

STATE OF MINNESOTA

Journal of the Senate

EIGHTIETH LEGISLATURE

SEVENTY-EIGHTH DAY

St. Paul, Minnesota, Monday, February 23, 1998

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Betzold imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Stacy Offner.

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

The roll was called, and the following Senators answered to their names:

Anderson	Hanson	Krentz	Novak	Sams
Beckman	Higgins	Laidig	Oliver	Samuelson
Belanger	Hottinger	Langseth	Olson	Scheevel
Berg	Johnson, D.E.	Larson	Ourada	Scheid
Berglin	Johnson, D.H.	Lesewski	Pappas	Solon
Betzold	Johnson, D.J.	Lessard	Pariseau	Spear
Cohen	Johnson, J.B.	Limmer	Piper	Stevens
Day	Junge	Lourey	Pogemiller	Stumpf
Dille	Kelley, S.P.	Marty	Price	Ten Eyck
Fischbach	Kelly, R.C.	Metzen	Ranum	Terwilliger
Flynn	Kiscaden	Morse	Robertson	Vickerman
Foley	Kleis	Murphy	Robling	Wiener
Frederickson	Knutson	Neuville	Runbeck	Wiger

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Janezich and Moe, R.D. were excused from the Session of today.

REPORTS OF COMMITTEES

Ms. Junge moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 2436. The motion prevailed.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 537: A bill for an act relating to crime prevention; clarifying that a court may not refuse to adjudicate a defendant's guilt; amending Minnesota Statutes 1996, section 609.095.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, before the comma, insert "or upon agreement of the parties"

Page 1, after line 20, insert:

"Sec. 2. Minnesota Statutes 1996, section 609.341, subdivision 11, is amended to read:

Subd. 11. (a) "Sexual contact," for the purposes of sections 609.343, subdivision 1, clauses (a) to (f), and 609.345, subdivision 1, clauses (a) to (e), and (h) to (l), includes any of the following acts committed without the complainant's consent, except in those cases where consent is not a defense, and committed with sexual or aggressive intent:

(i) the intentional touching by the actor of the complainant's intimate parts, or

(ii) the touching by the complainant of the actor's, the complainant's, or another's intimate parts effected by coercion ~~or the use of a position of authority~~, or by inducement if the complainant is under 13 years of age or mentally impaired, or

(iii) the touching by another of the complainant's intimate parts effected by coercion ~~or the use of a position of authority~~, or

(iv) in any of the cases above, the touching of the clothing covering the immediate area of the intimate parts.

(b) "Sexual contact," for the purposes of sections 609.343, subdivision 1, clauses (g) and (h), and 609.345, subdivision 1, clauses (f) and (g), includes any of the following acts committed with sexual or aggressive intent:

(i) the intentional touching by the actor of the complainant's intimate parts;

(ii) the touching by the complainant of the actor's, the complainant's, or another's intimate parts;

(iii) the touching by another of the complainant's intimate parts; or

(iv) in any of the cases listed above, touching of the clothing covering the immediate area of the intimate parts.

(c) "Sexual contact with a person under 13" means the intentional touching of the complainant's bare genitals or anal opening by the actor's bare genitals or anal opening with sexual or aggressive intent or the touching by the complainant's bare genitals or anal opening of the actor's or another's bare genitals or anal opening with sexual or aggressive intent.

Sec. 3. Minnesota Statutes 1996, section 609.341, subdivision 12, is amended to read:

Subd. 12. "Sexual penetration" means any of the following acts committed without the complainant's consent, except in those cases where consent is not a defense, whether or not emission of semen occurs:

(1) sexual intercourse, cunnilingus, fellatio, or anal intercourse; or

(2) any intrusion however slight into the genital or anal openings:

(i) of the complainant's body by any part of the actor's body or any object used by the actor for this purpose;

(ii) of the complainant's body by any part of the body of the complainant, by any part of the body of another person, or by any object used by the complainant or another person for this purpose, when effected by coercion ~~or the use of a position of authority~~, or by inducement if the child is under 13 years of age or mentally impaired; or

(iii) of the body of the actor or another person by any part of the body of the complainant or by

any object used by the complainant for this purpose, when effected by coercion ~~or the use of a position of authority~~, or by inducement if the child is under 13 years of age or mentally impaired.

Sec. 4. Minnesota Statutes 1996, section 609.342, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] A person who engages in sexual penetration with another person, or in sexual contact with a person under 13 years of age as defined in section 609.341, subdivision 11, paragraph (c), is guilty of criminal sexual conduct in the first degree if any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(b) the complainant is at least 13 years of age but less than 16 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, ~~and uses this authority to cause the complainant to submit~~. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(c) circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(d) the actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit;

(e) the actor causes personal injury to the complainant, and either of the following circumstances exist:

(i) the actor uses force or coercion to accomplish sexual penetration; or

(ii) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(f) the actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:

(i) an accomplice uses force or coercion to cause the complainant to submit; or

(ii) an accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant reasonably to believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit;

(g) the actor has a significant relationship to the complainant and the complainant was under 16 years of age at the time of the sexual penetration. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(h) the actor has a significant relationship to the complainant, the complainant was under 16 years of age at the time of the sexual penetration, and:

(i) the actor or an accomplice used force or coercion to accomplish the penetration;

(ii) the complainant suffered personal injury; or

(iii) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Sec. 5. Minnesota Statutes 1996, section 609.343, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] A person who engages in sexual contact with another person is guilty of criminal sexual conduct in the second degree if any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced;

(b) the complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, ~~and uses this authority to cause the complainant to submit.~~ Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(c) circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(d) the actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the dangerous weapon to cause the complainant to submit;

(e) the actor causes personal injury to the complainant, and either of the following circumstances exist:

(i) the actor uses force or coercion to accomplish the sexual contact; or

(ii) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(f) the actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:

(i) an accomplice uses force or coercion to cause the complainant to submit; or

(ii) an accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit;

(g) the actor has a significant relationship to the complainant and the complainant was under 16 years of age at the time of the sexual contact. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(h) the actor has a significant relationship to the complainant, the complainant was under 16 years of age at the time of the sexual contact, and:

(i) the actor or an accomplice used force or coercion to accomplish the contact;

(ii) the complainant suffered personal injury; or

(iii) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Sec. 6. Minnesota Statutes 1996, section 609.344, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] A person who engages in sexual penetration with another person is guilty of criminal sexual conduct in the third degree if any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense;

(b) the complainant is at least 13 but less than 16 years of age and the actor is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the evidence, that the actor believes the complainant to be 16

years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, the actor may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense;

(c) the actor uses force or coercion to accomplish the penetration;

(d) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(e) the complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, ~~and uses this authority to cause or induce the complainant to submit.~~ Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) the actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the sexual penetration. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(g) the actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual penetration, and:

(i) the actor or an accomplice used force or coercion to accomplish the penetration;

(ii) the complainant suffered personal injury; or

(iii) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(h) the actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual penetration occurred:

(i) during the psychotherapy session; or

(ii) outside the psychotherapy session if an ongoing psychotherapist-patient relationship exists.

Consent by the complainant is not a defense;

(i) the actor is a psychotherapist and the complainant is a former patient of the psychotherapist and the former patient is emotionally dependent upon the psychotherapist;

(j) the actor is a psychotherapist and the complainant is a patient or former patient and the sexual penetration occurred by means of therapeutic deception. Consent by the complainant is not a defense;

(k) the actor accomplishes the sexual penetration by means of deception or false representation that the penetration is for a bona fide medical purpose. Consent by the complainant is not a defense; or

(l) the actor is or purports to be a member of the clergy, the complainant is not married to the actor, and:

(i) the sexual penetration occurred during the course of a meeting in which the complainant sought or received religious or spiritual advice, aid, or comfort from the actor in private; or

(ii) the sexual penetration occurred during a period of time in which the complainant was meeting on an ongoing basis with the actor to seek or receive religious or spiritual advice, aid, or comfort in private.

Consent by the complainant is not a defense.

Sec. 7. Minnesota Statutes 1996, section 609.345, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] A person who engages in sexual contact with another person is guilty of criminal sexual conduct in the fourth degree if any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age or consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced;

(b) the complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant ~~and uses this authority to cause the complainant to submit~~. Consent by the complainant to the act is not a defense. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older;

(c) the actor uses force or coercion to accomplish the sexual contact;

(d) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(e) the complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, ~~and uses this authority to cause or induce the complainant to submit~~. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) the actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the sexual contact. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(g) the actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual contact, and:

(i) the actor or an accomplice used force or coercion to accomplish the contact;

(ii) the complainant suffered personal injury; or

(iii) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(h) the actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual contact occurred:

(i) during the psychotherapy session; or

(ii) outside the psychotherapy session if an ongoing psychotherapist-patient relationship exists.

Consent by the complainant is not a defense;

(i) the actor is a psychotherapist and the complainant is a former patient of the psychotherapist and the former patient is emotionally dependent upon the psychotherapist;

(j) the actor is a psychotherapist and the complainant is a patient or former patient and the sexual contact occurred by means of therapeutic deception. Consent by the complainant is not a defense;

(k) the actor accomplishes the sexual contact by means of deception or false representation that the contact is for a bona fide medical purpose. Consent by the complainant is not a defense; or

(l) the actor is or purports to be a member of the clergy, the complainant is not married to the actor, and:

(i) the sexual contact occurred during the course of a meeting in which the complainant sought or received religious or spiritual advice, aid, or comfort from the actor in private; or

(ii) the sexual contact occurred during a period of time in which the complainant was meeting on an ongoing basis with the actor to seek or receive religious or spiritual advice, aid, or comfort in private.

Consent by the complainant is not a defense.

Sec. 8. [EFFECTIVE DATE.]

Sections 2 to 7 are effective August 1, 1998, and apply to crimes committed on or after that date."

Amend the title as follows:

Page 1, line 3, before the semicolon, insert "except upon agreement of the parties; amending the criminal sexual conduct statutes to criminalize certain acts committed by persons in a position of authority, even where the authority was not used to cause the victim to submit"

Page 1, line 4, delete "section 609.095" and insert "sections 609.095; 609.341, subdivisions 11 and 12; 609.342, subdivision 1; 609.343, subdivision 1; 609.344, subdivision 1; and 609.345, subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Ranum from the Committee on Judiciary, to which was referred

S.F. No. 2725: A bill for an act relating to real estate; authorizing additional methods for recorder and registrar functions; amending Minnesota Statutes 1996, sections 386.40; 386.41; 508.32; 508.38; and 508A.38; proposing coding for new law in Minnesota Statutes, chapters 386; 508; and 508A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, delete "typed"

Page 3, line 3, delete "typed"

Page 4, line 18, delete "typed"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Local and Metropolitan Government, to which was referred

H.F. No. 2736: A bill for an act relating to counties; authorizing gifts to certain food distribution organizations; amending Minnesota Statutes 1996, section 465.039.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "TO" insert "NONPROFIT" and strike "DISTRIBUTING FOOD"

Page 1, line 14, before the period, insert "and other nonprofit organizations if the governing body determines that the appropriation is for a public purpose"

Amend the title as follows:

Page 1, lines 2 and 3, delete "certain food distribution" and insert "nonprofit"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Local and Metropolitan Government, to which was referred

S.F. No. 2346: A bill for an act relating to local government; removing an age ceiling for new firefighters in Minneapolis; repealing Laws 1959, chapter 213.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Laws 1969, chapter 937, section 1, subdivision 9a, as added by Laws 1986, chapter 473, section 17, and amended by Laws 1988, chapter 433, section 2, is amended to read:

Subd. 9a. The city council shall by ordinance indicate the manner in which the following positions are appointed:

- (a) Director of federal employment and training;
- (b) Director of inspections;
- (c) Director of women/minorities business enterprise;
- (d) Government relations representative;
- (e) Risk manager;
- (f) Deputy finance officer;
- (g) Assistant budget director;
- (h) Manager of sales and marketing at the convention center;
- (i) Director of community crime prevention;
- (j) Deputy purchasing director;
- (k) Urban corps. coordinator;
- (l) Assistant director of licenses;
- (m) Manager of employee benefits;
- (n) Director of Public Information;
- (o) Internal auditor;
- (p) Director of labor relations;
- (q) Director of affirmative action;
- (r) Executive director, civilian police review authority.

The appointing authority shall not terminate an incumbent holding a position listed under clause (b) for 270 days following the effective date of this act, except for misfeasance or malfeasance in office. For 270 days after the first 270 days, the appointing authority shall not terminate an incumbent holding a position listed under this subdivision, except for misfeasance or malfeasance in office, without vote of approval of a majority of the council.

Sec. 2. [MIDTOWN PLANNING AND COORDINATION BOARD.]

Subdivision 1. [ESTABLISHED.] The midtown planning and coordination board is established.

Subd. 2. [PURPOSE.] The purpose of the board is to do planning for the Lake Street corridor area along with and including neighborhoods one-half mile on either side of Lake Street in

Minneapolis from the western city limits to the river, and to do planning and coordination for economic development, transportation, and residential renewal, with the cooperation of affected government, civic, business, and neighborhood entities.

Subd. 3. [MEMBERSHIP.] The board shall be composed of 11 members. Three members must be appointed by the Minneapolis city council from among its members; three by the Hennepin county board, from among its members; one by the Minneapolis park board, from among its members; one by the metropolitan council, from among its members; two members of the public appointed by the Minneapolis city council; two members of the public appointed by the Hennepin county board; and one member appointed by the member of Congress from the fifth district. The public members must reside or do business in the affected area.

Subd. 4. [OFFICERS.] The chair of the board shall be elected by, and from among, the members of the board for a one-year term. The chair shall preside at meetings of the board, if present, and shall perform all other duties assigned by the board or by law. The board shall elect officers in addition to the chair as it deems necessary for the conduct of its duties.

Subd. 5. [MEMBERSHIP TERMS.] The terms of the members shall be three years with the terms ending on June 30, 2001.

Subd. 6. [COMPENSATION AND MEMBERSHIP.] Compensation of members, removal of members, and filling of membership vacancies is governed by Minnesota Statutes, section 15.0575, if not covered in this section.

Sec. 3. [POWERS OF BOARD.]

Subdivision 1. [GENERAL POWERS.] The board has all powers that may be necessary or convenient to enable it to perform the duties and responsibilities imposed on it by law. The powers include the specific powers enumerated in this section.

Subd. 2. [EMPLOYEES.] The board shall prescribe all terms and conditions for the employment of its employees including, but not limited to, adopting a compensation and classification plan for its employees. Employees of the board are public employees and are members of the Minnesota state retirement system. The board shall make the employer's contributions to pension funds of its employees.

Subd. 3. [GIFTS AND APPROPRIATIONS.] The board may accept gifts, apply for and use grants or loans of money or other property from the United States, the state, or any person for any board purpose, and may enter into agreements required in connection therewith, and may hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan, or agreement relating to it.

Sec. 4. [DURATION.]

The board continues to exist until expressly abolished by law."

Page 1, delete section 2 and insert:

"Sec. 6. [EFFECTIVE DATE; LOCAL APPROVAL.]

Section 1 is effective the day after the approval by the governing body of the city of Minneapolis is filed according to Minnesota Statutes, section 645.021, subdivision 3.

Sec. 7. [EFFECTIVE DATE.]

