

STATE OF MINNESOTA

# Journal of the Senate

EIGHTY-FIRST LEGISLATURE

TWENTY-FOURTH DAY

St. Paul, Minnesota, Monday, March 8, 1999

The Senate met at 9:30 a.m. and was called to order by the President.

## CALL OF THE SENATE

Senator 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, Rev. Jonathan Loper.

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	Higgins	Laidig	Oliver	Samuelson
Belanger	Hottinger	Langseth	Olson	Scheivel
Berg	Janezich	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	Moe, R.D.	Robertson	Vickerman
Foley	Kleis	Morse	Robling	Wiener
Frederickson	Knutson	Neuville	Runbeck	Wiger
Hanson	Krentz	Novak	Sams	

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

Senators Johnson, D.E. and Murphy were excused from the Session of today.

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 4, 1999

The Honorable Steve Sviggum  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

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

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1999	Date Filed 1999
	133	3	9:15 a.m. March 4	March 4
	6	4	9:20 a.m. March 4	March 4

Sincerely,  
Mary Kiffmeyer  
Secretary of State

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 73, 464 and 343.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1999

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 414:

**H.F. No. 414:** A bill for an act relating to agriculture; extending the program for control of pseudorabies in swine; appropriating money.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Gunther, Ness and Wenzel have been appointed as such committee on the part of the House.

House File No. 414 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 4, 1999

Senator Hanson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 414, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 183, 652, 525, 453, 528 and 735.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 4, 1999

**FIRST READING OF HOUSE BILLS**

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

**H.F. No. 183:** A bill for an act relating to civil commitment; modifying provisions governing parental consent to chemical dependency treatment for minors; amending Minnesota Statutes 1998, section 253B.04, subdivision 1.

Referred to the Committee on Health and Family Security.

**H.F. No. 652:** A bill for an act relating to crime; providing that the disorderly conduct law applies to individuals who commit certain acts in the presence of peace officers or public safety personnel; amending Minnesota Statutes 1998, section 609.72, subdivision 1.

Referred to the Committee on Crime Prevention.

**H.F. No. 525:** A bill for an act relating to Anoka county; providing for city administration of the dangerous dog registration system.

Referred to the Committee on Local and Metropolitan Government.

**H.F. No. 453:** A bill for an act relating to local government; directing the city of Minneapolis to authorize participation by certain workers and apprentices in deferred compensation plan; amending Laws 1988, chapter 471, section 1, subdivision 1, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 416, now on the Consent Calendar.

**H.F. No. 528:** A bill for an act relating to transportation; requiring department of transportation specifications for underground storage tanks to include certain types of fiberglass and steel tanks; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation.

**H.F. No. 735:** A bill for an act relating to crime; expanding the scope of the crime of adulteration to include adulterations capable of causing death or bodily harm; increasing penalties for certain acts of adulteration; amending Minnesota Statutes 1998, section 609.687, subdivisions 2 and 3.

Referred to the Committee on Crime Prevention.

**REPORTS OF COMMITTEES**

Senator Junge moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

**Senator Lessard from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 1176:** A bill for an act relating to the environment; making technical changes to the Waste Management Act; amending Minnesota Statutes 1998, sections 115A.15, subdivision 5; 115A.411, subdivision 1; 115A.52; and 115A.551, subdivision 2a; repealing Minnesota Rules, parts 9200.0100; 9200.0200; 9200.0300; 9200.0400; 9200.0500; 9200.0600; 9200.0700; 9200.0800; 9200.0900; 9200.1000; 9200.1100; 9200.1200; 9200.1300; 9200.1400; 9200.1500; 9200.1600; 9200.1700; 9200.1800; 9200.1900; 9200.2000; 9200.2100; 9200.2200; 9200.2210; 9200.2220; 9205.0600; 9205.0601; 9205.0602; 9205.0603; 9205.0604; 9205.0605; 9205.0606; 9205.0607; and 9205.0608.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

**Senator Lessard from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 534:** A resolution memorializing the President and Congress to enact laws that will expedite the exchange of intermingled state and federal lands located within the exterior boundaries of the Superior National Forest to consolidate land ownership for the purpose of enabling each government to properly discharge its respective management duties.

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

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

**S.F. No. 296:** A bill for an act relating to education; modifying special education provisions; providing for rulemaking; amending Minnesota Statutes 1998, sections 125A.09, subdivision 6; 125A.10; 125A.18; 125A.24; and 125A.75, subdivision 8; repealing Laws 1998, chapter 398, article 2, section 53.

