | Meslow |
| Adolphson | Cornish | Erhardt | Hoppe | Kuisle | Murphy |
| Anderson, B. | Cox | Erickson | Howes | Lanning | Nelson, C. |
| Anderson, I. | Davids | Finstad | Jacobson | Lenczewski | Nelson, M. |
| Anderson, J. | DeLaForest | Fuller | Johnson, J. | Lieder | Nelson, P. |
| Beard | Demmer | Gerlach | Juhnke | Lindgren | Nornes |
| Blaine | Dempsey | Gunther | Kielkucki | Lindner | Olsen, S. |
| Borrell | Dill | Haas | Klinzing | Lipman | Olson, M. |
| Boudreau | Dorman | Hackbarth | Knoblach | Magnus | Opatz |
| Bradley | Dorn | Harder | Koenen | Marquart | Osterman |

| | | | | | |
|----------|-----------|----------|------------|------------|--------------|
| Otremba | Penas | Seagren | Soderstrom | Urdahl | Westrom |
| Otto | Powell | Seifert | Stang | Vandever | Wilkin |
| Ozment | Rhodes | Severson | Strachan | Walz | Zellers |
| Paulsen | Ruth | Simpson | Swenson | Wardlow | Spk. Sviggum |
| Pelowski | Samuelson | Smith | Sykora | Westerberg | |

The motion did not prevail.

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

CALL OF THE HOUSE

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

| | | | | | |
|--------------|------------|-------------|------------|-----------|--------------|
| Abeler | DeLaForest | Heidgerken | Larson | Opatz | Soderstrom |
| Abrams | Demmer | Hilstrom | Latz | Osterman | Solberg |
| Adolphson | Dempsey | Hilty | Lenczewski | Otremba | Stang |
| Anderson, B. | Dill | Holberg | Lesch | Otto | Strachan |
| Anderson, I. | Dorman | Hoppe | Lieder | Ozment | Swenson |
| Anderson, J. | Dorn | Hornstein | Lindgren | Paulsen | Sykora |
| Atkins | Eastlund | Howes | Lindner | Pelowski | Thao |
| Beard | Eken | Huntley | Lipman | Penas | Urdahl |
| Bernardy | Ellison | Jacobson | Magnus | Peterson | Vandever |
| Biernat | Entenza | Johnson, J. | Mahoney | Powell | Wagenius |
| Blaine | Erhardt | Johnson, S. | Mariani | Pugh | Walker |
| Borrell | Erickson | Juhnke | Marquart | Rhodes | Walz |
| Boudreau | Finstad | Kahn | McNamara | Rukavina | Wardlow |
| Bradley | Fuller | Kelliher | Meslow | Ruth | Wasiluk |
| Brod | Gerlach | Kielkucki | Mullery | Samuelson | Westerberg |
| Buesgens | Goodwin | Klinzing | Murphy | Seagren | Westrom |
| Carlson | Greiling | Knoblach | Nelson, C. | Seifert | Wilkin |
| Clark | Gunther | Koenen | Nelson, M. | Severson | Zellers |
| Cornish | Haas | Kohls | Nelson, P. | Sieben | Spk. Sviggum |
| Cox | Hackbarth | Krinkie | Nornes | Simpson | |
| Davids | Harder | Kuisle | Olsen, S. | Slawik | |
| Davnie | Hausman | Lanning | Olson, M. | Smith | |

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

The question recurred on the Holberg amendment and the roll was called.

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

There were 88 yeas and 40 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | DeLaForest | Heidgerken | Lenczewski | Opatz | Stang |
| Adolphson | Demmer | Holberg | Lieder | Otremba | Strachan |
| Anderson, B. | Dempsey | Hoppe | Lindgren | Ozment | Swenson |
| Anderson, I. | Dill | Howes | Lindner | Paulsen | Sykora |
| Anderson, J. | Dorman | Jacobson | Lipman | Pelowski | Urdahl |
| Beard | Eastlund | Johnson, J. | Magnus | Penas | Vandever |
| Blaine | Eken | Juhnke | Marquart | Powell | Walz |
| Borrell | Erickson | Kielkucki | McNamara | Ruth | Wardlow |
| Boudreau | Finstad | Klinzing | Meslow | Samuelson | Westerberg |
| Bradley | Fuller | Knoblach | Murphy | Seagren | Westrom |
| Brod | Gerlach | Koenen | Nelson, C. | Seifert | Wilkin |
| Buesgens | Gunther | Kohls | Nelson, P. | Severson | Zellers |
| Cornish | Haas | Krinkie | Nornes | Simpson | Spk. Sviggum |
| Cox | Hackbarth | Kuisle | Olsen, S. | Smith | |
| Dauids | Harder | Lanning | Olson, M. | Soderstrom | |