Sections 2 to 5 are effective the day after final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "adding a position to a list for certain purposes; establishing and providing the powers and duties of the midtown planning and coordination board;"

Page 1, line 3, after the semicolon, insert "amending Laws 1969, chapter 937, section 1, subdivision 9a, as amended;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was referred

S.F. No. 2436: A bill for an act relating to state government; establishing a settlement division in the office of administrative hearings; transferring certain judges from the department of labor and industry to the office of administrative hearings; transferring the small claims court from the department of labor and industry to the office of administrative hearings; transferring certain duties and funds.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [SETTLEMENT DIVISION; TRANSFER OF JUDGES.]

The office of administrative hearings shall establish a settlement division. The workers' compensation judges at the department of labor and industry, together with their support staff, offices, furnishings, equipment, and supplies are transferred to the settlement division of the office of administrative hearings in accordance with Minnesota Statutes, section 15.039. The settlement division of the office of administrative hearings must maintain offices in the cities of St. Paul, Duluth, and Detroit Lakes. The office of a judge in the settlement division of the office of administrative hearings and the support staff of the judge may be located in a building that contains offices of the department of labor and industry. The seniority of a workers' compensation judge at the office of administrative hearings, after the transfer, must be based on the total length of service as a judge at either agency.

Sec. 2. [TRANSFER OF DUTIES.]

The powers and duties assigned to the workers' compensation judges at the department of labor and industry on July 1, 1997, are transferred to workers' compensation judges at the office of administrative hearings. The powers and duties assigned to the customer assistance teams on July 1, 1997, remain at the department of labor and industry.

The powers and duties of the commissioner of the department of labor and industry are unchanged by this section. The powers and duties that remain with the customer assistance teams include, but are not limited to:

(1) all authority, orders, and documents necessary to review mediation resolutions and to issue mediation awards, as provided by Minnesota Statutes, section 176.521, and Minnesota Rules, part 5220.2670;

(2) all authority, orders, and documents regarding rehabilitation services and plans and the monitoring of rehabilitation consultants and vendors, as provided for in Minnesota Statutes, section 176.102;

(3) conducting administrative conferences and issuing administrative decisions as provided for in Minnesota Statutes, section 176.106;

(4) determinations, orders, and documents under Minnesota Statutes, sections 176.103, 176.135, 176.136, and 176.231;

(5) determinations and orders under interest provisions set forth in Minnesota Statutes, sections 176.191, 176.221, and 176.361; and

(6) all authority, orders, and documents necessary to initiate proceedings under Minnesota Statutes, section 176.271.

Sec. 3. [TRANSFER OF FUNDS.]

The commissioner of finance, after consultation with the commissioner of the department of labor and industry and the chief administrative law judge, shall make the appropriate transfer of funds from the department of labor and industry to the office of administrative hearings. The funds transferred must be sufficient to provide for the smooth running of the settlement division and pay the salaries of all personnel transferred to the office of administrative hearings plus the salaries for any judge or support staff positions that were filled on October 1, 1997, but are vacant on the effective date of this act. The commissioner of finance shall report to the legislature if the appropriation for the department of labor and industry is insufficient following the transfer of funds.

Sec. 4. [SMALL CLAIMS COURT TRANSFER.]

The small claims court at the department of labor and industry is transferred to the office of administrative hearings.

Sec. 5. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall change the term "settlement judge" to the term "compensation judge" wherever it appears in Minnesota Statutes and Minnesota Rules.

Sec. 6. [NO EFFECT ON CERTAIN AGREEMENTS.]

Sections 1 to 5 do not abrogate or modify the terms of a memorandum of understanding entered into by the state and an exclusive representative of state employees affected by the transfer of duties in sections 1 to 5.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2966: A bill for an act relating to mortgages; enacting the Minnesota Residential Mortgage Originator and Servicer Licensing Act; establishing licensing and enforcement mechanisms; amending Minnesota Statutes 1996, sections 47.206, subdivision 1; 82.17, subdivision 4; 82.18; and 82.27, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1996, section 82.175.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, delete "21, and 22" and insert "22, and 23"

Page 2, line 30, before "bank" insert "state-chartered"

Page 2, line 32, after the period, insert "The term "financial institution" also includes a subsidiary or operating subsidiary of a financial institution or of a bank holding company as defined in the federal Bank Holding Company Act, United States Code, title 12, section 1841 et seq., if the subsidiary or operating subsidiary can demonstrate to the satisfaction of the commissioner that it is regulated and subject to active and ongoing oversight and supervision by a federal banking agency, as defined in the Federal Deposit Insurance Act, United States Code, title 12, section 1811 et seq., or the commissioner."

Page 3, line 7, delete "22" and insert "23"

Page 4, after line 13, insert:

"Subd. 20. [RESIDENTIAL MORTGAGE SERVICER; SERVICER.] "Residential mortgage servicer" or "servicer" means a person who engages in the activity of servicing a residential mortgage as defined in subdivision 22."

Page 4, line 14, delete "20" and insert "21"

Page 4, line 19, delete "21" and insert "22"

Page 4, line 27, delete "22" and insert "23"

Page 5, line 1, delete "23" and insert "24"

Page 5, line 6, delete "24" and insert "25"

Page 5, line 12, delete "25" and insert "26"

Page 5, line 28, delete "and rules adopted by the commissioner"

Page 6, delete lines 8 to 10 and insert:

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

Page 6, line 22, delete "rule or"

Page 6, line 27, delete "21" and insert "22"

Page 6, line 29, delete "and rules adopted by the commissioner"

Page 7, line 13, delete "rule or"

Page 7, after line 19, insert:

"Subd. 4. [APPLICABILITY TO BANKS AND CREDIT UNIONS.] Except for section 58.13, this chapter does not apply to a bank, savings bank, savings association, or credit union subject to supervision by either a federal regulatory agency or the commissioner."

Page 10, line 27, after "contract" insert "relating to activities regulated by this chapter"

Page 13, line 1, after "the" insert "residential mortgage"

Page 15, line 27, after "loans" insert "including, without limitation, sections 47.20 to 47.208"

Page 17, line 11, after "from" insert "or through"

Page 18, line 27, delete "AGENCY" and insert "NON-AGENCY"

Page 22, after line 4, insert:

"Subd. 3. [OFFER.] For purposes of this section, an "offer" means any advertisement or solicitation of any type, including an advertisement or solicitation in newspapers and magazines, by mail, by telephone, on television, on radio, or via the internet or any other electronic medium of any kind, for residential mortgage originator services. The term "offer" excludes an advertisement or solicitation that specifically states that the services are not available to Minnesota residents."

Page 22, after line 6, insert:

"Sec. 19. [EFFECTIVE DATES.]

Sections 1 to 11 and 17 are effective July 1, 1998. Sections 12 to 16 are effective July 1, 1999."

Page 28, after line 26, insert:

"Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective August 1, 1999."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 3071 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3071	2849				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 3145 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3145	2719				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2642 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2642	2280				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 3250 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS

H.F. No.	S.F. No.
3250	2786

CONSENT CALENDAR

H.F. No.	S.F. No.
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CALENDAR

H.F. No.	S.F. No.
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and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2489 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS

H.F. No.	S.F. No.
2489	2381

CONSENT CALENDAR

H.F. No.	S.F. No.
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CALENDAR

H.F. No.	S.F. No.
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Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2489 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2489 and insert the language after the enacting clause of S.F. No. 2381, the first engrossment; further, delete the title of H.F. No. 2489 and insert the title of S.F. No. 2381, the first engrossment.

And when so amended H.F. No. 2489 will be identical to S.F. No. 2381, and further recommends that H.F. No. 2489 be given its second reading and substituted for S.F. No. 2381, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 537, 2725, 2346 and 2966 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2736, 3071, 3145, 2642, 3250 and 2489 were read the second time.

MOTIONS AND RESOLUTIONS**Mr. Laidig, Ms. Junge, Messrs. Spear and Day introduced--**

Senate Resolution No. 85: A Senate resolution amending Rule 57 and Rule 58 of the Permanent Rules of the Senate.

Referred to the Committee on Rules and Administration.

Pursuant to Rule 10, Ms. Junge, designee of the Chair of the Committee on Rules and Administration, designated S.F. No. 3345 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 3345: A bill for an act relating to criminal justice; appropriating money for the judicial branch, public safety, corrections, criminal justice, crime prevention programs, and related purposes; modifying various fees, assessments, and surcharges; implementing, clarifying, and modifying certain criminal and juvenile provisions; prescribing, clarifying, and modifying certain penalty provisions; establishing, clarifying, expanding, and making permanent various pilot programs, grant programs, task forces, working groups, reports, and studies; providing for the collection, maintenance, and reporting of certain data; expanding, clarifying, and modifying the powers of the commissioner of corrections; making various changes to the 1997 omnibus criminal justice funding bill; providing for the coordination of services for disasters; clarifying and modifying certain laws involving public defenders; appropriating public defender reimbursements to the board of public defense; requesting the supreme court to amend the Rules of Criminal Procedure; accelerating the repeal of the automobile theft prevention program; limiting the entities that must have an affirmative action plan approved by the commissioner of human rights; conveying state land to the city of Faribault; amending Minnesota Statutes 1996, sections 3.739, subdivision 1; 12.09, by adding a subdivision; 13.99, by adding a subdivision; 168.042, subdivisions 12 and 15; 169.121, subdivision 5a; 171.16, subdivision 3; 241.01, subdivision 7, and by adding a subdivision; 242.32, subdivision 1; 244.05, subdivision 7; 299C.06; 299C.09; 299F.04, by adding a subdivision; 357.021, by adding subdivisions; 488A.03, subdivision 11; 588.01, subdivision 3; 609.3241; 611.14; 611.20, subdivision 3; 611.26, subdivisions 2 and 3; and 611.27, subdivisions 1 and 7; Minnesota Statutes 1997 Supplement, sections 97A.065, subdivision 2; 168.042, subdivision 11a; 169.14, subdivision 5d; 171.29, subdivision 2; 241.277, subdivisions 6, 9, and by adding a subdivision; 357.021, subdivision 2; 363.073, subdivision 1; 401.13; 609.101, subdivision 5; 609.113, subdivision 3; and 611.25, subdivision 3; amending Laws 1996, chapter 408, article 2, section 16; and Laws 1997, chapter 239, article 1, sections 7 and 12; proposing coding for new law in Minnesota Statutes, chapters 169; 241; 299C; 609; and 611A; repealing Minnesota Statutes 1996, sections 609.101, subdivision 1; 609.563, subdivision 2; 611.216, subdivision 1a; 611.26, subdivision 9; 611.27, subdivision 2; and 626.861; Minnesota Statutes 1997 Supplement, section 611.27, subdivision 4.

Mr. Neuville moved to amend S.F. No. 3345 as follows:

Page 5, line 44, after "chairs" insert "and ranking minority members"

Page 10, line 10, after "chairs" insert "and ranking minority members"

Page 12, line 32, after "chairs" insert "and ranking minority members"

Page 13, lines 14 and 29, after "chairs" insert "and ranking minority members"

Page 35, lines 25 and 31, after "chairs" insert "and ranking minority members"

Page 37, line 8, after "chairs" insert "and ranking minority members"

Page 52, line 31, after "chairs" insert "and ranking minority members"

Page 53, line 16, after "chairs" insert "and ranking minority members"

Page 54, line 33, after "chairs" insert "and ranking minority members"

Page 55, line 20, after "chairs" insert "and ranking minority members"

The motion prevailed. So the amendment was adopted.

Mr. Neuville then moved to amend S.F. No. 3345 as follows:

Page 7, line 7, after the period, insert "Notwithstanding Minnesota Statutes, section 299A.63, subdivision 2, at least 50 percent of the grants awarded from this appropriation must be awarded to sites outside the seven-county metropolitan area."

The motion prevailed. So the amendment was adopted.

Mr. Neville then moved to amend S.F. No. 3345 as follows:

Page 25, after line 29, insert:

"Subd. 3. [CONSULTATION WITH THE COMMISSIONER OF HEALTH.] When preparing the report described in subdivision 1 and the plan described in subdivision 2, the commissioner of corrections shall consult with and consider the recommendations of the commissioner of health."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Laidig moved to amend the third Neville amendment to S.F. No. 3345 as follows:

Page 1, lines 6 and 7, delete "and consider the recommendations of"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the third Neville amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Ms. Berglin moved to amend S.F. No. 3345 as follows:

Page 5, line 26, delete "grants"

Page 5, delete lines 27 to 35 and insert:

"a grant to an existing restorative justice program that:

- (1) has been operating for at least six months;
- (2) is community-based and neighborhood driven and that involves citizens who live and work in the area where an offender was arrested;
- (3) engages neighborhood organizations, law enforcement, and prosecutors in a collaborative effort;
- (4) features community conferencing;
- (5) focuses on urban nuisance crimes committed by adult offenders; and
- (6) has never received government funding.

This appropriation must be added to the appropriation for the pilot project restorative justice program in Laws 1997, chapter 239, article 1, section 12, subdivision 4, and must be distributed as provided in this paragraph."

The motion prevailed. So the amendment was adopted.

Mr. Kleis moved to amend S.F. No. 3345 as follows:

Page 6, after line 2, insert:

"\$174,600 the second year is a one-time appropriation for grants to counties to reimburse county costs associated with civil commitments under Minnesota Statutes, section 253B.185, as described in article 2, section 11. The appropriation in this paragraph is funded through

a 2.5 percent cut in all of the other appropriations contained in this article."

Page 13, after line 31, insert:

"Sec. 11. [GRANT PROGRAM FOR REIMBURSEMENT OF COSTS ASSOCIATED WITH SEXUAL PSYCHOPATHIC PERSONALITY/SEXUALLY DANGEROUS PERSON CIVIL COMMITMENTS.]

The commissioner of corrections may award grants to reimburse counties for costs associated with civil commitments under Minnesota Statutes, section 253B.185. A grant may reimburse a county for any costs incurred by the county related to a commitment petition, including but not limited to, the cost of a person's treatment and confinement at a state facility or county jail, both prior to and following commitment. In awarding grants under this section, the commissioner shall give priority to counties that demonstrate that the incurred costs associated with the civil commitment account for a higher than average percentage, compared with other counties, of the county's human services budget."

Correct the subdivision and section totals and the summaries by fund accordingly

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Mr. Kelly, R.C. moved to amend S.F. No. 3345 as follows:

Page 6, after line 2, insert:

"\$5,000 the second year is a one-time appropriation for costs associated with the advisory task force on sexually dangerous persons/persons with sexual psychopathic personalities described in article 5, section 11."

Page 6, after line 13, insert:

"Subd. 2. [ADMINISTRATION AND RELATED SERVICES.]

-0- 5,000

\$5,000 is a one-time appropriation for costs associated with the advisory task force on the guilty but mentally ill verdict described in article 6, section 23."

Pages 7 and 8, delete section 13

Pages 35 to 37, delete section 11 and insert:

"Sec. 11. [ADVISORY TASK FORCE ON SEXUALLY DANGEROUS PERSONS/PERSONS WITH SEXUAL PSYCHOPATHIC PERSONALITIES.]

Subdivision 1. [DUTIES.] The commissioner of corrections, in cooperation with the commissioner of human services, shall create an advisory task force on sexually dangerous persons and persons with sexual psychopathic personalities pursuant to Minnesota Statutes, section 15.014. The advisory task force shall study issues involving these individuals. At a minimum, the advisory task force shall examine the current system of treatment, commitment, and confinement; the financial costs associated with it; and alternatives to it, including indeterminate criminal sentencing. The advisory task force shall study how other states have addressed this issue. The advisory task force shall develop plans addressing alternative methods to deal with these individuals within constitutional limits and while balancing the need for public safety, ensuring that these individuals are treated humanely and fairly, and financial prudence.