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

Page 9, line 1, after the semicolon, insert "and"

Page 9, line 3, delete "; and" and insert a period

Page 9, delete lines 4 to 6

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

**Senator Spear from the Committee on Crime Prevention, to which was referred**

**S.F. No. 551:** A bill for an act relating to domestic abuse; authorizing service of short form notification in lieu of personal service for orders for protection; expanding the definition of first degree murder in situations involving domestic abuse; providing enhanced penalties based upon a previous conviction for malicious punishment of a child and other laws; adding assault in the fifth degree and domestic assault to definition of "crimes of violence"; increasing the cash bail for individuals charged with malicious punishment of a child; providing criminal penalties; amending Minnesota Statutes 1998, sections 518B.01, subdivisions 5, 8, and by adding subdivisions; 609.185; 609.224, subdivisions 2 and 4; 609.2242, subdivisions 2 and 4; 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; 609.377; 609.749, subdivision 3; 624.712, subdivision 5; and 629.471, subdivision 3.

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 1998, section 518B.01, subdivision 5, is amended to read:

Subd. 5. [HEARING ON APPLICATION; NOTICE.] (a) Upon receipt of the petition, the court shall order a hearing which shall be held not later than 14 days from the date of the order. If an ex parte order has been issued under subdivision 7 and a hearing requested, the time periods under subdivision 7 for holding a hearing apply. ~~Personal service shall be made upon the respondent not less than five days prior to the hearing, if the hearing was requested by the petitioner.~~ If a hearing was requested by the petitioner, personal service of the ex parte order may be made upon the respondent at any time up to the time set for the hearing, provided that the respondent at the hearing may request a continuance of up to five days if served less than five days prior to the hearing. If the hearing was requested by the respondent after issuance of an ex parte order under subdivision 7, service of the notice of hearing must be made upon the petitioner not less than five days prior to the hearing. The court shall serve the notice of hearing upon the petitioner by mail in the manner provided in the rules of civil procedure for pleadings subsequent to a complaint and motions and shall also mail notice of the date and time of the hearing to the

respondent. In the event that service cannot be completed in time to give the respondent or petitioner the minimum notice required under this paragraph, the court may set a new hearing date.

(b) Notwithstanding the provisions of paragraph (a), service on the respondent may be made by one week published notice, as provided under section 645.11, provided the petitioner files with the court an affidavit stating that an attempt at personal service made by a sheriff or other law enforcement or corrections officer was unsuccessful because the respondent is avoiding service by concealment or otherwise, and that a copy of the petition and notice of hearing has been mailed to the respondent at the respondent's residence or that the residence is not known to the petitioner. Service under this paragraph is complete seven days after publication. The court shall set a new hearing date if necessary to allow the respondent the five-day minimum notice required under paragraph (a).

Sec. 2. Minnesota Statutes 1998, section 518B.01, subdivision 8, is amended to read:

Subd. 8. [SERVICE; ALTERNATE SERVICE; PUBLICATION; NOTICE.] (a) The petition and any order issued under this section shall be served on the respondent personally. In lieu of personal service of an order for protection, a law enforcement officer may serve a person with a short form notification as provided in subdivision 8a.

(b) When service is made out of this state and in the United States, it may be proved by the affidavit of the person making the service. When service is made outside the United States, it may be proved by the affidavit of the person making the service, taken before and certified by any United States minister, charge d'affaires, commissioner, consul, or commercial agent, or other consular or diplomatic officer of the United States appointed to reside in the other country, including all deputies or other representatives of the officer authorized to perform their duties; or before an office authorized to administer an oath with the certificate of an officer of a court of record of the country in which the affidavit is taken as to the identity and authority of the officer taking the affidavit.

(c) If personal service cannot be made, the court may order service of the petition and any order issued under this section by alternate means, or by publication, which publication must be made as in other actions. The application for alternate service must include the last known location of the respondent; the petitioner's most recent contacts with the respondent; the last known location of the respondent's employment; the names and locations of the respondent's parents, siblings, children, and other close relatives; the names and locations of other persons who are likely to know the respondent's whereabouts; and a description of efforts to locate those persons.

The court shall consider the length of time the respondent's location has been unknown, the likelihood that the respondent's location will become known, the nature of the relief sought, and the nature of efforts made to locate the respondent. The court shall order service by first class mail, forwarding address requested, to any addresses where there is a reasonable possibility that mail or information will be forwarded or communicated to the respondent.

The court may also order publication, within or without the state, but only if it might reasonably succeed in notifying the respondent of the proceeding. Service shall be deemed complete 14 days after mailing or 14 days after court-ordered publication.