Those who voted in the negative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hilty | Latz | Otto | Solberg |
| Atkins | Entenza | Hornstein | Lesch | Peterson | Thao |
| Bernardy | Erhardt | Huntley | Mahoney | Pugh | Wagenius |
| Biernat | Goodwin | Johnson, S. | Mariani | Rhodes | Walker |
| Carlson | Greiling | Kahn | Mullery | Rukavina | Wasiluk |
| Clark | Hausman | Kelliher | Nelson, M. | Sieben | |
| Davnie | Hilstrom | Larson | Osterman | Slawik | |

The motion prevailed and the amendment was adopted.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote on the Holberg amendment to S. F. No. 187, as amended.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby the Holberg amendment to S. F. No. 187, as amended, was adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Seifert motion and the roll was called. There were 34 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|---------|---------|----------|-----------|-------------|
| Abrams | Biernat | Davnie | Goodwin | Hilty | Johnson, S. |
| Atkins | Carlson | Entenza | Greiling | Hornstein | Kahn |
| Bernardy | Clark | Erhardt | Hilstrom | Huntley | Kelliher |

| | | | | | |
|--------|------------|----------|----------|----------|---------|
| Larson | Mariani | Osterman | Rukavina | Thao | Wasiluk |
| Latz | Mullery | Peterson | Sieben | Wagenius | |
| Lesch | Nelson, M. | Rhodes | Slawik | Walker | |

Those who voted in the negative were:

| | | | | | |
|--------------|-----------|-------------|------------|------------|--------------|
| Abeler | Demmer | Heidgerken | Lieder | Otremba | Solberg |
| Adolphson | Dempsey | Holberg | Lindgren | Otto | Stang |
| Anderson, B. | Dill | Hoppe | Lindner | Ozment | Strachan |
| Anderson, I. | Dorman | Howes | Lipman | Paulsen | Swenson |
| Anderson, J. | Dorn | Jacobson | Magnus | Pelowski | Sykora |
| Beard | Eastlund | Johnson, J. | Mahoney | Penas | Urdahl |
| Blaine | Eken | Juhnke | Marquart | Powell | Vandever |
| Borrell | Erickson | Kielkucki | McNamara | Pugh | Walz |
| Boudreau | Finstad | Klinzing | Meslow | Ruth | Wardlow |
| Bradley | Fuller | Knoblach | Murphy | Samuelson | Westerberg |
| Brod | Gerlach | Koenen | Nelson, C. | Seagren | Westrom |
| Buesgens | Gunther | Kohls | Nelson, P. | Seifert | Wilkin |
| Cornish | Haas | Krinkie | Nornes | Severson | Zellers |
| Cox | Hackbarth | Kuisle | Olsen, S. | Simpson | Spk. Sviggum |
| Davids | Harder | Lanning | Olson, M. | Smith | |
| DeLaForest | Hausman | Lenczewski | Opatz | Soderstrom | |

The motion did not prevail.

S. F. No. 187, as amended, was read for the third time.

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the action whereby S. F. No. 187, as amended, was given its third reading.

MOTION FOR RECONSIDERATION

Seifert moved that the action whereby S. F. No. 187, as amended, was given its third reading be now reconsidered.

A roll call was requested and properly seconded.

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

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

There were 34 yeas and 93 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Davnie | Hornstein | Latz | Osterman | Thao |
| Atkins | Entenza | Huntley | Lesch | Peterson | Wagenius |
| Bernardy | Erhardt | Johnson, S. | Mahoney | Rhodes | Walker |
| Biernat | Goodwin | Kahn | Mariani | Rukavina | Wasiluk |
| Carlson | Greiling | Kelliher | Mullery | Sieben | |
| Clark | Hilstrom | Larson | Nelson, M. | Slawik | |

Those who voted in the negative were:

| | | | | | |
|--------------|-----------|-------------|------------|------------|--------------|
| Abeler | Demmer | Heidgerken | Lieder | Otto | Stang |
| Adolphson | Dempsey | Holberg | Lindgren | Ozment | Strachan |
| Anderson, B. | Dill | Hoppe | Lindner | Paulsen | Swenson |
| Anderson, I. | Dorman | Howes | Lipman | Pelowski | Sykora |
| Anderson, J. | Dorn | Jacobson | Magnus | Penas | Urdahl |
| Beard | Eastlund | Johnson, J. | Marquart | Powell | Vandev eer |
| Blaine | Eken | Juhnke | McNamara | Pugh | Walz |
| Borrell | Erickson | Kielkucki | Meslow | Ruth | Wardlow |
| Boudreau | Finstad | Klinzing | Murphy | Samuelson | Westerberg |
| Bradley | Fuller | Knoblach | Nelson, C. | Seagren | Westrom |
| Brod | Gerlach | Koenen | Nelson, P. | Seifert | Wilkin |
| Buesgens | Gunther | Kohls | Nornes | Severson | Zellers |
| Cornish | Haas | Krinkie | Olsen, S. | Simpson | Spk. Sviggum |
| Cox | Hackbarth | Kuisle | Olsen, M. | Smith | |
| Dauids | Harder | Lanning | Opatz | Soderstrom | |
| DeLaForest | Hausman | Lenczewski | Otremba | Solberg | |

The motion did not prevail.