Subd. 2. [MEMBERSHIP.] The advisory task force may consist of the following individuals:

- (1) the commissioner of corrections, or a designee;
- (2) the commissioner of human services, or a designee;
- (3) the attorney general, or a designee;
- (4) a defense attorney experienced in representing individuals petitioned as being sexually dangerous or as having sexual psychopathic personalities;
- (5) a county attorney;
- (6) a district court judge;
- (7) a county commissioner from a county outside the seven-county metropolitan area that has incurred costs related to the civil commitment of a person who is sexually dangerous or has a sexual psychopathic personality;
- (8) a medical specialist experienced in the field of sex offenders;
- (9) a public member; and
- (10) other individuals whom the commissioner believes would be appropriate.

Subd. 3. [USE OF LEGISLATIVE STAFF AUTHORIZED.] The advisory task force may use legislative staff to provide legal counsel, research, and secretarial and clerical assistance.

Subd. 4. [REPORT REQUIRED.] By January 15, 1999, the commissioner of corrections shall report on the advisory task force's findings and recommendations to the chairs of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding."

Pages 53 to 55, delete section 23 and insert:

"Sec. 23. [ADVISORY TASK FORCE ON THE GUILTY BUT MENTALLY ILL VERDICT.]

Subdivision 1. [DUTIES.] The commissioner of public safety shall create an advisory task force to study the guilty but mentally ill verdict pursuant to Minnesota Statutes, section 15.014. The advisory task force shall study the laws of states that have adopted this verdict and issues associated with its implementation. In addition, the advisory task force shall consider other issues involving mental health and the criminal justice system, such as: the mental illness defense, including how often and in what types of cases it is raised, its success, and what happens to persons found not guilty of a crime because of mental illness; current mental health treatment provided to inmates at state correctional facilities, including the type, quality, and comprehensiveness of offered treatment, and the costs involved; likely results of adopting the guilty but mentally ill verdict, including its potential effect on trials and mental health treatment offered to persons convicted as or who plead guilty but mentally ill; and civil commitments under Minnesota Statutes, chapter 253B.

Subd. 2. [MEMBERSHIP.] The advisory task force may consist of the following individuals:

- (1) the commissioner of public safety, or a designee;
- (2) the commissioner of corrections, or a designee;
- (3) the commissioner of human services, or a designee;
- (4) two county attorneys;
- (5) two defense attorneys, one who is experienced in mental health issues and one who is experienced in criminal defense issues;
- (6) a district court judge;

(7) a medical expert;

(8) a mental health consumer advocate; and

(9) other individuals whom the commissioner believes would be appropriate.

Subd. 3. [USE OF LEGISLATIVE STAFF AUTHORIZED.] The advisory task force may use legislative staff to provide legal counsel, research, and secretarial and clerical assistance.

Subd. 4. [REPORT.] By January 15, 1999, the commissioner shall report on the advisory task force's findings and recommendation to the chairs of the senate crime prevention and house judiciary committees. If the task force recommends the adoption of a guilty but mentally ill verdict or other changes in law, the report must contain suggested language for its implementation."

Correct the subdivision and section totals and the summaries by fund accordingly

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Hanson moved to amend S.F. No. 3345 as follows:

Pages 39 and 40, delete section 3

Page 53, delete section 22

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 3345 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Krentz	Oliver	Scheevel
Beckman	Higgins	Langseth	Olson	Scheid
Belanger	Hottinger	Larson	Ourada	Solon
Berg	Johnson, D.E.	Lesewski	Pappas	Spear
Berglin	Johnson, D.H.	Lessard	Pariseau	Stevens
Betzold	Johnson, D.J.	Limmer	Piper	Stumpf
Cohen	Johnson, J.B.	Lourey	Pogemiller	Ten Eyck
Day	Junge	Marty	Price	Vickerman
Dille	Kelley, S.P.	Metzen	Ranum	Wiener
Fischbach	Kelly, R.C.	Morse	Robertson	Wiger
Flynn	Kiscaden	Murphy	Robling	
Foley	Kleis	Neuville	Sams	
Frederickson	Knutson	Novak	Samuelson	

Mr. Laidig and Ms. Runbeck voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Orders of Business of the Calendar and Consent Calendar.

CALENDAR

H.F. No. 2828: A bill for an act relating to health; modifying the authority of the commissioner to approve public water supplies; providing for administrative fines against large public water suppliers; amending Minnesota Statutes 1996, sections 144.383; and 144.99, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Laidig	Olson	Samuelson
Beckman	Hottinger	Langseth	Ourada	Scheevel
Belanger	Johnson, D.E.	Larson	Pappas	Scheid
Berglin	Johnson, D.H.	Lesewski	Pariseau	Spear
Betzold	Johnson, D.J.	Lessard	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Neuville	Robling	Wiger
Foley	Knutson	Novak	Runbeck	
Hanson	Krentz	Oliver	Sams	

So the bill passed and its title was agreed to.

S.F. No. 2047: A bill for an act relating to commerce; regulating sales of manufactured homes; authorizing limited dealer's licenses in certain circumstances; amending Minnesota Statutes 1996, section 327B.04, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Langseth	Olson	Scheid
Beckman	Hottinger	Larson	Ourada	Solon
Belanger	Johnson, D.E.	Lesewski	Pappas	Spear
Berg	Johnson, D.H.	Lessard	Pariseau	Stevens
Berglin	Johnson, D.J.	Limmer	Piper	Stumpf
Betzold	Johnson, J.B.	Lourey	Pogemiller	Ten Eyck
Cohen	Junge	Marty	Price	Vickerman
Day	Kelley, S.P.	Metzen	Ranum	Wiener
Dille	Kiscaden	Morse	Robling	Wiger
Fischbach	Kleis	Murphy	Runbeck	
Flynn	Knutson	Neuville	Sams	
Foley	Krentz	Novak	Samuelson	
Hanson	Laidig	Oliver	Scheevel	

So the bill passed and its title was agreed to.

S.F. No. 2608: A bill for an act relating to insurance; providing basic Medicare supplement plan coverage for diabetes equipment and supplies; increasing the maximum lifetime benefit for policies of the comprehensive health insurance plan; amending Minnesota Statutes 1996, section 62E.12; and Minnesota Statutes 1997 Supplement, section 62A.316.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Langseth	Olson	Scheevel
Beckman	Hottinger	Larson	Ourada	Scheid
Belanger	Johnson, D.E.	Lesewski	Pappas	Solon
Berg	Johnson, D.H.	Lessard	Pariseau	Spear
Berglin	Johnson, D.J.	Limmer	Piper	Stevens
Betzold	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Cohen	Junge	Marty	Price	Ten Eyck
Day	Kelley, S.P.	Metzen	Ranum	Vickerman
Dille	Kiscaden	Morse	Robertson	Wiener
Fischbach	Kleis	Murphy	Robling	Wiger
Flynn	Knutson	Neuville	Runbeck	
Foley	Krentz	Novak	Sams	
Hanson	Laidig	Oliver	Samuelson	

So the bill passed and its title was agreed to.

H.F. No. 2417: A resolution memorializing Congress to support the admission of Poland, the Czech Republic, and the Republic of Hungary to the North Atlantic Treaty Organization.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Knutson	Murphy	Sams
Beckman	Hanson	Krentz	Novak	Samuelson
Belanger	Higgins	Laidig	Oliver	Scheevel
Berg	Hottinger	Langseth	Olson	Scheid
Berglin	Johnson, D.E.	Larson	Pappas	Solon
Betzold	Johnson, D.H.	Lesewski	Pariseau	Spear
Cohen	Johnson, D.J.	Lessard	Piper	Stevens
Day	Johnson, J.B.	Limmer	Pogemiller	Stumpf
Dille	Junge	Lourey	Price	Ten Eyck
Fischbach	Kelley, S.P.	Marty	Ranum	Vickerman
Flynn	Kiscaden	Metzen	Robertson	Wiener
Foley	Kleis	Morse	Robling	Wiger

So the resolution passed and its title was agreed to.

S.F. No. 2192: A bill for an act relating to corporations; clarifying the application of certain statutory requirements for corporations created by political subdivisions; authorizing the ratification of a nonprofit corporation by Brown county; amending Minnesota Statutes 1997 Supplement, section 465.715, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Scheid
Beckman	Higgins	Langseth	Olson	Solon
Belanger	Hottinger	Larson	Pappas	Spear
Berg	Johnson, D.E.	Lesewski	Pariseau	Stevens
Berglin	Johnson, D.H.	Lessard	Piper	Stumpf
Betzold	Johnson, D.J.	Limmer	Pogemiller	Ten Eyck
Cohen	Johnson, J.B.	Lourey	Price	Vickerman
Day	Junge	Marty	Ranum	Wiener
Dille	Kelley, S.P.	Metzen	Robertson	Wiger
Fischbach	Kiscaden	Morse	Robling	
Flynn	Kleis	Murphy	Runbeck	
Foley	Knutson	Neuville	Samuelson	
Frederickson	Krentz	Novak	Scheevel	

Mr. Ourada voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2516: A bill for an act relating to employee relations; modifying provisions on experimental or research projects in the department of employee relations; amending Minnesota Statutes 1997 Supplement, section 43A.04, subdivision 9.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

S.F. No. 2605: A bill for an act relating to health; authorizing the governor to enter into an agreement with the United States Nuclear Regulatory Commission.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

S.F. No. 2572: A bill for an act relating to juveniles; clarifying the definition of child in need of protection or services; amending Minnesota Statutes 1997 Supplement, section 260.015, subdivision 2a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Krentz	Novak	Runbeck
Beckman	Higgins	Laidig	Oliver	Sams
Berg	Hottinger	Langseth	Olson	Samuelson
Berglin	Johnson, D.E.	Larson	Ourada	Scheevel
Betzold	Johnson, D.H.	Lesewski	Pappas	Scheid
Cohen	Johnson, D.J.	Limmer	Pariseau	Solon
Day	Johnson, J.B.	Lourey	Piper	Spear
Dille	Junge	Marty	Pogemiller	Stevens
Fischbach	Kelley, S.P.	Metzen	Price	Ten Eyck
Flynn	Kiscaden	Morse	Ranum	Vickerman
Foley	Kleis	Murphy	Robertson	Wiener
Frederickson	Knutson	Neuville	Robling	Wiger

So the bill passed and its title was agreed to.

S.F. No. 2659: A bill for an act relating to insurance; regulating life insurance company investments and financial transactions; regulating qualified long-term care policies; modifying the definition of chronically ill individual; amending Minnesota Statutes 1996, section 61A.28, subdivisions 6, 9a, and 12; Minnesota Statutes 1997 Supplement, section 62S.01, subdivision 8.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

S.F. No. 2266: A bill for an act relating to taxation; recodifying the tax on petroleum and special fuels; providing civil and criminal penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 296A; repealing Minnesota Statutes 1996, sections 296.01; 296.02, subdivisions 1, 1a, 1b, 1c, 2, 3, 4, 6, and 8; 296.025; 296.0261; 296.035; 296.04; 296.041; 296.06; 296.11; 296.115; 296.12; 296.141, subdivisions 1, 2, 3, 5, 6, and 7; 296.15; 296.151; 296.152; 296.16, subdivisions 1a and 2; 296.165; 296.17, subdivisions 1, 3, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 17, 19, 20, 21, and 22; 296.171, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, and 10; 296.18, subdivisions 2, 3, 4, 5, 6, and 8; 296.19; 296.20; 296.21; 296.23; 296.25; 296.26; 296.27; and 296.421; Minnesota Statutes 1997 Supplement, sections 296.141, subdivision 4; 296.16, subdivision 1; 296.17, subdivision 18; 296.171, subdivision 4; and 296.18, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berg	Cohen	Fischbach	Frederickson
Beckman	Berglin	Day	Flynn	Hanson
Belanger	Betzold	Dille	Foley	Higgins

Hottinger	Krentz	Morse	Pogemiller	Solon
Johnson, D.E.	Laidig	Murphy	Price	Spear
Johnson, D.H.	Langseth	Neuville	Ranum	Stevens
Johnson, D.J.	Larson	Novak	Robertson	Stumpf
Johnson, J.B.	Lesewski	Oliver	Robling	Ten Eyck
Junge	Lessard	Olson	Runbeck	Vickerman
Kelley, S.P.	Limmer	Ourada	Sams	Wiener
Kiscaden	Lourey	Pappas	Samuelson	Wiger
Kleis	Marty	Pariseau	Scheevel	
Knutson	Metzen	Piper	Scheid	

So the bill passed and its title was agreed to.

S.F. No. 2570: A bill for an act relating to taxation; making technical changes to income, franchise, sales, excise, property, healthcare provider, and gambling taxes; making technical changes to tax administrative provisions; requiring mandate explanations be attached to legislative bills before committee hearings; amending Minnesota Statutes 1996, sections 270.06; 270.069, subdivision 1; 270.70, subdivision 15; 278.10; 289A.42, subdivision 2; 289A.65, subdivisions 7 and 8; 297E.15, subdivisions 8 and 9; Minnesota Statutes 1997 Supplement, sections 3.987, subdivision 2; 270.701, subdivision 2; 289A.09, subdivision 2; 289A.20, subdivision 2; 289A.38, subdivision 7; 290.0673, subdivisions 4, 5, and 7; 290.92, subdivision 30; 295.53, subdivision 4a; 297A.01, subdivisions 3 and 11; 297F.22, subdivisions 6 and 7; and 297G.21, subdivisions 6 and 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 2457: A bill for an act relating to the Minnesota housing finance agency; making permanent a temporary provision about the agency's meetings; repealing Laws 1997, chapter 154, section 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berglin	Dille	Frederickson	Johnson, D.E.
Beckman	Betzold	Fischbach	Hanson	Johnson, D.H.
Belanger	Cohen	Flynn	Higgins	Johnson, D.J.
Berg	Day	Foley	Hottinger	Johnson, J.B.

Junge	Lesewski	Novak	Ranum	Spear
Kelley, S.P.	Lessard	Oliver	Robertson	Stevens
Kiscaden	Limmer	Olson	Robling	Stumpf
Kleis	Lourey	Ourada	Runbeck	Ten Eyck
Knutson	Marty	Pappas	Sams	Vickerman
Krentz	Metzen	Pariseau	Samuelson	Wiener
Laidig	Morse	Piper	Scheevel	Wiger
Langseth	Murphy	Pogemiller	Scheid	
Larson	Neuville	Price	Solon	

So the bill passed and its title was agreed to.

S.F. No. 2902: A bill for an act relating to criminal procedure; providing that an interpreter may be present when the grand jury is deliberating; amending Minnesota Statutes 1996, section 628.63.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

S.F. No. 2695: A bill for an act relating to crime; clarifying repeat offender penalties for theft crimes; amending Minnesota Statutes 1997 Supplement, section 609.52, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laidig	Oliver	Samuelson
Beckman	Higgins	Langseth	Olson	Scheevel
Belanger	Hottinger	Larson	Ourada	Scheid
Berg	Johnson, D.E.	Lesewski	Pappas	Solon
Berglin	Johnson, D.H.	Lessard	Pariseau	Spear
Betzold	Johnson, D.J.	Limmer	Piper	Stevens
Cohen	Johnson, J.B.	Lourey	Pogemiller	Stumpf
Day	Junge	Marty	Price	Ten Eyck
Dille	Kelley, S.P.	Metzen	Ranum	Vickerman
Fischbach	Kiscaden	Morse	Robertson	Wiener
Flynn	Kleis	Murphy	Robling	Wiger
Foley	Knutson	Neuville	Runbeck	
Frederickson	Krentz	Novak	Sams	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Ms. Junge, designee of the Chair of the Committee on Rules and Administration, designated S.F. No. 3298 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 3298: A bill for an act relating to the organization and operation of state government; appropriating money for transportation, public safety, and other purposes; redistributing five percent of highway user tax distribution fund; creating flexible highway, town road, and town bridge accounts; making driving without a seat belt fastened a primary offense; exempting air ambulance aircraft from registration and tax; establishing midtown planning and coordination board; establishing dealer licensing and motor vehicle registration enforcement task force; requiring vehicle registration and insurance study; amending Minnesota Statutes 1996, sections 161.081, subdivision 1, and by adding a subdivision; 161.082, subdivisions 1 and 2a; 162.081, subdivision 1; 169.686, subdivision 1; 169.733, subdivision 1; 169.825, subdivision 8; and 360.653; Laws 1997, chapter 159, article 1, section 2, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 473.