(d) A petition and any order issued under this section, including the short form notification, must include a notice to the respondent that if an order for protection is issued to protect the petitioner or a child of the parties, upon request of the petitioner in any visitation proceeding, the court shall consider the order for protection in making a decision regarding visitation.

Sec. 3. Minnesota Statutes 1998, section 518B.01, is amended by adding a subdivision to read:

Subd. 8a. [SHORT FORM NOTIFICATION.] (a) In lieu of personal service of an order for protection under subdivision 8, a law enforcement officer may serve a person with a short form notification. The short form notification must include the following clauses: the respondent's name; respondent's date of birth (if known); petitioner's name; names of other protected parties; the date and county in which the ex parte order for protection or order for protection was filed; the

court file number; hearing date and time, if known; the conditions that apply to the respondent, either in checklist form or handwritten; and the name of the judge who signed the order.

The short form notice must be in bold print in the following form:

The order for protection is now enforceable. You must report to your nearest sheriff office or county court to obtain a copy of the order for protection. You are subject to arrest and may be charged with a misdemeanor, gross misdemeanor, or felony if you violate any of the terms of the order for protection or this short form notification.

(b) Upon verification of the identity of the respondent and the existence of an unserved order for protection against the respondent, a law enforcement officer may detain the respondent for a reasonable time necessary to complete and serve the short form notification.

(c) When service is made by short form notification, it may be proved by the affidavit of the law enforcement officer making the service.

(d) For service under this section only, service upon an individual may occur at any time, including Sundays, and legal holidays.

(e) The superintendent of the bureau of criminal apprehension shall provide the short form to law enforcement agencies.

Sec. 4. Minnesota Statutes 1998, section 518B.01, is amended by adding a subdivision to read:

Subd. 22. [VIOLATION OF A DOMESTIC ABUSE NO CONTACT ORDER.] (a) A domestic abuse no contact order is an order issued by a court against a defendant in a criminal proceeding for domestic abuse. It includes pretrial orders before final disposition of the case and probationary orders after sentencing.

(b) A person who knows of a domestic abuse no contact order issued against the person and violates the order is guilty of a misdemeanor.

(c) A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated a domestic abuse no contact order, even if the violation of the order did not take place in the presence of the peace officer, if the existence of the order can be verified by the officer. The person shall be held in custody for at least 36 hours, excluding the day of arrest, Sundays, and holidays, unless the person is released earlier by a judge or judicial officer. A peace officer acting in good faith and exercising due care in making an arrest pursuant to this paragraph is immune from civil liability that might result from the officer's actions.

Sec. 5. Minnesota Statutes 1998, section 609.185, is amended to read:

609.185 [MURDER IN THE FIRST DEGREE.]

Whoever does any of the following is guilty of murder in the first degree and shall be sentenced to imprisonment for life:

(1) causes the death of a human being with premeditation and with intent to effect the death of the person or of another;

(2) causes the death of a human being while committing or attempting to commit criminal sexual conduct in the first or second degree with force or violence, either upon or affecting the person or another;

(3) causes the death of a human being with intent to effect the death of the person or another, while committing or attempting to commit burglary, aggravated robbery, kidnapping, arson in the first or second degree, a drive-by shooting, tampering with a witness in the first degree, escape from custody, or any felony violation of chapter 152 involving the unlawful sale of a controlled substance;

(4) causes the death of a peace officer or a guard employed at a Minnesota state or local correctional facility, with intent to effect the death of that person or another, while the peace officer or guard is engaged in the performance of official duties;

(5) causes the death of a minor while committing child abuse, when the perpetrator has engaged in a past pattern of child abuse upon the child and the death occurs under circumstances manifesting an extreme indifference to human life; or

(6) causes the death of a human being while committing domestic abuse, when the perpetrator has engaged in a past pattern of domestic abuse upon the victim or upon another family or household member and the death occurs under circumstances manifesting an extreme indifference to human life.

For purposes of clause (5), "child abuse" means an act committed against a minor victim that constitutes a violation of the following laws of this state or any similar laws of the United States or any other state: section 609.221; 609.222; 609.223; 609.224; 609.2242; 609.342; 609.343; 609.344; 609.345; 609.377; 609.378; or 609.713.

For purposes of clause (6), "domestic abuse" means an act that:

(1) constitutes a violation of section 609.221, 609.222, 609.223, 609.224, 609.2242, 609.342, 609.343, 609.344, 609.345, 609.713, or any similar laws of the United States or any other state; and

(2) is committed against the victim who is a family or household member as defined in section 518B.01, subdivision 2, paragraph (b).