S. F. No. 187, A bill for an act relating to the state agricultural society; eliminating a prohibition on circuses around state fair time; repealing Minnesota Statutes 2002, section 37.26.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 39 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|-----------|-------------|------------|------------|
| Abeler | Brod | Eastlund | Heidgerken | Koenen | Magnus |
| Adolphson | Buesgens | Eken | Holberg | Kohls | Marquart |
| Anderson, B. | Cornish | Erickson | Hoppe | Krinkie | McNamara |
| Anderson, I. | Cox | Finstad | Howes | Kuisle | Meslow |
| Anderson, J. | Dauids | Fuller | Jacobson | Lanning | Murphy |
| Beard | DeLaForest | Gerlach | Johnson, J. | Lenczewski | Nelson, C. |
| Blaine | Demmer | Gunther | Juhnke | Lieder | Nelson, P. |
| Borrell | Dempsey | Haas | Kielkucki | Lindgren | Nornes |
| Boudreau | Dill | Hackbarth | Klinzing | Lindner | Olsen, S. |
| Bradley | Dorman | Harder | Knoblach | Lipman | Olson, M. |

| | | | | | |
|----------|-----------|----------|------------|----------|--------------|
| Opatz | Penas | Seagren | Soderstrom | Sykora | Westerberg |
| Otremba | Powell | Seifert | Solberg | Urdahl | Westrom |
| Ozment | Pugh | Severson | Stang | Vandever | Wilkin |
| Paulsen | Ruth | Simpson | Strachan | Walz | Zellers |
| Pelowski | Samuelson | Smith | Swenson | Wardlow | Spk. Sviggum |

Those who voted in the negative were:

| | | | | | |
|----------|----------|-------------|------------|----------|----------|
| Abrams | Dorn | Hilstrom | Larson | Osterman | Thao |
| Atkins | Ellison | Hilty | Latz | Otto | Wagenius |
| Bernardy | Entenza | Hornstein | Lesch | Peterson | Walker |
| Biernat | Erhardt | Huntley | Mahoney | Rhodes | Wasiluk |
| Carlson | Goodwin | Johnson, S. | Mariani | Rukavina | |
| Clark | Greiling | Kahn | Mullery | Sieben | |
| Davnie | Hausman | Kelliher | Nelson, M. | Slawik | |

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

NOTICE OF INTENT TO MOVE RECONSIDERATION

Pursuant to rule 3.14, Seifert gave notice of his intent to move reconsideration of the vote whereby S. F. No. 187, as amended, was passed.

MOTION FOR RECONSIDERATION

Seifert moved that the vote whereby S. F. No. 187, as amended, was passed be now reconsidered.

A roll call was requested and properly seconded.

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

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

There were 30 yeas and 97 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|----------|-------------|----------|------------|----------|
| Abrams | Davnie | Hilstrom | Kahn | Mullery | Slawik |
| Bernardy | Entenza | Hilty | Kelliher | Nelson, M. | Thao |
| Biernat | Erhardt | Hornstein | Larson | Peterson | Wagenius |
| Carlson | Goodwin | Huntley | Latz | Rhodes | Walker |
| Clark | Greiling | Johnson, S. | Lesch | Sieben | Wasiluk |

Those who voted in the negative were:

| | | | | | |
|--------------|------------|-------------|------------|------------|--------------|
| Abeler | Demmer | Holberg | Lindner | Ozment | Strachan |
| Adolphson | Dempsey | Hoppe | Lipman | Paulsen | Swenson |
| Anderson, B. | Dill | Howes | Magnus | Pelowski | Sykora |
| Anderson, I. | Dorman | Jacobson | Mahoney | Penas | Urdahl |
| Anderson, J. | Dorn | Johnson, J. | Marquart | Powell | Vandevier |
| Atkins | Eastlund | Juhnke | McNamara | Pugh | Walz |
| Beard | Eken | Kielkucki | Meslow | Rukavina | Wardlow |
| Blaine | Erickson | Klinzing | Murphy | Ruth | Westerberg |
| Borrell | Finstad | Knoblach | Nelson, C. | Samuelson | Westrom |
| Boudreau | Fuller | Koenen | Nelson, P. | Seagren | Wilkin |
| Bradley | Gerlach | Kohls | Nornes | Seifert | Zellers |
| Brod | Gunther | Krinkie | Olsen, S. | Severson | Spk. Sviggum |
| Buesgens | Haas | Kuisle | Olson, M. | Simpson | |
| Cornish | Hackbarth | Lanning | Opatz | Smith | |
| Cox | Harder | Lenczewski | Osterman | Soderstrom | |
| Davids | Hausman | Lieder | Otremba | Solberg | |
| DeLaForest | Heidgerken | Lindgren | Otto | Stang | |

The motion did not prevail.

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

ADJOURNMENT

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 4:30 p.m., Wednesday, April 9, 2003.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