Ms. Johnson, J.B. moved to amend S.F. No. 3298 as follows:

Page 8, delete section 6

Page 12, delete lines 17 to 23

Page 12, line 24, delete "3" and insert "2"

Page 13, after line 33, insert:

"Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 5 are effective July 1, 1999."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Ourada moved to amend S.F. No. 3298 as follows:

Page 1, line 31, delete "344,000" and insert "944,000"

Page 4, after line 39, insert:

"Sec. 5. Laws 1997, chapter 159, article 1, section 2, subdivision 12, is amended to read:

Subd. 12. Contingent Appropriation

Until June 30, 1999, the commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund, or (2) for trunk highway maintenance in order to meet an emergency, ~~or (3) to pay tort or environmental~~

claims. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 6. Laws 1997, chapter 159, article 1, section 8, is amended to read:

Sec. 8. TORT CLAIMS 600,000 600,000

To be spent by the commissioner of finance.

This appropriation is from the trunk highway fund for fiscal year 1998 and is from the general fund for fiscal year 1999.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

<u>Trunk Highway</u>	<u>600,000</u>	<u>-0-</u>	
<u>General</u>	<u>-0-</u>	<u>600,000 "</u>	

Page 4, after line 41, insert:

"Section 1. Minnesota Statutes 1996, section 16A.127, is amended by adding a subdivision to read:

Subd. 10. [HIGHWAY FUNDS.] Statewide indirect cost liabilities may not be accrued to the highway user tax distribution fund, trunk highway fund, county state-aid highway fund, or municipal state-aid street fund with respect to expenditures from those funds. These liabilities must be accrued to another source of state funds.

Sec. 2. Minnesota Statutes 1996, section 161.04, is amended by adding a subdivision to read:

Subd. 4. [PROHIBITION AGAINST APPROPRIATIONS FROM TRUNK HIGHWAY FUND.] To ensure compliance with the Minnesota Constitution, article XIV, sections 2, 5, and 6, the commissioner of finance, agency directors, and legislative commission personnel may not include in a biennial budget, expenditures from the trunk highway fund for a nonhighway purpose. Prohibited expenditures include, without limitation, statewide indirect costs and tort claims."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Mr. Ourada imposed a call of the Senate for the balance of the proceedings on his amendment to S.F. No. 3298. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Ourada withdrew his amendment.

S.F. No. 3298 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 2, as follows:

Those who voted in the affirmative were:

Beckman	Cohen	Flynn	Higgins	Johnson, J.B.
Belanger	Day	Foley	Johnson, D.E.	Junge
Berglin	Dille	Frederickson	Johnson, D.H.	Kelley, S.P.
Betzold	Fischbach	Hanson	Johnson, D.J.	Kiscaden

Kleis	Lourey	Olson	Robertson	Stevens
Knutson	Marty	Ourada	Robling	Stumpf
Krentz	Metzen	Pappas	Sams	Ten Eyck
Laidig	Morse	Pariseau	Samuelson	Vickerman
Langseth	Murphy	Piper	Scheevel	Wiener
Larson	Neuville	Pogemiller	Scheid	Wiger
Lesewski	Novak	Price	Solon	
Lessard	Oliver	Ranum	Spear	

Mr. Limmer and Ms. Runbeck voted in the negative.

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

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Betzold in the chair.

After some time spent therein, the committee arose, and Mr. Spear reported that the committee had considered the following:

S.F. Nos. 2365, 2182, 2351, 2368, 2362, 2087, 1151, 2495, 2545, 2574, 2426, 2699, 3092, 2355, 3118, 2669, 2892, 2354, 2737, 2373, 3063, 1076, 2594, 481, 2734, 2609, 2729, 3068, 2199, 2663, 1001 and H.F. No. 2590, which the committee recommends to pass.

On motion of Ms. Junge, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Ms. Junge moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 3125, 2739, 1587, 2082 and 2763. The motion prevailed.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 2586: A bill for an act relating to corrections; requiring sex offender treatment facilities to provide certain information regarding sex offenders; clarifying which law enforcement agency may request the end-of-confinement review committee to reassess the risk level to which an offender has been assigned; adjusting the time within which the department of corrections must notify communities prior to release of certain sex offenders; eliminating duplicative efforts on notifying victims of certain information; amending Minnesota Statutes 1996, sections 241.67, subdivision 8, and by adding a subdivision; 244.052, subdivision 1; and 611A.037, subdivision 2; Minnesota Statutes 1997 Supplement, section 244.052, subdivisions 3, 4, and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, after the period, insert "Information disclosed to the commissioner shall not be admissible as evidence in any judicial or administrative proceeding without the offender's consent."

Page 4, line 2, strike everything after "(5)" and insert "a"

Page 4, line 3, strike "unit" and insert "professional"

Page 4, line 30, after "(d)" insert "(i) Except as otherwise provided in item (ii),"

Page 5, line 9, after the stricken period, insert "(ii) If an offender is received for confinement in a facility with less than 90 days remaining in the offender's term of confinement, the offender's risk shall be assessed at the first regularly scheduled end of confinement review committee that convenes after the appropriate documentation for the risk assessment is assembled by the committee. The commissioner shall make reasonable efforts to ensure that offender's risk is assessed and a risk level is assigned or reassigned at least 30 days before the offender's release date."

Page 5, line 23, strike "or"

Page 5, line 24, strike "accepted for supervision" and after the period, insert "If the risk assessment is performed under the circumstances described in paragraph (d), item (ii), the report shall be given to the offender and the law enforcement agency as soon as it is available."

Page 10, line 5, after "confinement" insert a comma

Page 10, line 6, after "supervision" insert ", or has moved to a new address"

Page 10, line 36, after the period, insert "If the offender's risk level was assigned under the circumstances described in paragraph (d), item (ii), the appropriate department shall give the law enforcement agency all relevant information that the department has concerning the offender, including information on the risk factors in the offender's history and the offender's risk level within five days of the risk level assignment or reassignment."

Page 11, after line 28, insert:

"Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment and apply to offenders released from confinement, sentenced, or accepted for supervision on or after that date, or who move to a new address on or after that date."

Amend the title as follows:

Page 1, line 8, delete everything after "which"

Page 1, delete line 9 and insert "certain requirements of the community notification law must be met;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was re-referred

S.F. No. 2677: A bill for an act relating to commerce; regulating lien or claim waivers and subcontractor payments in building and construction contracts; modifying the redemption period for property sold at a mechanic's lien foreclosure sale; amending Minnesota Statutes 1996, section 514.15; Minnesota Statutes 1997 Supplement, section 337.10, subdivisions 2 and 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 2595: A bill for an act relating to crime prevention; creating a felony penalty for criminal contempts involving failure to obey certain subpoenas; increasing the penalty for certain offenders who fail to appear for criminal proceedings; amending Minnesota Statutes 1996, sections 588.20; and 609.49, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after the comma, insert "with the intent to obstruct the criminal justice process"

Page 1, line 16, delete "five" and insert "three"

Page 1, line 17, delete "\$10,000" and insert "\$5,000"

Page 1, line 18, after "A" insert "felony" and delete "brought" and after "subdivision" insert "may be filed upon the person's nonappearance. However, the charge"

Page 1, line 22, delete everything after the period

Page 1, line 23, delete everything before "This"

Page 1, line 24, delete "located" and insert "apprehended"

Page 3, line 4, reinstate the stricken language

Page 3, delete lines 5 and 6 and insert "more than ~~one year~~ three years or to payment of a fine of not more than ~~\$3,000~~ \$5,000, or both."

Page 3, delete lines 7 and 8

Page 3, line 9, after "A" insert "felony" and delete "brought" and after "subdivision" insert "may be filed upon the person's nonappearance. However, the charge"

Page 3, line 12, delete everything after the period

Page 3, line 13, delete everything before "This"

Page 3, line 14, delete "located" and insert "apprehended"

Page 3, line 15, after the period, insert:

"(c) A court may impose a consecutive sentence on an offender convicted of a violation of this subdivision who is also convicted of the underlying offense."

Amend the title as follows:

Page 1, line 4, delete "; increasing the penalty" and insert "and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 3125: A bill for an act relating to the environment; changing inspection criteria for individual sewage treatment systems; amending Minnesota Statutes 1997 Supplement, section 115.55, subdivision 5a.

Reports the same back with the recommendation that the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2739: A bill for an act relating to environment; modifying provisions relating to prohibitions on disposal of motor vehicle antifreeze; amending Minnesota Statutes 1997 Supplement, section 115A.916.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 16, delete the colon

Page 2, line 17, delete the paragraph coding and delete "(1)" and delete "50" and insert "90" and after "per" insert "individual per"

Page 2, line 18, delete "; and" and insert "if the person is an individual or sole proprietorship, or an annual average of less than 90 gallons per entity per month if the person is an entity other than an individual or sole proprietorship."

Page 2, delete lines 19 to 22

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Hottinger from the Committee on Health and Family Security, to which was referred

S.F. No. 2207: A bill for an act relating to health; exempting certain prescriptions from bearing a federal drug enforcement administration registration number; amending Minnesota Statutes 1996, section 152.11, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

"Sec. 2. Minnesota Statutes 1996, section 152.11, is amended by adding a subdivision to read:

Subd. 2b. [RESTRICTION ON RELEASE OF FEDERAL REGISTRATION NUMBER.] No person or entity may offer for sale, sell, lease, or otherwise release a federal drug enforcement administration registration number for any reason, except for drug enforcement purposes authorized by this chapter and the federal controlled substances registration system. For purposes of this section, an entity includes a state governmental agency or regulatory board, a health plan company as defined under section 62Q.01, subdivision 4, a managed care organization as defined under section 62Q.01, subdivision 5, or any other entity that maintains prescription data.

Sec. 3. Minnesota Statutes 1996, section 152.11, is amended by adding a subdivision to read:

Subd. 2c. [RESTRICTION ON USE OF FEDERAL REGISTRATION NUMBER.] No entity may use a federal drug enforcement administration registration number to identify or monitor the prescribing practices of a prescriber to whom that number has been assigned, except for drug enforcement purposes authorized by this chapter and the federal controlled substances registration system. For purposes of this section, an entity includes a health plan company as defined under section 62Q.01, subdivision 4, a managed care organization as defined under section 62Q.01, subdivision 5, or any other entity that maintains prescription data.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective 24 months after the date on which a unique health identifier is adopted or established under United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments)."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "restricting the use and the release of the federal drug enforcement administration registration number;"

Page 1, line 5, delete "a subdivision" and insert "subdivisions"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was re-referred

S.F. No. 2068: A bill for an act relating to commerce; providing for the reliability of electronic messages; providing for certification authorities; providing licensing and enforcement powers; defining terms; providing rulemaking; appropriating money; amending Minnesota Statutes 1997

Supplement, sections 325K.01, subdivisions 6, 11, 18, 21, 27, 35, 39, and by adding a subdivision; 325K.03; 325K.05, subdivisions 1, 4, 5, 6, and 7; 325K.07, subdivisions 2 and 3; 325K.10, subdivision 1; 325K.12, subdivision 4; 325K.13, by adding a subdivision; 325K.14, subdivisions 1, 2, 3, 5, and by adding a subdivision; 325K.15, subdivisions 3 and 7; 325K.18, subdivisions 1 and 2; and 325K.25, subdivision 1; repealing Minnesota Statutes 1997 Supplement, sections 325K.05, subdivision 3; 325K.06, subdivisions 3, 4, and 5; 325K.13, subdivisions 2 and 3; and 325K.14, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 34, after the headnote, insert "(a)"

Page 3, line 24, before "The" insert "(b)"

Page 3, line 30, after "form" insert "the content of which is"

Page 5, line 14, strike everything before the colon and insert "to"

Page 5, lines 15, 18, 24, 28, 30, and 35, strike "to"

Page 5, line 36, reinstate the stricken "and"

Page 6, delete lines 1 to 3 and insert:

"(7) otherwise to give effect to and implement this chapter specify the procedure and manner in which a certificate may be suspended or revoked."

Page 14, line 20, after the semicolon, insert "and"

Page 14, line 23, strike "; and"

Page 14, strike line 24

Page 14, line 25, strike everything before the period

Page 14, line 26, after the second period, insert "[325K.27]"

Pages 14 and 15, delete section 31

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

Page 1, line 14, after the second semicolon, insert "proposing coding for new law in Minnesota Statutes, chapter 325K;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Piper, Messrs. Pogemiller and Stumpf from the Committee on Children, Families and Learning, to which was re-referred

S.F. No. 1587: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, sections 9 and 14; authorizing distributions from the permanent school fund and the environment and natural resources trust fund to be up to 5-1/2 percent per year.

Report the same back with the recommendation that the bill do pass and be re-referred to the Committee on Rules and Administration.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Ms. Piper, Messrs. Pogemiller and Stumpf from the Committee on Children, Families and Learning, to which was referred

S.F. No. 3220: A bill for an act relating to education; allowing a donation of accrued sick time for certain Minnesota state college and university employees; proposing coding for new law in Minnesota Statutes, chapter 136F.

Report the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after the period, insert "An employee may not be paid for more than 80 hours in a payroll period during which the employee uses sick leave credited to the employee's account as a result of a transfer from another employee's sick leave account. The chancellor, in consultation with the employees of the system or their exclusive representatives, shall establish procedures for eligibility, duration of need based on individual cases, monitoring and evaluation of individual eligibility status, and other topics related to administration of this program."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Ranum from the Committee on Judiciary, to which was re-referred

S.F. No. 2861: A bill for an act relating to health; providing for the use of automatic external defibrillators; providing immunity from civil liability; amending Minnesota Statutes 1996, section 604A.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 145.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 604A.01, subdivision 2, is amended to read:

Subd. 2. [GENERAL IMMUNITY FROM LIABILITY.] (a) A person who, without compensation or the expectation of compensation, renders emergency care, advice, or assistance at the scene of an emergency or during transit to a location where professional medical care can be rendered, is not liable for any civil damages as a result of acts or omissions by that person in rendering the emergency care, advice, or assistance, unless the person acts in a willful and wanton or reckless manner in providing the care, advice, or assistance. This subdivision does not apply to a person rendering emergency care, advice, or assistance during the course of regular employment, and receiving compensation or expecting to receive compensation for rendering the care, advice, or assistance.

(b) For the purposes of this section, the scene of an emergency is an area outside the confines of a hospital or other institution that has hospital facilities, or an office of a person licensed to practice one or more of the healing arts under chapter 147, 147A, 148, 150A, or 153. The scene of an emergency includes areas threatened by or exposed to spillage, seepage, fire, explosion, or other release of hazardous materials, and includes ski areas and trails.