Sec. 6. Minnesota Statutes 1998, section 609.224, subdivision 2, is amended to read:

Subd. 2. [GROSS MISDEMEANOR.] (a) Whoever violates the provisions of subdivision 1 against the same victim during the time period between a previous conviction or adjudication of delinquency under this section, sections 609.221 to 609.2231, 609.2242, 609.342 to 609.345, 609.377, or 609.713, or any similar law of another state, and the end of the five years following discharge from sentence or disposition for that conviction or adjudication, is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(b) Whoever violates the provisions of subdivision 1 within two years of a previous conviction or adjudication of delinquency under this section or sections 609.221 to 609.2231, 609.2242, 609.377, or 609.713, or any similar law of another state, is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(c) A caregiver, as defined in section 609.232, who is an individual and who violates the provisions of subdivision 1 against a vulnerable adult, as defined in section 609.232, is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Sec. 7. Minnesota Statutes 1998, section 609.224, subdivision 4, is amended to read:

Subd. 4. [FELONY.] (a) Whoever violates the provisions of subdivision 1 against the same victim during the time period between the first of any combination of two or more previous convictions or adjudications of delinquency under this section or sections 609.221 to 609.2231, 609.2242, 609.342 to 609.345, 609.377, or 609.713, or any similar law of another state, and the end of the five years following discharge from sentence or disposition for that conviction or adjudication is guilty of a felony and may be sentenced to imprisonment for not more than five years or payment of a fine of not more than \$10,000, or both.

(b) Whoever violates the provisions of subdivision 1 within three years of the first of any combination of two or more previous convictions or adjudications of delinquency under this section or sections 609.221 to 609.2231, 609.2242, 609.377, or 609.713, or any similar law of

another state, is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Sec. 8. Minnesota Statutes 1998, section 609.2242, subdivision 2, is amended to read:

Subd. 2. [GROSS MISDEMEANOR.] Whoever violates subdivision 1 during the time period between a previous conviction or adjudication of delinquency under this section or sections 609.221 to 609.2231, 609.224, ~~609.342 to 609.345, 609.377, or 609.713~~, or any similar law of another state, against a family or household member as defined in section 518B.01, subdivision 2, and the end of the five years following discharge from sentence or disposition for that conviction or adjudication is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Sec. 9. Minnesota Statutes 1998, section 609.2242, subdivision 4, is amended to read:

Subd. 4. [FELONY.] Whoever violates the provisions of this section or section 609.224, subdivision 1, against the same victim during the time period between the first of any combination of two or more previous convictions or adjudications of delinquency under this section or sections ~~609.221 to 609.2231, 609.224, 609.342 to 609.345, 609.377, or 609.713~~, or any similar law of another state and the end of the five years following discharge from sentence or disposition for that conviction or adjudication is guilty of a felony and may be sentenced to imprisonment for not more than five years or payment of a fine of not more than \$10,000, or both.

Sec. 10. Minnesota Statutes 1998, section 609.342, subdivision 3, is amended to read:

Subd. 3. [STAY.] Except when imprisonment is required under section 609.109, if a person is convicted under subdivision 1, clause (g), the court may stay imposition or execution of the sentence if it finds that:

- (a) a stay is in the best interest of the complainant or the family unit; and
- (b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

- (1) incarceration in a local jail or workhouse;
- (2) a requirement that the offender complete a treatment program; and
- (3) a requirement that the offender have no unsupervised contact with the complainant until the offender has successfully completed the treatment program unless approved by the treatment program and the supervising correctional agent.

Sec. 11. Minnesota Statutes 1998, section 609.343, subdivision 3, is amended to read:

Subd. 3. [STAY.] Except when imprisonment is required under section 609.109, if a person is convicted under subdivision 1, clause (g), the court may stay imposition or execution of the sentence if it finds that:

- (a) a stay is in the best interest of the complainant or the family unit; and
- (b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

- (1) incarceration in a local jail or workhouse;
- (2) a requirement that the offender complete a treatment program; and

(3) a requirement that the offender have no unsupervised contact with the complainant until the offender has successfully completed the treatment program unless approved by the treatment program and the supervising correctional agent.

Sec. 12. Minnesota Statutes 1998, section 609.344, subdivision 3, is amended to read:

Subd. 3. [STAY.] Except when imprisonment is required under section 609.109, if a person is convicted under subdivision 1, clause (f), the court may stay imposition or execution of the sentence if it finds that:

- (a) a stay is in the best interest of the complainant or the family unit; and
- (b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

- (1) incarceration in a local jail or workhouse;
- (2) a requirement that the offender complete a treatment program; and
- (3) a requirement that the offender have no unsupervised contact with the complainant until the offender has successfully completed the treatment program unless approved by the treatment program and the supervising correctional agent.

Sec. 13. Minnesota Statutes 1998, section 609.345, subdivision 3, is amended to read:

Subd. 3. [STAY.] Except when imprisonment is required under section 609.109, if a person is convicted under subdivision 1, clause (f), the court may stay imposition or execution of the sentence if it finds that:

- (a) a stay is in the best interest of the complainant or the family unit; and
- (b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

- (1) incarceration in a local jail or workhouse;
- (2) a requirement that the offender complete a treatment program; and
- (3) a requirement that the offender have no unsupervised contact with the complainant until the offender has successfully completed the treatment program unless approved by the treatment program and the supervising correctional agent.

Sec. 14. Minnesota Statutes 1998, section 609.377, is amended to read:

609.377 [MALICIOUS PUNISHMENT OF A CHILD.]

Subdivision 1. [MALICIOUS PUNISHMENT.] A parent, legal guardian, or caretaker who, by an intentional act or a series of intentional acts with respect to a child, evidences unreasonable force or cruel discipline that is excessive under the circumstances is guilty of malicious punishment of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both as provided in subdivisions 2 to 6.

Subd. 2. [GROSS MISDEMEANOR.] If the punishment results in less than substantial bodily harm, the person may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Subd. 3. [ENHANCEMENT TO A FELONY.] Whoever violates the provisions of subdivision

2 during the time period between a previous conviction or adjudication for delinquency under this section or sections 609.221 to 609.2231, 609.224, 609.2242, 609.342 to 609.345, or 609.713, and the end of five years following discharge from sentence or disposition for that conviction or adjudication may be sentenced to imprisonment for not more than five years or a fine of \$10,000, or both.

Subd. 4. [FELONY; CHILD UNDER AGE FOUR.] If the punishment is to a child under the age of four and causes bodily harm to the head, eyes, neck, or otherwise causes multiple bruises to the body, the person may be sentenced to imprisonment for not more than five years or a fine of \$10,000, or both.

Subd. 5. [FELONY; SUBSTANTIAL BODILY HARM.] If the punishment results in substantial bodily harm, that the person may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Subd. 6. [FELONY; GREAT BODILY HARM.] If the punishment results in great bodily harm, that the person may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both.

~~If the punishment is to a child under the age of four and causes bodily harm to the head, eyes, neck, or otherwise causes multiple bruises to the body, the person may be sentenced to imprisonment for not more than five years or a fine of \$10,000, or both.~~

Sec. 15. Minnesota Statutes 1998, section 609.749, subdivision 3, is amended to read:

Subd. 3. [AGGRAVATED VIOLATIONS.] A person who commits any of the following acts is guilty of a felony:

(1) commits any offense described in subdivision 2 because of the victim's or another's actual or perceived race, color, religion, sex, sexual orientation, disability as defined in section 363.01, age, or national origin;

(2) commits any offense described in subdivision 2 by falsely impersonating another;

(3) commits any offense described in subdivision 2 and possesses a dangerous weapon at the time of the offense;

(4) ~~engages in harassing conduct~~ harasses another, as defined in subdivision 1, with intent to influence or otherwise tamper with a juror or a judicial proceeding or with intent to retaliate against a judicial officer, as defined in section 609.415, or a prosecutor, defense attorney, or officer of the court, because of that person's performance of official duties in connection with a judicial proceeding; or

(5) commits any offense described in subdivision 2 against a victim under the age of 18, if the actor is more than 36 months older than the victim.

Sec. 16. Minnesota Statutes 1998, section 609.749, subdivision 4, is amended to read:

Subd. 4. [SECOND OR SUBSEQUENT VIOLATIONS; FELONY.] A person is guilty of a felony who violates any provision of subdivision 2 during the time period between a previous conviction or adjudication of delinquency under this section; sections 609.221 to 609.2242; 518B.01, subdivision 14; 609.748, subdivision 6; or 609.713, subdivision 1 or 3; or a similar law from another state and the end of the ten years following discharge from sentence or disposition for that conviction or adjudication.