(c) For the purposes of this section, "person" includes a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, volunteer first provider of emergency medical services, volunteer ski patroller, and any partnership, corporation, association, or other entity.

(d) For the purposes of this section, "compensation" does not include payments, reimbursement for expenses, or pension benefits paid to members of volunteer organizations.

(e) For purposes of this section, "emergency care" includes providing emergency medical care by using or providing an automatic external defibrillator, unless the person on whom the device is to be used objects. "Automatic external defibrillator" means a medical device heart monitor and defibrillator that:

(1) has received approval of its premarket notification, filed pursuant to United States Code, title 21, section 360(k), from the United States Food and Drug Administration;

(2) is capable of recognizing the presence or absence of ventricular fibrillation or rapid ventricular tachycardia, and is capable of determining, without intervention by an operator, whether defibrillation should be performed; and

(3) upon determining that defibrillation should be performed, automatically charges and requests delivery of an electrical impulse to an individual's heart."

Amend the title as follows:

Page 1, line 5, delete "; proposing coding for new law" and insert a period

Page 1, delete line 6

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Piper, Messrs. Pogemiller and Stumpf from the Committee on Children, Families and Learning, to which was referred

S.F. No. 2082: A bill for an act relating to education; recodifying and making technical amendments to kindergarten through grade 12 education statutes; amending Minnesota Statutes 1996, sections 120.02, subdivisions 1, 13, 14, 15, and 18; 120.06, subdivisions 1 and 2a; 120.062, subdivisions 4, 5, and 8a; 120.0621, as amended; 120.064, subdivisions 4, 4a, 5, 7, 9, 11, 12, 13, 14, 15, 17, 19, 20, 21, 22, and 24; 120.075, subdivisions 1, 2, 3a, and 4; 120.0751, subdivisions 1, 2, 3, 4, and 5; 120.0752, subdivisions 1, 2, and 3; 120.08; 120.101, subdivisions 5a, 7, 8, 9, and 10; 120.102, subdivisions 1, 3, and 4; 120.103, subdivisions 3, 4, 5, and 6; 120.11; 120.14; 120.17, subdivisions 1, 1b, 2, 3, 3a, 3b, 3d, 4, 4a, 5, 5a, 6, 7, 7a, 8a, 9, 10, 16, 18, and 19; 120.1701, subdivisions 2, 4, 5, 6, 7, 8, 8a, 9, 10, 11, 12, 15, 17, 19, 20, 21, and 22; 120.172, subdivision 2; 120.173, subdivisions 1, 3, 4, and 6; 120.1811; 120.182; 120.183; 120.185; 120.188; 120.189; 120.190; 120.59; 120.60; 120.61; 120.62; 120.63; 120.64; 120.66; 120.73, subdivisions 1, 2a, 2b, 3, and 4; 120.74; 120.75; 120.76; 120.80; 121.1115, subdivisions 1 and 2; 121.155; 121.201; 121.203, subdivision 1; 121.207, subdivisions 2 and 3; 121.585, subdivisions 2, 6, and 7; 121.615, subdivision 11; 121.704; 121.705, subdivision 2; 121.706; 121.707, subdivisions 3, 4, 5, 6, and 7; 121.708; 121.710, subdivisions 2 and 3; 121.831, subdivisions 6, 7, 8, 9, 10, 11, and 12; 121.835, subdivisions 4, 5, 7, and 8; 121.8355, subdivisions 2, 3, 5, and 6; 121.88, subdivisions 2, 3, 4, 6, 7, and 9; 121.882, subdivisions 1, 2b, 3, 7, 7a, 8, and 9; 121.885, subdivisions 1 and 4; 121.904, subdivisions 1, 2, 3, 4c, and 13; 121.906; 121.908; 121.911; 121.912, subdivisions 1a, 1b, 2, 3, 5, and 6; 121.9121, subdivisions 2 and 4; 121.914, subdivisions 2, 3, 4, 5, 6, 7, and 8; 121.917; 122.01; 122.02; 122.03; 122.21; 122.22, subdivisions 1, 4, 5, 6, 7a, 9, 13, 14, 18, 20, and 21; 122.23, subdivisions 2, 2b, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 16c, 18, 18a, and 20; 122.241; 122.242, subdivisions 1, 3, 8, and 9; 122.243; 122.245, subdivision 2; 122.246; 122.247, subdivisions 2 and 2a; 122.248; 122.25, subdivisions 2 and 3; 122.32; 122.34; 122.355; 122.41; 122.43; 122.44; 122.45, subdivisions 2 and 3a; 122.46; 122.47; 122.48; 122.531, subdivisions 2c, 5a, and 9; 122.5311, subdivision 1; 122.532, subdivisions 2, 3a, and 4; 122.535, subdivisions 2, 3, 4, 5, and 6; 122.541, subdivisions 1, 2, 4, 5, 6, and 7; 122.895; 122.91, subdivisions 2, 2a, 3a, 4, and 6; 122.93, subdivisions 3 and 8; 122.95, subdivisions 1, 1a, 2, and 4; 123.11, subdivisions 1, 2, 3, 4, and 7; 123.12; 123.13; 123.15; 123.33, subdivisions 1, 2, 2a, 3, 4, 6, 7, 11, and 11a; 123.335; 123.34, subdivisions 1, 2, 7, 8, 9, 9a, and 10; 123.35, subdivisions 1, 2, 4, 5, 8a, 9b, 12, 13, 15, 19a, 19b, 20, and 21; 123.351, subdivisions 1, 3, 4, 5, 8, and 8a; 123.3513; 123.3514, subdivisions 3, 4b, 4d, 5, 6, 6b, 7a, and 7b; 123.36, subdivisions 1, 5, 10, 11, 13, and 14; 123.37, subdivisions 1, 1a, and 1b; 123.38, subdivisions 1, 2, 2a, 2b, and 3; 123.39, subdivisions 1, 2, 8, 8a, 8b, 8c, 8d, 8e, 9a, 11, 12, 13, 14, 15, and 16; 123.40, subdivisions 1, 2, and 8; 123.41; 123.582, subdivision 2; 123.63; 123.64; 123.66; 123.681; 123.70, subdivisions 2, 4, and 8; 123.702, subdivisions 1, 1b, 2, 3, 4, 4a, 5, 6, and 7; 123.704; 123.7045; 123.71; 123.72; 123.75, subdivisions 2, 3, and 5; 123.751, subdivisions 1, 2, and 3; 123.76; 123.78, subdivisions 1a and 2; 123.79, subdivision 1; 123.799, as amended; 123.7991, subdivision 3; 123.801; 123.805; 123.932, subdivision 1b; 123.933; 123.935, subdivisions 1, 2, 4, 5, and 6; 123.936; 123.9361; 123.9362; 123.947; 124.06; 124.07, subdivision 2; 124.078; 124.08; 124.09; 124.10, subdivisions 1 and 2; 124.12; 124.14, subdivisions 2, 3, 3a, 4, 6, 7, and 8; 124.15, subdivisions 2, 2a, 3, 4, 5, 6, and 8; 124.17, subdivisions 2, 2a, and 2b; 124.175; 124.19, subdivision 5; 124.195, subdivisions 1, 3, 3a, 3b, 4, 5, 6, and 14; 124.196; 124.2131, subdivisions 1, 2, 3a, 5, 6, 7, 8, 9, and 11; 124.214; 124.225, subdivisions 7f, 8l, 8m,

and 9; 124.227; 124.239, subdivision 3; 124.242; 124.248, subdivisions 1 and 1a; 124.255; 124.26, subdivision 1c; 124.2601, subdivision 7; 124.2605; 124.2615, subdivision 4; 124.2711, as amended; 124.2712; 124.2713, subdivision 7; 124.2715, subdivision 3; 124.2716, subdivisions 1 and 2; 124.2726, subdivisions 1, 2, and 4; 124.2727, subdivision 9; 124.273, subdivisions 3, 4, 6, and 7; 124.276, subdivisions 1 and 3; 124.278, subdivision 3; 124.311, subdivision 1; 124.32; 124.3201, subdivisions 5, 6, and 7; 124.322, subdivision 1; 124.35; 124.37; 124.38, subdivisions 1, 4a, and 7; 124.381; 124.39; 124.40; 124.41, subdivision 3; 124.42, as amended; 124.431, subdivisions 4, 5, 6, 10, 12, 13, and 14; 124.44; 124.46, as amended; 124.48, as amended; 124.492; 124.493, subdivision 1; 124.494, subdivisions 1, 2, 2a, 3, 5, and 7; 124.495; 124.511; 124.573, subdivisions 2, 2b, 2e, 2f, 3, 3a, and 5a; 124.625; 124.63; 124.646; 124.6462; 124.6469, subdivision 3; 124.647; 124.6471; 124.6472; 124.648, as amended; 124.71, subdivision 1; 124.72; 124.73; 124.74; 124.75; 124.755, subdivisions 2, 3, 4, 5, 6, 7, 8, and 9; 124.82, subdivisions 1 and 3; 124.83, subdivision 8; 124.84, subdivisions 1 and 2; 124.85, subdivisions 2, 2a, 2b, 2c, 5, 6, and 7; 124.86, subdivisions 1, 3, and 4; 124.90; 124.91, subdivisions 4 and 6; 124.912, subdivisions 7 and 9; 124.914; 124.916, as amended; 124.918, subdivisions 2, 3, and 7; 124.95, subdivision 1; 124.97; 124A.02, subdivisions 1, 3a, 20, 21, 22, 23, and 24; 124A.029, subdivisions 1, 3, and 4; 124A.03, subdivisions 2, 2a, 3b, and 3c; 124A.0311, subdivisions 2, 3, and 4; 124A.032; 124A.034; 124A.035; 124A.036, as amended; 124A.04, as amended; 124A.22, subdivisions 2a, 5, 8, and 12; 124A.225, subdivisions 4 and 5; 124A.29; 124A.30; 124C.07; 124C.08, subdivisions 2 and 3; 124C.09; 124C.12, subdivision 2; 124C.45, subdivision 1; 124C.49; 124C.498, as amended; 124C.56; 124C.57, subdivisions 1, 2, and 4; 124C.60, subdivision 2; 124C.72, subdivision 2; 124C.73, subdivision 3; 125.03, subdivisions 1 and 6; 125.04; 125.05, subdivisions 1, 1a, 6, and 8; 125.06; 125.09; 125.11; 125.12, subdivisions 1a, 2, 2a, 3, 3b, 4, 6, 6a, 6b, 7, 8, 9, 9a, 10, 11, and 13; 125.121, subdivisions 1 and 2; 125.135; 125.138, subdivisions 1, 3, 4, and 5; 125.16; 125.17, subdivisions 2, 2b, 3, 3b, 4, 5, 6, 7, 8, 9, 10, 10a, 11, and 12; 125.18; 125.181; 125.183, subdivisions 1, 4, and 5; 125.184; 125.185, subdivisions 1, 2, 4, 5, and 7; 125.187; 125.188, subdivisions 1, 3, and 5; 125.1885, subdivision 5; 125.189; 125.1895, subdivision 4; 125.211, subdivision 2; 125.230, subdivisions 4, 6, and 7; 125.231, subdivision 3; 125.53; 125.54; 125.60, subdivisions 2, 3, 4, 6a, and 8; 125.611, subdivisions 1 and 13; 125.62, subdivisions 2, 3, and 7; 125.623, subdivision 3; 125.702; 125.703; 125.704, subdivision 1; 125.705, subdivisions 1, 3, 4, and 5; 125.80; 126.05; 126.12; 126.13; 126.14; 126.15, subdivisions 2 and 3; 126.1995; 126.21, subdivisions 3 and 5; 126.22, subdivisions 5 and 6; 126.235; 126.239, subdivision 1; 126.262, subdivisions 3 and 6; 126.264; 126.265; 126.266, subdivision 1; 126.267; 126.36, subdivisions 1, 5, and 7; 126.43, subdivisions 1 and 2; 126.48, subdivisions 1, 2, 3, 4, and 5; 126.49, subdivisions 1, 5, 6, and 8; 126.50; 126.501; 126.51, subdivisions 1a and 2; 126.52, subdivisions 5 and 8; 126.531, subdivision 1; 126.54, subdivisions 1, 2, 3, 4, 5, and 6; 126.56, subdivision 6; 126.69, subdivision 1; 126.70, subdivisions 1 and 2a; 126.72, subdivisions 3 and 6; 126.78, subdivision 4; 126.84, subdivisions 1, 3, 4, and 5; 126A.01; 126B.01, subdivisions 2 and 4; 126B.10; 127.02; 127.03; 127.04; 127.17, subdivisions 1, 3, and 4; 127.19; 127.20; 127.40, subdivision 4; 127.41; 127.411; 127.412; 127.413; 127.42; 127.44; 127.45, subdivision 2; 127.455; 127.46; 127.47, subdivision 2; 127.48; 129C.10, subdivisions 3a, 3b, 4, and 6; and 129C.15; Minnesota Statutes 1997 Supplement, sections 120.05; 120.062, subdivisions 3, 6, and 7; 120.064, subdivisions 8, 10, 14a, and 20a; 120.101, subdivisions 5 and 5c; 120.1015; 120.1701, subdivision 3; 120.181; 121.615, subdivisions 2, 3, 9, and 10; 121.831, subdivision 3; 121.88, subdivision 10; 121.882, subdivision 2; 121.904, subdivision 4a; 121.912, subdivision 1; 123.35, subdivision 8; 123.3514, subdivisions 4, 4a, 4e, 6c, and 8; 123.7991, subdivision 2; 124.155, subdivisions 1 and 2; 124.17, subdivision 4; 124.195, subdivisions 2, 7, and 10; 124.2445; 124.2455; 124.248, subdivisions 3 and 4; 124.26, subdivision 2; 124.2601, subdivision 6; 124.2615, subdivision 2; 124.2713, subdivision 8; 124.321, subdivisions 1 and 2; 124.322, subdivision 1a; 124.323, subdivision 1; 124.41, subdivision 2; 124.431, subdivisions 2 and 11; 124.45, subdivision 2; 124.481; 124.574, subdivision 9; 124.83, subdivision 1; 124.86, subdivision 2; 124.91, subdivision 5; 124.912, subdivisions 1 and 6; 124.918, subdivisions 1, 6, and 8; 124A.22, subdivisions 6, 11, and 13; 124A.23, subdivisions 1, 2, and 3; 124A.28, subdivision 3; 124C.45, subdivision 1a; 125.05, subdivision 1c; 125.12, subdivision 14; 126.22, subdivisions 2, 3a, and 8; 126.23, subdivision 1; 126.51, subdivision 1; 126.531, subdivision 3; 126.72, subdivision 2; 126.77, subdivision 1; and 129C.10, subdivision 3; proposing coding for new law as Minnesota Statutes, chapters 120B; and 120C; repealing Minnesota Statutes 1996, sections 120.17, subdivision 2; 120.71; 120.72; 120.90; 122.52; 122.532, subdivision 1; 122.541, subdivision 3; 123.35, subdivision 10; 123.42; 124.01; 124.19, subdivision 4; 124.2725, as amended; 124.312, as amended; 124.38, subdivision 9;

124.472; 124.473; 124.474; 124.476; 124.477; 124.478; 124.479; 124.71, subdivision 2; 124A.02, subdivisions 15 and 16; 124A.029, subdivision 2; 124A.22, subdivision 13f; 124A.225, subdivision 6; 124A.31; 124C.55; 124C.56; 124C.57; 124C.58; 125.10; 126.84, subdivision 6; 127.01; 127.08; 127.09; 127.10; 127.11; 127.12; 127.13; 127.15; 127.16; 127.17, subdivision 2; 127.21; 127.23; and 127.25; Minnesota Statutes 1997 Supplement, sections 124.313; 124.314; and 124A.26.

Report the same back with the recommendation that the bill be amended as follows:

Page 5, line 13, delete the new language and reinstate the stricken language

Page 23, line 12, strike "showing that"

Page 23, strike line 13

Page 23, line 14, strike everything before the semicolon

Page 31, line 20, delete "120.17, subdivision 2;"

Page 32, after line 15, insert:

" subd. 8b

subd. 2 "

Page 32, line 16, delete "2" and insert "3"

Page 34, delete lines 6 and 7

Page 87, line 13, reinstate the stricken "and tuition has been denied"

Page 107, line 32, strike "The review of"

Page 116, line 3, strike everything after "commissioner"

Page 116, line 4, strike "technical education,"

Pages 120 to 122, delete sections 122 to 125

Page 123, line 23, delete "nonprofit, nonpublic"

Page 149, line 11, strike "SC" and insert "service cooperative"

Page 170, line 15, strike "with"

Page 170, strike line 16

Page 170, line 17, strike everything before "must"

Page 189, line 33, strike everything after the period

Page 189, line 34, delete the new language and strike the old language

Page 189, strike lines 35 and 36

Page 190, strike lines 1 to 5

Pages 190 and 191, delete section 77

Page 206, delete line 8

Page 208, after line 19, insert:

"Section 1. Minnesota Statutes 1996, section 121.11, subdivision 7, is amended to read:

Subd. 7. [GENERAL SUPERVISION OVER EDUCATIONAL AGENCIES.] The state board of 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 state board shall develop a plan to attain the adopted goals. At the state board's request, the commissioner may assign department of children, families, and learning staff to assist the state board in attaining its goals. The commissioner shall explain to the state board in writing any reason for refusing or delaying a request for staff assistance. The state board may recognize educational accrediting agencies for the sole purposes of sections 120.101, 120.102, and 120.103.

Sec. 2. Minnesota Statutes 1997 Supplement, section 121.1113, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE TESTING.] (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, shall include in the comprehensive assessment system, for each grade level to be tested, a single statewide norm-referenced or criterion-referenced test, or a combination of a norm-referenced and a criterion-referenced test, which shall be highly correlated with the state's graduation standards and administered annually to all students in the third, fifth, and eighth grades. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. The Minnesota basic skills tests in reading and mathematics shall fulfill students' eighth grade testing requirements.

(b) In addition, at the secondary level, districts shall assess student performance in all required learning areas and selected required standards within each area of the ~~profiles~~ profile of learning. The testing instruments and testing process shall be determined by the commissioner. The results shall be aggregated at the site and district level. The testing shall be administered beginning in the 1999-2000 school year and thereafter.

(c) The comprehensive assessment system shall include an evaluation of school site and school district performance levels during the 1997-1998 school year and thereafter using an established performance baseline developed from students' test scores under this section that records, at a minimum, students' unweighted mean test scores in each tested subject, a second performance baseline that reports, at a minimum, the same unweighted mean test scores of only those students enrolled in the school by January 1 of the previous school year, and a third performance baseline that reports the same unweighted test scores of all students except those students receiving limited English proficiency instruction. The evaluation also shall record separately, in proximity to the performance baselines, the percentages of students who are eligible to receive a free or reduced price school meal, demonstrate limited English proficiency, or are eligible to receive special education services.

(d) In addition to the testing and reporting requirements under paragraphs (a), (b), and (c), the commissioner, in consultation with the state board of education, shall include the following components in the statewide educational accountability and public reporting system:

(1) uniform statewide testing of all third, fifth, eighth, and post-eighth grade students with exemptions, only with parent or guardian approval, from the testing requirement only for those very few students for whom the student's individual education plan team under section 120.17, subdivision 2, determines that the student is incapable of taking a statewide test, or a limited English proficiency student under section 126.262, subdivision 2, if the student has been in the United States for fewer than 12 months and for whom special language barriers exist, such as the student's native language does not have a written form or the district does not have access to appropriate interpreter services for the student's native language;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis;

(3) students' scores on the American College Test;

(4) participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement; and

(5) basic skills and advanced competencies connecting teaching and learning to high academic standards, assessment, and transitions to citizenship and employment.

(e) Districts must report exemptions under paragraph (d), clause (1), to the commissioner consistent with a format provided by the commissioner."

Page 217, line 14, strike "reception" and insert "admission"

Page 217, line 18, after "court" insert "of" and strike "of" and insert "for"

Page 217, line 19, strike "or not" and insert "any of"

Page 217, line 20, strike "or any of them"

Page 227, line 35, after "in" insert "each of" and strike "four"

Page 231, lines 33 and 36, after "commissioner" insert "of revenue"

Page 241, delete lines 21 and 22 and insert:

" <u>subd. 7d</u>	<u>subd. 3</u>
<u>subd. 9</u>	<u>subd. 4</u>
<u>subd. 11</u>	<u>subd. 5</u> "

Page 241, delete lines 30 to 33 and insert:

" 121.1601 121A.19 "

Page 305, line 36, before "subdivision" insert "section 123.35,"

Page 308, line 19, before "subdivision" insert "section 123.35,"

Page 310, line 14, before "board" insert "center" in both places

Page 310, lines 15 and 33, before "board" insert "center"

Page 310, line 29, after "a" insert "center"

Page 312, line 13, before "board" insert "center"

Page 314, after line 22, insert:

"Sec. 98. Minnesota Statutes 1996, section 124.2725, subdivision 15, is amended to read:

Subd. 15. [RETIREMENT AND SEVERANCE LEVY.] A cooperating or combined district that levied under Minnesota Statutes 1996, section 124.2725, subdivision 3, for taxes payable in 1995 may levy for severance pay or early retirement incentives for licensed and nonlicensed employees who retire early as a result of the cooperation or combination."

Page 317, after line 10, insert:

" 127.25 122A.11 "

Page 317, delete line 33 and insert:

" <u>122.245, subd. 1</u>	<u>122A.21, subd. 1</u>
<u>subd. 2</u>	<u>subd. 2</u>
<u>subd. 3</u>	<u>subd. 4</u>
<u>124.2725, subd. 15</u>	<u>122A.21, subd. 3</u> "

Page 320, delete lines 2 to 4 and insert:

" <u>123.35, subd. 19b</u>	<u>122A.58, subd. 1</u>
<u>subd. 21</u>	<u>subd. 2</u> "

Page 324, lines 7 and 8, delete the new language

Page 353, lines 28 and 29, reinstate the stricken language

Page 357, lines 11 and 14, strike "clause" and insert "paragraph"

Page 357, line 29, before "Proceeds" insert "(a)"

Page 357, line 33, strike "(a)" and insert "(b)"

Page 358, line 4, strike "(b)" and insert "(c)" and strike "(a)" and insert "(b)"

Page 358, line 15, strike "(c)" and insert "(d)"

Page 358, line 17, strike "(a) and (b)" and insert "(b) and (c)"

Page 358, line 20, strike "(a)" and insert "(b)"

Page 358, line 21, strike "(d)" and insert "(e)"

Page 358, line 23, strike "(a), (b), and (c)" and insert "(b), (c), and (d)"

Page 358, line 26, strike "(e)" and insert "(f)" and strike "(b) and (c)" and insert "(c) and (d)"

Page 378, lines 7 to 9, reinstate the stricken language

Page 382, line 8, delete "subdivision" and insert "section"

Page 383, line 1, delete the second "2" and insert "3"

Page 383, line 2, delete "3" and insert "2"

Page 383, line 28, delete "6" and insert "7"

Page 383, line 29, delete "7" and insert "8"

Page 383, line 30, delete "13" and insert "14"

Page 383, line 31, delete "8" and insert "9"

Page 383, line 32, delete "9" and insert "10"

Page 383, line 33, delete "10" and insert "11"

Page 383, line 34, delete "12" and insert "13"

Page 383, line 35, delete "14" and insert "15"

Page 383, line 36, delete "17" and insert "18"

Page 384, line 1, delete "11" and insert "12"

Page 384, after line 1, insert:

" subd. 19a

subd. 3 "

Page 384, line 2, delete "3" and insert "4"

Page 384, line 3, delete "19" and insert "20"

Page 384, line 4, delete "15" and insert "16"

Page 384, line 5, delete "16" and insert "17"

Page 384, line 6, delete "18" and insert "19"

Page 384, line 7, delete "5" and insert "6"

Page 384, line 8, delete "4" and insert "5"

Page 400, after line 1, insert:

"Sec. 21. Minnesota Statutes 1997 Supplement, section 124.17, subdivision 1, is amended to read:

Subdivision 1. [PUPIL UNIT.] Pupil units for each Minnesota resident pupil in average daily membership enrolled in the district of residence, in another district under sections 120.062, 120.075, 120.0751, 120.0752, 124C.45 to 124C.48, or 126.22; in a charter school under section 120.064; or for whom the resident district pays tuition under section 120.0621, 120.08, 120.17, 120.181, 122.535, 122.541, 122.94, 123.351, 123.39, subdivision 4, 124.18, or 124.491, shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled in a program approved by the commissioner and has an individual education plan is counted as the ratio of the number of hours of assessment and education service to 825 with a minimum of 0.28, but not more than one.

(b) A prekindergarten pupil who is assessed but determined not to be handicapped is counted as the ratio of the number of hours of assessment service to 825.

(c) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individual education program plan to 875, but not more than one.

(d) A kindergarten pupil who is not included in paragraph (c) is counted as .53 of a pupil unit for fiscal year 1995 and thereafter.

(e) A pupil who is in any of grades 1 to 6 is counted as 1.06 pupil units for fiscal year 1995 and thereafter.

(f) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

(g) A pupil who is in the post-secondary enrollment options program is counted as 1.3 pupil units.

Sec. 22. Minnesota Statutes 1996, section 124.17, subdivision 1f, is amended to read:

Subd. 1f. [~~FUND BALANCE ADJUSTED PUPIL UNITS.~~] Fund balance Adjusted pupil units must be computed separately for kindergarten pupils, elementary pupils in grades 1 to 6, and secondary pupils in grades 7 to 12. Total fund balance pupil units means the sum of kindergarten, elementary, and secondary fund balance pupil units. Fund balance pupil units for each category for a district means the sum of:

(1) the number of resident pupil units in average daily membership, including, according to subdivision 1g, plus

(2) shared time pupil units, according to section 124A.02, subdivision 20, plus

(4) (3) pupil units according to subdivision 1 for pupils attending the district for which general education aid adjustments are made according to section 124A.036, subdivision 5; minus

(2) the sum of the (4) pupil units according to subdivision 1 for resident pupils attending other districts for which general education aid adjustments are made according to section 124A.036, subdivision 5, plus pupils for whom payment is made according to section 126.22, subdivision 8, or 126.23.

Sec. 23. Minnesota Statutes 1996, section 124.17, is amended by adding a subdivision to read:

Subd. 1g. [RESIDENT PUPIL UNITS.] Resident pupil units for a district means the number of pupil units according to subdivision 1 residing in the district.

Sec. 24. Minnesota Statutes 1996, section 124.17, is amended by adding a subdivision to read:

Subd. 1h. [PUPIL UNITS SERVED.] Pupil units served for a district means the number of pupil units according to subdivision 1 enrolled in the district."

Page 415, line 24, strike "cause" and insert "prepare"

Page 415, line 36, reinstate the stricken language

Page 416, line 1, reinstate the stricken language

Page 426, lines 22 and 23, reinstate the stricken language

Page 428, lines 30 to 36, delete the new language and reinstate the stricken language

Page 441, line 29, reinstate the stricken "pledged"

Page 454, line 30, strike "of"

Page 475, line 11, delete the new language and reinstate the stricken language

Pages 477 to 479, delete section 133

Page 501, line 3, after the second semicolon, insert "124A.03, subdivision 3b;"

Page 501, line 7, delete "as amended" and insert "subdivisions 1, 2, 3, 4, 5, 6, 7, 9, 10, 12, 13, 14, and 16; and Minnesota Statutes 1997 Supplement, section 124.2725, subdivision 11, are repealed."

Page 501, delete lines 8 and 9

Page 501, after line 31, insert:

" subd. 1g
subd. 1h

subd. 6
subd. 7 "

Page 501, line 32, delete "6" and insert "8"

Page 501, line 33, delete "7" and insert "9"

Page 501, line 34, delete "8" and insert "10"

Page 501, line 35, delete "9" and insert "11"

Page 501, line 36, delete "10" and insert "12"

Page 502, line 1, delete "11" and insert "13"

Page 502, line 2, delete "12" and insert "14"

Page 502, line 3, delete "13" and insert "15"

Page 502, line 4, delete "14" and insert "16"

Page 502, line 5, delete "15" and insert "17"

Page 503, delete line 19

Page 503, line 20, delete "13" and insert "12"

Page 504, after line 25, insert:

" 121.11, subd. 14

124D.31 "

Page 504, line 26, delete "124D.31" and insert "124D.32"

Page 504, line 27, delete "124D.32" and insert "124D.33"

Page 504, line 28, delete "124D.33" and insert "124D.34"
Page 504, line 29, delete "124D.34" and insert "124D.35"
Page 504, line 30, delete "124D.35" and insert "124D.36"
Page 504, line 31, delete "124D.36" and insert "124D.37"
Page 504, line 32, delete "124D.37" and insert "124D.38"
Page 504, line 33, delete "124D.38" and insert "124D.39"
Page 505, line 3, delete "124D.39" and insert "124D.40"
Page 505, line 4, delete "124D.40" and insert "124D.41"
Page 505, line 5, delete "124D.41" and insert "124D.42"
Page 505, line 6, delete "124D.42" and insert "124D.43"
Page 505, line 7, delete "124D.43" and insert "124D.44"
Page 505, line 8, delete "124D.44" and insert "124D.45"
Page 505, line 9, delete "124D.45" and insert "124D.46"
Page 505, line 10, delete "124D.46" and insert "124D.47"
Page 505, line 11, delete "124D.47" and insert "124D.48"
Page 505, line 26, delete "124D.48" and insert "124D.49"
Page 505, line 27, delete "124D.49" and insert "124D.50"
Page 505, line 28, delete "124D.50" and insert "124D.51"
Page 505, line 29, delete "124D.51" and insert "124D.52"
Page 505, line 30, delete "124D.52" and insert "124D.53"
Page 505, line 31, delete "124D.53" and insert "124D.54"
Page 505, line 32, delete "124D.54" and insert "124D.55"
Page 505, line 33, delete "124D.55" and insert "124D.56"
Page 506, line 5, delete "124D.56" and insert "124D.57"
Page 506, line 6, delete "124D.57" and insert "124D.58"
Page 506, line 7, delete "124D.58" and insert "124D.59"
Page 506, line 8, delete "124D.59" and insert "124D.60"
Page 506, line 9, delete "124D.60" and insert "124D.61"
Page 506, line 16, delete "124D.61" and insert "124D.62"
Page 506, line 17, delete "124D.62" and insert "124D.63"
Page 506, line 18, delete "124D.63" and insert "124D.64"
Page 506, line 19, delete "124D.64" and insert "124D.65"
Page 506, line 20, delete "124D.65" and insert "124D.66"

Page 506, line 21, delete "124D.66" and insert "124D.67"

Page 506, line 22, delete "124D.67" and insert "124D.68"