Sec. 17. Minnesota Statutes 1998, section 624.712, subdivision 5, is amended to read:

Subd. 5. [CRIME OF VIOLENCE.] "Crime of violence" includes murder in the first, second, and third degrees, manslaughter in the first and second degrees, aiding suicide, aiding attempted suicide, felony violations of assault in the first, second, third, and fourth degrees, assaults motivated by bias under section 609.2231, subdivision 4, drive-by shootings, terroristic threats,

use of drugs to injure or to facilitate crime, crimes committed for the benefit of a gang, commission of a crime while wearing or possessing a bullet-resistant vest, simple robbery, aggravated robbery, kidnapping, false imprisonment, criminal sexual conduct in the first, second, third, and fourth degrees, theft of a firearm, felony theft involving the intentional taking or driving of a motor vehicle without the consent of the owner or the authorized agent of the owner, felony theft involving the taking of property from a burning, abandoned, or vacant building, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle, felony theft involving the theft of a controlled substance, an explosive, or an incendiary device, arson in the first and second degrees, riot, burglary in the first, second, third, and fourth degrees, harassment and stalking, shooting at a public transit vehicle or facility, reckless use of a gun or dangerous weapon, intentionally pointing a gun at or towards a human being, setting a spring gun, and unlawfully owning, possessing, operating a machine gun or short-barreled shotgun, and an attempt to commit any of these offenses, as each of those offenses is defined in chapter 609. "Crime of violence" also includes felony violations of the following: malicious punishment of a child; neglect or endangerment of a child; assault in the fifth degree; domestic assault; and chapter 152.

Sec. 18. Minnesota Statutes 1998, section 629.471, subdivision 3, is amended to read:

Subd. 3. [SIX TIMES THE FINE.] For offenses under sections 518B.01, 609.224, ~~and 609.2242, and 609.377~~, the maximum cash bail that may be required for a person charged with a misdemeanor or gross misdemeanor violation is six times the highest cash fine that may be imposed for the offense.

Sec. 19. Minnesota Statutes 1998, section 630.36, is amended to read:

630.36 [ISSUES, HOW DISPOSED OF.]

Subdivision 1. [ORDER.] The issues on the calendar shall be disposed of in the following order, unless, upon the application of either party, for good cause, the court directs an indictment or complaint to be tried out of its order:

- (1) indictments or complaints for felony, where the defendant is in custody;
- (2) indictments or complaints for misdemeanor, where the defendant is in custody;
- (3) indictments or complaints alleging child abuse, as defined in subdivision 2, where the defendant is on bail;
- (4) indictments or complaints alleging ~~domestic assault~~ abuse, as defined in subdivision 3, where the defendant is on bail;
- (5) indictments or complaints for felony, where the defendant is on bail; and
- (6) indictments or complaints for misdemeanor, where the defendant is on bail.

After a plea, the defendant shall be entitled to at least four days to prepare for trial, if the defendant requires it.

Subd. 2. [CHILD ABUSE DEFINED.] As used in subdivision 1, "child abuse" means ~~any~~ an act which involves a minor victim and which constitutes a violation of section 609.221, 609.222, 609.223, 609.2231, 609.2242, 609.255, 609.321, 609.322, 609.324, 609.342, 609.343, 609.344, 609.345, 609.377, 609.378, 617.246, or 609.224 if the minor victim is a family or household member of the defendant.

Subd. 3. [DOMESTIC ASSAULT ABUSE DEFINED.] As used in subdivision 1, "domestic assault abuse" means an ~~assault committed by the actor against a family or household member, as defined~~ has the meaning given in section 518B.01, subdivision 2.

Sec. 20. Minnesota Statutes 1998, section 634.20, is amended to read:

634.20 [EVIDENCE OF PRIOR CONDUCT.]

Evidence of similar prior conduct by the accused against the victim of domestic abuse, as defined under section 518B.01, subdivision 2, including evidence of a violation against a family or household member of:

- (1) an order for protection under section 518B.01;
- (2) section 609.713, subdivision 1;
- (3) a harassment restraining order under section 609.748; or
- (4) section 609.79, subdivision 1;

or against other family or household members, is admissible unless the probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issue, or misleading the jury, or by considerations of undue delay, waste of time, or needless presentation of cumulative evidence. "Similar prior conduct" includes, but is not limited to, evidence of domestic abuse, violation of an order for protection under section 518B.01; violation of a harassment restraining order under section 609.748; or violation of section 609.749 or 609.79, subdivision 1. "Domestic abuse" and "family or household members" have the meanings given under section 518B.01, subdivision 2.

Sec. 21. [EFFECTIVE DATES.]