Page 506, line 32, delete "124D.68" and insert "124D.69"

Page 507, line 2, delete "124D.69" and insert "124D.70"

Page 507, line 3, delete "124D.70" and insert "124D.71"

Page 507, line 4, delete "124D.71" and insert "124D.72"

Page 507, line 5, delete "124D.72" and insert "124D.73"

Page 507, line 6, delete "124D.73" and insert "124D.74"

Page 507, line 7, delete "124D.74" and insert "124D.75"

Page 507, line 8, delete "124D.75" and insert "124D.76"

Page 507, line 9, delete "124D.76" and insert "124D.77"

Page 507, line 10, delete "124D.77" and insert "124D.78"

Page 507, line 24, delete "124D.78" and insert "124D.79"

Page 507, line 25, delete "124D.79" and insert "124D.80"

Page 507, line 26, delete "124D.80" and insert "124D.81"

Page 507, line 27, delete "124D.81" and insert "124D.82"

Page 507, line 28, delete "124D.82" and insert "124D.83"

Page 507, line 29, delete "124D.83" and insert "124D.84"

Page 508, line 8, delete "124D.84" and insert "124D.85"

Page 508, line 9, delete "124D.85" and insert "124D.86"

Page 508, line 10, delete "124D.86" and insert "124D.87"

Page 508, line 11, delete "124D.87" and insert "124D.88"

Page 508, line 12, delete "124D.88" and insert "124D.89"

Page 508, line 13, delete "124D.89" and insert "124D.90"

Page 508, line 15, delete "124D.90" and insert "124D.91"

Page 508, line 24, delete "124D.91" and insert "124D.92"

Page 508, line 25, delete "124D.92" and insert "124D.93"

Page 508, line 26, delete "124D.93" and insert "124D.94"

Page 508, line 27, delete "124D.94" and insert "124D.95"

Page 508, line 28, delete "124D.95" and insert "124D.96"

Page 508, line 29, delete "124D.96" and insert "124D.97"

Page 508, line 30, delete "124D.97" and insert "124D.98"

Page 511, after line 8, insert:

"Sec. 5. Minnesota Statutes 1996, section 124C.41, subdivision 4, is amended to read:

Subd. 4. [POLICY BOARD POWERS AND DUTIES.] The policy board shall develop policy, designate a fiscal agent, adopt a budget, expend funds to accomplish the purposes of the center, contract for technical and other assistance, and perform other managerial or supervisory activities consistent with the rules of the state board of education. The policy board may employ staff or contract with consultants for services."

Page 516, line 25, before "board" insert "appropriate licensing"

Page 516, line 26, before "board" insert "licensing"

Page 535, line 4, strike "2a or"

Page 535, line 8, strike "2a" and insert "2b"

Page 535, line 10, strike "2a" and before "must" insert "2b"

Page 537, line 17, strike "in connection" and insert "connected"

Page 549, line 5, strike "(a)"

Page 549, lines 9 to 28, delete the new language and strike the old language

Page 565, line 30, strike "such" and before the period, insert "under this section"

Page 565, strike lines 31 and 32

Page 569, line 35, strike "of" and delete "the" and strike "schools therefrom" and insert "from school"

Page 569, line 36, strike "them" and before "from" insert "the pupil"

Page 584, line 33, after "sections" insert "16B.43;"

Page 584, line 34, delete "127.23;" and insert "and 127.23;"

Page 584, line 35, delete "and 127.25,"

Page 585, line 7, after "Statutes" insert "and Minnesota Rules"

Page 585, after line 8, insert:

"(c) In the next and subsequent editions of Minnesota Statutes and Minnesota Rules, the revisor shall replace "actual pupil units" with "resident pupil units" and "fund balance pupil units" with "adjusted pupil units."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 22, after "120.80;" insert "121.11, subdivision 7;"

Page 2, line 31, delete "2, 2a, and 2b" and insert "1f, 2, 2a, 2b, and by adding subdivisions"

Page 2, line 39, delete "124.2712;"

Page 2, line 41, after "2;" insert "124.2725, subdivision 15;"

Page 2, line 65, delete "3b,"

Page 2, line 71, after the first semicolon, insert "124C.41, subdivision 4;"

Page 3, line 1, delete "124C.56; 124C.57, subdivisions"

Page 3, line 2, delete "1, 2, and 4;"

Page 3, line 44, after the second semicolon, insert "121.1113, subdivision 1;"

Page 3, line 50, delete "subdivision" and insert "subdivisions 1 and"

Page 3, line 69, delete "120.17, subdivision" and insert "16B.43"

Page 3, line 70, delete "2"

Page 4, line 2, delete "124.2725, as amended" and insert "124.2725, subdivisions 1, 2, 3, 4, 5, 6, 7, 9, 10, 12, 13, 14, and 16"

Page 4, line 6, after the first semicolon, insert "124A.03, subdivision 3b;"

Page 4, line 10, after the second semicolon, insert "and" and delete "and 127.25;"

Page 4, line 11, after "sections" insert "124.2725, subdivision 11;"

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Vickerman from the Committee on Local and Metropolitan Government, to which was referred

S.F. No. 2911: A bill for an act relating to lawful gambling; authorizing organizations to make certain expenditures and contributions through electronic fund transfers; amending Minnesota Statutes 1996, sections 349.168, subdivision 6; and 349.19, subdivision 3; Minnesota Statutes 1997 Supplement, section 349.154, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1997 Supplement, 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 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; or

(ii) members of an organization solely for services performed by the members at funeral services;

(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, 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 one-half of the reasonable costs of an audit required in section 297E.06, subdivision 4;

(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 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.

(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; ~~or~~ (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. 2. Minnesota Statutes 1997 Supplement, section 349.154, subdivision 2, is amended to read:

Subd. 2. [NET PROFIT REPORTS.] (a) Each licensed organization must report monthly to the board on a form prescribed by the board each expenditure and contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name, address, and telephone number of the recipient of the expenditure or contribution;

(2) the date the contribution was approved by the organization;

(3) the date, amount, and check number or electronic transfer confirmation number of the expenditure or contribution;

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25; and

(5) in the case of expenditures authorized under section 349.12, subdivision 25, paragraph (a), clause (7), whether the expenditure is for a facility or activity that primarily benefits male or female participants.

(b) The board shall make available to the commissioners of revenue and public safety copies of reports received under this subdivision and requested by them.

(c) The report required under this subdivision must provide for a separate accounting for all expenditures made from the reporting organization's tax refund or credit authorized under section 297E.02, subdivision 4, paragraph (d).

Sec. 3. Minnesota Statutes 1996, 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 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. 4. Minnesota Statutes 1997 Supplement, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] (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) 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.

(c) 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) 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) 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.

Sec. 5. Minnesota Statutes 1996, 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 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 authorized by section 349.15, subdivision 1, for utility payments 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 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. 6. Minnesota Statutes 1996, section 349.213, subdivision 1, is amended to read:

Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home rule city or county has the authority to adopt more stringent regulation of lawful gambling within its jurisdiction, including the prohibition of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.166. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are gross profits less amounts expended for allowable expenses and paid in taxes assessed on lawful gambling. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 8, or 297E.02; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for (i) lawful purposes, or (ii) police, fire, and other emergency or public safety-related services, equipment, and training, excluding pension obligations, is not considered an expenditure to the city or county nor a tax under section 297E.02, and is valid and lawful. A city or county making expenditures authorized under this paragraph must by March 15 of each year file a report with the board, on a form the board prescribes, that lists all such revenues collected and expenditures for the previous calendar year.

(b) A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance must be limited to lawful purpose expenditures of gross profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction, must define the city's or county's trade area, and must specify the percentage of lawful purpose expenditures which must be expended within the trade area. A trade area defined by a city under this subdivision must include each city contiguous to the defining city.

(c) A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision, except a political subdivision may prohibit the use of paddlewheels.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to lawful gambling; allowing expenditures as lawful purposes of compliance with the Americans with Disabilities Act; authorizing organizations to make certain expenditures and contributions through electronic fund transfers; allowing an employee to participate in lawful gambling under certain circumstances; allowing locally administered funds receiving contributions from gambling profits to be spent for certain public safety purposes; amending Minnesota Statutes 1996, sections 349.168, subdivision 6; 349.19, subdivision 3; and 349.213, subdivision 1; Minnesota Statutes 1997 Supplement, sections 349.12, subdivision 25; 349.154, subdivision 2; and 349.18, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Local and Metropolitan Government, to which was referred

S.F. No. 2763: A bill for an act relating to the state lottery; permitting the director to establish a bonus plan for lottery retailers; permitting the lottery to conduct a holiday game; authorizing the lottery to establish an operating reserve account; authorizing the lottery to expend additional funds on advertising; clarifying the lottery conflict of interest; amending Minnesota Statutes 1996, section 349A.06, by adding a subdivision; 349A.09, subdivision 2; 349A.10, subdivision 3; and 349A.11.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 349A.06, is amended by adding a subdivision to read:

Subd. 12. [RETAILER BONUS.] The director may adopt a plan whereby eligible lottery retailers will receive a bonus payment, in addition to commissions or incentives earned for the sale of lottery tickets, if total lottery sales for a fiscal year increase when compared to the total lottery sales for the previous fiscal year. The bonus payment shall be no more than ten percent of any increase in total lottery sales, which shall be paid to active lottery retailers at the end of a fiscal year on the basis of each lottery retailer's market share.

Sec. 2. Minnesota Statutes 1996, section 349A.09, subdivision 2, is amended to read:

Subd. 2. [CONTENT OF ADVERTISING.] (a) Advertising and promotional materials for the lottery adopted or published by the director must be consistent with the dignity of the state and may only:

(1) present information on how lottery games are played, prizes offered, where and how tickets may be purchased, when drawings are held, and odds on the games advertised;

(2) identify state programs supported by lottery net revenues;

(3) present the lottery as a form of entertainment; or

(4) state the winning numbers or identity of winners of lottery prizes.

(b) The director may not adopt or publish any advertising for the lottery which:

(1) presents directly or indirectly any lottery game as a potential means of relieving any person's financial difficulties;

(2) is specifically targeted with the intent to exploit a person, a specific group or economic class of people, or a religious holiday by use of a religious theme or symbol;

(3) presents the purchase of a lottery ticket as a financial investment or a way to achieve financial security;

(4) uses the name or picture of a current elected state official to promote a lottery game;

(5) exhorts the public to bet by directly or indirectly misrepresenting a person's chance of winning a prize; or

(6) denigrates a person who does not buy a lottery ticket or unduly praises a person who does buy a ticket.

Sec. 3. Minnesota Statutes 1996, section 349A.10, subdivision 3, is amended to read:

Subd. 3. [LOTTERY OPERATIONS.] (a) The director shall establish a lottery operations account in the lottery fund. The director shall pay all costs of operating the lottery, including payroll costs or amounts transferred to the state treasury for payroll costs, but not including lottery prizes, from the lottery operating account. The director shall credit to the lottery operations account amounts sufficient to pay the operating costs of the lottery.

~~(b) The director may not credit in fiscal year 1993 amounts to the lottery operations account which when totaled exceed 14.5 percent of gross revenue to the lottery fund. Except as provided in paragraph (e), the director may not credit in any fiscal year thereafter amounts to the lottery operations account which when totaled exceed 15 percent of gross revenue to the lottery fund in that fiscal year. In computing total amounts credited to the lottery operations account under this paragraph the director shall disregard amounts transferred to or retained by lottery retailers as sales commissions or other compensation.~~

(c) The director of the lottery may not expend after July 1, 1991, more than $2\frac{3}{4}$ four percent of gross revenues in a fiscal year for contracts for the preparation, publication, and placement of advertising.

(d) Except as the director determines, the lottery is not subject to chapter 16A relating to budgeting, payroll, and the purchase of goods and services.

(e) In addition to the amounts credited to the lottery operations account under paragraph (b), the director is authorized, if necessary to meet the current obligations of the lottery, to credit up to 25 percent of an amount equal to the average annual amount, which was authorized to be credited to the lottery operations account for the previous three fiscal years but was not needed to meet the obligations of the lottery.

Sec. 4. Minnesota Statutes 1996, section 349A.11, is amended to read:

349A.11 [CONFLICT OF INTEREST.]

~~(a) Subdivision 1. [LOTTERY TICKET; RETAILER.] The director, an employee of the lottery, a member of the immediate family of the director or employee residing in the same household may not:~~

~~(1) purchase a lottery ticket;~~

~~(2) have any personal pecuniary interest in any vendor holding a lottery procurement contract, or in any lottery retailer; or~~

~~(3) receive any gift, gratuity, or other thing of value, excluding food or beverage, from any lottery vendor or lottery retailer, or person applying to be a retailer or vendor, in excess of \$100 in any calendar year.~~

Subd. 2. [GIFTS.] The director or an employee of the lottery in the unclassified service may not accept a gift as prohibited by section 10A.071.

~~(b) Subd. 3. [PENALTY.] A violation of paragraph (a) subdivision 1, clause (1), is a misdemeanor. A violation of paragraph (a) subdivision 1, clause (2), is a gross misdemeanor. A violation of paragraph (a), clause (3), is a misdemeanor unless the gift, gratuity, or other item of value received has a value in excess of \$500, in which case a violation is a gross misdemeanor.~~

(e) Subd. 4. [FUTURE EMPLOYMENT.] The director or an unclassified employee of the lottery ~~may not, within one year~~ two years of terminating employment with the lottery, ~~accept employment with, act as an agent or attorney for, or otherwise represent any person, corporation, or entity that had any lottery procurement contract or bid for a lottery procurement contract with before the lottery within a period of two years prior to the termination of their employment.~~ A violation of this paragraph is a misdemeanor.

Sec. 5. [LOTTERY RETAILER COMMISSIONS.]

The director of the state lottery shall, pursuant to Minnesota Statutes, section 349A.06, subdivision 6, increase the commission payable to retailers by one-half of one percent on the price of each ticket sold by that retailer and provide that lottery retailers shall receive a commission of at least one percent on the amount of each winning ticket cashed by that retailer.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the state lottery; permitting the director to establish a bonus plan for lottery retailers; permitting the lottery to conduct a holiday game; authorizing the lottery to establish an operating reserve account; authorizing the lottery to expend additional funds on advertising; clarifying the lottery conflict of interest; requiring the director to increase commissions to retailers; amending Minnesota Statutes 1996, sections 349A.06, by adding a subdivision; 349A.09, subdivision 2; 349A.10, subdivision 3; and 349A.11."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Cohen from the Committee on State Government Finance, to which was re-referred

S.F. No. 2407: A bill for an act relating to drivers' licenses; establishing youth-oriented driver improvement clinics; establishing a graduated licensing system with provisional license phase; restricting driving privileges for holders of instruction permits and provisional licenses and requiring violation-free period before advancement to next license stage; making technical changes; amending Minnesota Statutes 1996, sections 120.73, subdivision 1; 169.89, subdivision 5; 169.971, subdivision 1, and by adding a subdivision; 169.972; 169.973, subdivision 1; 171.01, subdivision 14; 171.04, subdivision 1; 171.05, subdivision 2, and by adding subdivisions; 171.06, subdivision 1; 171.10, subdivision 1; 171.12, subdivision 3; 171.16, subdivision 5; 171.17, subdivisions 2 and 3; 171.172; 171.173; 171.174; 171.20, subdivision 3; 171.27; and 171.39; Minnesota Statutes 1997 Supplement, sections 171.041; 171.06, subdivisions 2 and 4; and 171.171; proposing coding for new law in Minnesota Statutes, chapter 171.