Section 1 is effective the day following final enactment. Sections 2, 3, 17, 19, and 20 are effective August 1, 1999. Sections 4 to 16 and 18 are effective August 1, 1999, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to domestic abuse; authorizing service of short form notification in lieu of personal service for orders for protection; expanding the definition of first degree murder in situations involving domestic abuse; providing enhanced penalties based upon a previous conviction or adjudication for malicious punishment of a child and other laws; adding assault in the fifth degree and domestic assault to definition of "crimes of violence"; increasing the cash bail for individuals charged with malicious punishment of a child; clarifying when evidence of similar prior conduct of an accused related to domestic abuse is admissible; changing a definition in the law related to the order of disposition of issues on a court's calendar; providing criminal penalties; amending Minnesota Statutes 1998, sections 518B.01, subdivisions 5, 8, and by adding subdivisions; 609.185; 609.224, subdivisions 2 and 4; 609.2242, subdivisions 2 and 4; 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; 609.377; 609.749, subdivisions 3 and 4; 624.712, subdivision 5; 629.471, subdivision 3; 630.36; and 634.20."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

**Senator Hottinger from the Committee on Health and Family Security, to which was referred**

**S.F. No. 944:** A bill for an act relating to education; modifying provisions relating to medical assistance reimbursement for special education services; amending Minnesota Statutes 1998, sections 13.46, subdivision 2; 122A.09, subdivision 4; 125A.08; 125A.21, subdivision 1; 125A.74, subdivisions 1 and 2; 125A.744, subdivision 3; 125A.76, subdivision 2; 256B.0625, subdivision 26; and 256B.69, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 127A; and 214.

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 1998, section 122A.09, subdivision 4, is amended to read:

Subd. 4. [LICENSE AND RULES.] (a) The board must adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board must adopt rules requiring a person to successfully complete a skills examination in reading, writing, and mathematics as a requirement for initial teacher licensure. Such rules must require college and universities offering a board approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination, including those for whom English is a second language.

(c) The board must adopt rules to approve teacher preparation programs.

(d) The board must provide the leadership and shall adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.

(e) The board must adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board, but not later than July 1, 1999.

(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(g) The board must grant licenses to interns and to candidates for initial licenses.

(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(j) The board must grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and 214.10. The board must not establish any expiration date for application for life licenses.

(k) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.

Sec. 2. Minnesota Statutes 1998, section 125A.08, is amended to read:

125A.08 [SCHOOL DISTRICT OBLIGATIONS.]

(a) As defined in this section, to the extent required by federal law as of July 1, 1999 2000, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individual education plan team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individual education plan. The individual education plan team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26.

The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individual education plan. The plan must address the student's need to develop skills to live and work as independently as possible within the community. By grade 9 or age 14, the plan must address the student's needs for transition from secondary services to post-secondary education and training, employment, community participation, recreation, and leisure and home living. In developing the plan, districts must inform parents of the full range of transitional goals and related services that should be considered. The plan must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial assessment or reassessment, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(b) For paraprofessionals employed to work in programs for students with disabilities, the school board in each district shall ensure that:

(1) before or immediately upon employment, each paraprofessional develops sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs of the students with whom the paraprofessional works;

(2) annual training opportunities are available to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, following lesson plans, and implementing follow-up instructional procedures and activities; and

(3) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

Sec. 3. Minnesota Statutes 1998, section 125A.21, subdivision 1, is amended to read:

Subdivision 1. [OBLIGATION TO PAY.] Nothing in sections 125A.03 to 125A.24 and 125A.65 relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability, and the child's family. A school district shall pay the nonfederal share of medical assistance services provided according to section 256B.0625, subdivision 26. Eligible expenditures must not be made from federal funds or funds used to match other federal funds. Any federal disallowances are the responsibility of the school district. A school district may pay or reimburse copayments, coinsurance, deductibles, and other enrollee cost-sharing amounts, on behalf of the student or

family, in connection with health and related services provided under an individual educational plan.

Sec. 4. Minnesota Statutes 1998, section 125A.74, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A district may enroll as a provider in the medical assistance program and receive medical assistance payments for covered special education services provided to persons eligible for medical assistance under chapter 256B. To receive medical assistance payments, the district must pay the nonfederal share of medical assistance services provided according to section 256B.0625, subdivision 26, and comply with relevant provisions of state and federal statutes and regulations governing the medical assistance program.