Reports the same back with the recommendation that the bill be amended as follows:

Page 21, after line 10, insert:

"Sec. 30. [APPROPRIATION.]

\$295,000 is appropriated from the trunk highway fund to the commissioner of public safety for youth-oriented driver improvement clinics and the graduated driver's licensing system required by this act. \$8,000 is for the fiscal year ending June 30, 1998, and \$287,000 is for the fiscal year ending June 30, 1999."

Renummer the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hottinger from the Committee on Health and Family Security, to which was re-referred

S.F. No. 3207: A bill for an act relating to health; providing for voluntary reporting of alcohol abuse by a pregnant woman; providing for assessments and services; proposing coding for new law in Minnesota Statutes, chapter 626.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1996, section 13.99, is amended by adding a subdivision to read:

Subd. 116. [REPORTS OF ALCOHOL ABUSE.] Data on persons making reports under section 626.5563 are classified under section 626.5563, subdivision 5."

Page 1, delete lines 13 to 16 and insert:

"(2) the person is found to have a possible alcohol problem through the use of a validated alcohol screening test approved by the commissioner of human services."

Page 2, after line 32, insert "The local welfare agency shall report the disposition of all cases of noncompliance to the commissioner of human services."

Page 3, line 12, delete "1" and insert "2"

Page 3, line 17, delete "and" and insert a comma and after "services" insert ", and the disposition of cases of women who refuse services"

Page 3, line 19, delete "1 and 2" and insert "2 and 3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 1996, section 13.99, by adding a subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Cohen from the Committee on State Government Finance, to which was referred

S.F. No. 3354: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative expenses of state government; modifying provisions relating to state government operations; modifying budget preparation provisions; providing for reimbursement of the health care access fund; amending Minnesota Statutes 1996, sections 3.3005, by adding a subdivision; 16A.055, subdivision 6; 16A.10, as amended; 16A.11, subdivision 3, and by adding a subdivision; 16A.501; 16A.72; 16B.04, subdivision 4; 16B.30; 17.03, subdivision 11; 43A.04, subdivision 1a; 43A.317, subdivision 8; 45.012; 84.027, subdivision 14; 116.03, subdivision 2a; 116J.011; 144.05, subdivision 2; 174.02, subdivision 1a; 175.001, subdivision 6; 190.09, subdivision 2; 196.05, subdivision 2; 216A.07, subdivision 6; 268.0122, subdivision 6; 270.02, subdivision 3a; 299A.01, subdivision 1a; 352D.12; 363.05, subdivision 3; and 469.177, subdivision 11; Minnesota Statutes 1997 Supplement, sections 16A.11, subdivision 1; 120.0111; 241.01, subdivision 3b; and 245.03, subdivision 2; amending Laws 1997 chapter 202, article 1, section 11; and Laws 1997, Second Special Session chapter 2, section 8; proposing coding for new law in Minnesota Statutes, chapters 16B; and 214; repealing Minnesota Statutes 1996, sections 3.971, subdivision 3; 15.90; 15.91; and 15.92; Minnesota Statutes 1997 Supplement, sections 16A.11, subdivision 3c; and 241.015.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, delete "31,091,000" and insert "31,258,000"

Page 2, line 10, delete "24,441,000" and insert "24,541,000"

Page 2, after line 10, insert:

"\$24,441,000 is for general operations and management."

Page 2, after line 53, insert:

"\$100,000 is to educate citizens with respect to telemarketing fraud, as provided in new Minnesota Statutes, section 325G.53."

Page 3, line 25, delete "3,517,000" and insert "3,584,000"

Page 3, line 26, delete "\$3,497,000" and insert "\$3,564,000"

Page 32, after line 13, insert:

"Sec. 47. [325G.53] [CONSUMER EDUCATION; TELEMARKETING FRAUD.]

Subdivision 1. [ESTABLISHMENT.] The attorney general shall establish an outreach advocacy network to educate citizens of the state with respect to telemarketing fraud.

Subd. 2. [DUTIES.] The advocacy network shall:

(1) conduct clinics and seminars throughout the state to educate consumers with respect to telemarketing fraud, including providing an explanation of rights under federal and state law, and recommending effective strategies to combat fraud, with particular emphasis placed on educating consumers in greater Minnesota and isolated areas of the state where victims may be targeted;

(2) facilitate outreach to groups particularly susceptible to telemarketing fraud by training advocates for senior citizens and other consumer groups to conduct clinics and seminars in their communities;

(3) prepare and publish informational brochures on telemarketing fraud for distribution to consumers;

(4) serve as an information clearinghouse within the state to assist consumers and others to obtain information with respect to current fraudulent telemarketing activity in the state;

(5) serve as a resource and provide assistance to local prosecutors and law enforcement; and

(6) identify those occupations in which persons may be in a good position to spot telemarketing fraud, and develop specialized training programs for those persons."

Page 38, line 28, after the semicolon, insert "section 47 is effective July 1, 1998;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 26, delete "and 214" and insert "214; and 325G"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Cohen from the Committee on State Government Finance, to which was referred

S.F. No. 3353: A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; providing for

regulation of certain activities and practices; amending Minnesota Statutes 1996, sections 3.737, subdivisions 1 and 4; 41A.09, subdivision 1a; 84.83, subdivision 3; 84.871; 84.943, subdivision 3; 86B.415, by adding a subdivision; 97A.037, subdivision 1; 97A.225, subdivision 1; 97A.245; 103F.155, subdivision 2; 103F.161, subdivision 2; 103G.271, subdivision 6; 115B.175, subdivision 3; and 116.07, subdivision 4h; Minnesota Statutes 1997 Supplement, sections 17.101, subdivision 5; 41A.09, subdivision 3a; 84.8205; 84.86, subdivision 1; 97A.485, subdivision 6; and 115A.916; proposing coding for new law in Minnesota Statutes, chapters 32; and 84; repealing Minnesota Statutes 1997 Supplement, section 85.015, subdivision 1c; Laws 1991, chapter 275, section 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 31, after "monitoring" insert a comma

Page 4, line 34, before "native" insert "private organizations to enhance fish, wildlife, and"

Page 4, line 48, after "assistance" insert "to private landowners"

Page 5, line 30, delete "appropriation" and insert "appropriations"

Page 5, line 32, delete "is" and insert "are"

Pages 18 and 19, delete section 17

Pages 25 and 26, delete section 25

Page 27, after line 16, insert:

"Sec. 26. Minnesota Statutes 1996, section 103C.315, subdivision 4, is amended to read:

Subd. 4. [COMPENSATION.] A supervisor shall receive compensation for services as the state board may determine, and may be reimbursed for expenses, including traveling expenses, necessarily incurred in the discharge of duties. A supervisor shall may be reimbursed for the use of the supervisor's own automobile in the performance of official duties at ~~the~~ a rate ~~per mile prescribed for state officers and employees up to the maximum tax-deductible mileage rate permitted under the federal Internal Revenue Code.~~"

Pages 31 to 33, delete section 31

Page 37, delete lines 18 to 20 and insert:

"Section 21 is effective July 1, 1999. Section 22 is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete "97A.225, subdivision 1;" and after "97A.245;" insert "103C.315, subdivision 4;"

Page 1, line 15, after "1;" insert "and" and delete everything after the second semicolon

Page 1, line 17, delete "chapters 32; and 84" and insert "chapter 32"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2586, 2677, 2595, 2207, 2068, 3220, 2861, 2911, 2407, 3207, 3354 and 3353 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Larson moved that H.F. No. 3640 be withdrawn from the Committee on Children, Families and Learning and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 3220 now on General Orders. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Johnson, D.J.; Sams; Laidig and Wiger introduced--

S.F. No. 3355: A bill for an act relating to transportation; redefining road or highway; imposing requirements and restrictions on transportation expenditures from the trunk highway fund and general fund; establishing spending goals for transportation; requiring expenditures for operations of the state patrol to be from the general fund; specifying compensation to be included in prevailing wage rate; providing for periodic adjustments in motor fuel tax rate; authorizing issuance of bonds for local bridge replacement and reconstruction; appropriating money; amending Minnesota Statutes 1996, sections 160.02, subdivision 7, and by adding a subdivision; 161.04, by adding a subdivision; 174.01, by adding a subdivision; 174.02, by adding a subdivision; 177.42, subdivision 6; 299D.01, by adding a subdivision; and 299D.03, subdivision 5.

Referred to the Committee on Transportation.

Mses. Olson, Robertson, Messrs. Scheevel and Day introduced--

S.F. No. 3356: A bill for an act relating to state government; requiring deposit in the general fund of certain lawsuit proceeds.

Referred to the Committee on Judiciary.

Mr. Marty introduced--

S.F. No. 3357: A bill for an act relating to taxation; providing public accountability for business subsidies; prohibiting new or expanded tax increment financing districts; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1997 Supplement, sections 469.1813; 469.1814; and 469.1815.

Referred to the Committee on Local and Metropolitan Government.

Mr. Day introduced--

S.F. No. 3358: A bill for an act relating to highways; changing restriction of lanes on I-394; proposing coding for new law in Minnesota Statutes, chapter 161.

Referred to the Committee on Transportation.

Mr. Oliver introduced--

S.F. No. 3359: A bill for an act relating to taxation; updating estate taxes to changes in the Internal Revenue Code; amending Minnesota Statutes 1997 Supplement, section 291.005, subdivision 1.

Referred to the Committee on Taxes.

Mr. Stevens introduced--

S.F. No. 3360: A bill for an act relating to public employment; imposing a hiring freeze on certain public employers.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Lessard introduced--

S.F. No. 3361: A bill for an act relating to natural resources; modifying fees for cross-country ski pass; amending Minnesota Statutes 1996, section 85.42.

Referred to the Committee on Environment and Natural Resources.

Mr. Beckman introduced--

S.F. No. 3362: A bill for an act relating to education; creating a coordinated facilities plan; authorizing a grant to independent school district No. 2135, Maple River; appropriating money.

Referred to the Committee on Children, Families and Learning.

Ms. Flynn introduced--

S.F. No. 3363: A bill for an act relating to property taxation; creating a temporary property tax exemption for certain properties; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Local and Metropolitan Government.

Mses. Runbeck, Robertson, Mr. Johnson, D.J. and Ms. Wiener introduced--

S.F. No. 3364: A bill for an act proposing an amendment to the Minnesota Constitution, adding a section to Article XI; providing for the refund of excess state tax revenues.

Referred to the Committee on Taxes.

Messrs. Kelly, R.C.; Spear; Ms. Ranum, Messrs. Knutson and Neuville introduced--

S.F. No. 3365: A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of bonds; appropriating money.

Referred to the Committee on Human Resources Finance.

Ms. Pappas, Messrs. Johnson, D.J.; Hottinger; Mses. Flynn and Olson introduced--

S.F. No. 3366: A bill for an act relating to the financing and operation of government in this state; providing property tax reform; making changes to property rates, levies, notices, hearings, assessments, exemptions, aids, and credits; providing bonding and levy authority, and other powers to certain political subdivisions; making changes to tax increment financing, regional development, housing, and economic development provisions; providing for the taxation of taconite and the distribution of taconite taxes; amending Minnesota Statutes 1996, sections 124A.03, subdivision 1f; 273.1398, subdivisions 2 and 4; 298.22, subdivision 2; 298.221; 298.2213, subdivision 4; 298.225, subdivision 1; 298.28, subdivisions 2, 3, 4, 6, 7, 9, and 10; 298.48, subdivision 1; 462.396, subdivision 2; 469.174, by adding a subdivision; 469.175, subdivisions 5, 6, 6a, and by adding a subdivision; 469.176, subdivision 7; 469.177, by adding a subdivision; 469.1771, subdivision 5, and by adding a subdivision; 473.39, by adding a subdivision; 477A.0122, subdivision 6; and 477A.03, subdivision 2; Minnesota Statutes 1997 Supplement, sections 124.239, subdivisions 5, 5a, and 5b; 270.60, subdivision 4; 272.02, subdivision 1; 272.115, subdivisions 4 and 5; 273.112, subdivisions 2, 3, and 4; 273.124, subdivision 14; 273.126, subdivision 3; 273.127, subdivision 3; 273.13, subdivisions 22, 23, 24,

25, as amended, and 31; 273.1382, subdivision 1; 275.065, subdivisions 3 and 6; 275.16; 275.70, by adding a subdivision; 287.08; 290B.04, subdivisions 1 and 3; 290B.05, subdivisions 1, 2, and 3; 290B.06; 290B.07; 298.24, subdivision 1; 298.28, subdivisions 9a and 9b; 298.296, subdivision 4; 462A.071, subdivisions 2, 4, and 8; 469.1812, subdivision 4; and 477A.011, subdivision 36; Laws 1965, chapter 326, section 1, subdivision 5, as amended; Laws 1971, chapter 773, sections 1, as amended, and 2, as amended; Laws 1984, chapter 380, sections 1, as amended, and 2; Laws 1992, chapter 511, article 2, section 52, as amended; and Laws 1997, chapter 231, article 2, section 68, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 290B; and 298; repealing Minnesota Statutes 1996, sections 298.012; 298.21; 298.23; 298.34, subdivisions 1 and 4; and 298.391, subdivisions 2 and 5; Minnesota Statutes 1997 Supplement, sections 273.13, subdivision 32; 275.70; 275.71; 275.72; 275.73; and 275.74; Laws 1997, chapter 231, article 3, section 8.

Referred to the Committee on Taxes.

Messrs. Beckman, Novak, Mses. Lesewski, Anderson and Wiener introduced--

S.F. No. 3367: A bill for an act relating to economic development; appropriating money for housing, economic development, and related purposes; establishing pilot projects; providing for a municipal reimbursement; modifying certain loan criteria; requiring studies; establishing a revolving loan fund; requiring the commissioner of labor and industry to provide a brochure; regulating housing; uniform acts; unclaimed property; enacting the Uniform Unclaimed Property Act of 1995; making conforming changes; amending Minnesota Statutes 1996, sections 16A.45, subdivisions 1 and 4; 80C.03; 116J.415, subdivision 5; 198.231; 276.19, subdivision 4; 308A.711, subdivisions 1 and 2; 356.65, subdivision 2; 462A.222, subdivision 3; 474A.061, subdivision 2a; and 624.68; Minnesota Statutes 1997 Supplement, sections 16A.6701, subdivision 1; 116J.421, subdivision 1, and by adding a subdivision; and 462A.05, subdivision 39; proposing coding for new law in Minnesota Statutes, chapters 116J; 181; 345; and 471; repealing Minnesota Statutes 1996, sections 345.31; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.381; 345.39; 345.40; 345.41; 345.42; 345.43; 345.44; 345.45; 345.46; 345.47; 345.485; 345.49; 345.50; 345.51; 345.515; 345.52; 345.525; 345.53; 345.54; 345.55; 345.56; 345.57; 345.58; 345.59; and 345.60; Minnesota Statutes 1997 Supplement, section 345.48.

Referred to the Committee on Human Resources Finance.

MEMBERS EXCUSED

Mr. Terwilliger was excused from the Session of today at 10:00 a.m. Mr. Murphy was excused from the Session of today from 11:50 to 11:55 a.m. Mr. Kelly, R.C. was excused from the Session of today from 11:50 a.m. to 2:40 p.m. Mses. Higgins and Kiscaden were excused from the Session of today at 2:30 p.m.

ADJOURNMENT

Ms. Junge moved that the Senate do now adjourn until 9:30 a.m., Tuesday, February 24, 1998. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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