Sec. 5. Minnesota Statutes 1998, section 125A.74, subdivision 2, is amended to read:

Subd. 2. [FUNDING.] A district that provides a covered service to an eligible person and complies with relevant requirements of the medical assistance program is entitled to receive payment for the service provided, including that portion of the payment services that will subsequently be reimbursed by the federal government, in the same manner as other medical assistance providers. ~~The school district is not required to provide matching funds or pay part of the costs of the service, as long as the rate charged for the service does not exceed medical assistance limits that apply to all medical assistance providers.~~

Sec. 6. Minnesota Statutes 1998, section 125A.744, subdivision 3, is amended to read:

Subd. 3. [IMPLEMENTATION.] Consistent with section 256B.0625, subdivision 26, school districts may enroll as medical assistance providers or subcontractors and bill the department of human services under the medical assistance fee for service claims processing system for special education services which are covered services under chapter 256B, which are provided in the school setting for a medical assistance recipient, and for whom the district has secured informed consent consistent with section 13.05, subdivision 4, paragraph (d), and section 256B.77, subdivision 2, paragraph (p), to bill for each type of covered service. School districts shall be reimbursed by the commissioner for the federal share of individual education plan health-related services that qualify for reimbursement by medical assistance, minus five percent retained by the commissioner for administrative costs. A school district is not eligible to enroll as a home care provider or a personal care provider organization for purposes of billing home care services under section 256B.0627 until the commissioner of human services issues a bulletin instructing county public health nurses on how to assess for the needs of eligible recipients during school hours. To use private duty nursing services or personal care services at school, the recipient or responsible party must provide written authorization in the care plan identifying the chosen provider and the daily amount of services to be used at school. ~~Medical assistance services for those enrolled in a prepaid health plan shall remain the responsibility of the contracted health plan subject to their network, credentialing, prior authorization, and determination of medical necessity criteria. The commissioner of human services shall adjust payments to health plans to reflect increased costs incurred by health plans due to increased payments made to school districts or new payment or delivery arrangements developed by health plans in cooperation with school districts.~~

Sec. 7. Minnesota Statutes 1998, section 125A.76, subdivision 2, is amended to read:

Subd. 2. [SPECIAL EDUCATION BASE REVENUE.] (a) The special education base revenue equals the sum of the following amounts computed using base year data:

(1) 68 percent of the salary of each essential person employed in the district's program for children with a disability during the fiscal year, not including the share of salaries for personnel providing health-related services counted in clause (8), whether the person is employed by one or more districts or a Minnesota correctional facility operating on a fee-for-service basis;

(2) for the Minnesota state academy for the deaf or the Minnesota state academy for the blind, 68 percent of the salary of each instructional aide assigned to a child attending the academy, if that aide is required by the child's individual education plan;

(3) for special instruction and services provided to any pupil by contracting with public, private,

or voluntary agencies other than school districts, in place of special instruction and services provided by the district, 52 percent of the difference between the amount of the contract and the basic revenue of the district for that pupil for the fraction of the school day the pupil receives services under the contract;

(4) for special instruction and services provided to any pupil by contracting for services with public, private, or voluntary agencies other than school districts, that are supplementary to a full educational program provided by the school district, 52 percent of the amount of the contract for that pupil;

(5) for supplies and equipment purchased or rented for use in the instruction of children with a disability, not including the portion of the expenses for supplies and equipment used to provide health-related services counted in clause (8), an amount equal to 47 percent of the sum actually expended by the district, or a Minnesota correctional facility operating on a fee-for-service basis, but not to exceed an average of \$47 in any one school year for each child with a disability receiving instruction;

(6) for fiscal years 1997 and later, special education base revenue shall include amounts under clauses (1) to (5) for special education summer programs provided during the base year for that fiscal year; ~~and~~

(7) for fiscal years 1999 and later, the cost of providing transportation services for children with disabilities under section 123B.92, subdivision 1, paragraph (b), clause (4); and

(8) for fiscal years 2001 and later the cost of salaries, supplies and equipment, and other related costs actually expended by the district for the nonfederal share of medical assistance services according to section 256B.0625, subdivision 26.

(b) If requested by a school district operating a special education program during the base year for less than the full fiscal year, or a school district in which is located a Minnesota correctional facility operating on a fee-for-service basis for less than the full fiscal year, the commissioner may adjust the base revenue to reflect the expenditures that would have occurred during the base year had the program been operated for the full fiscal year.

(c) Notwithstanding paragraphs (a) and (b), the portion of a school district's base revenue attributable to a Minnesota correctional facility operating on a fee-for-service basis during the facility's first year of operating on a fee-for-service basis shall be computed using current year data.

Sec. 8. [127A.11] [MONITOR MEDICAL ASSISTANCE SERVICES FOR DISABLED STUDENTS.]

The commissioner of children, families, and learning, in cooperation with the commissioner of human services, shall monitor the costs of health-related, special education services provided by public schools.

Sec. 9. [214.045] [COORDINATION WITH BOARD OF TEACHING.]

The commissioner of health and the health-related licensing boards must coordinate with the board of teaching when modifying licensure requirements for regulated persons in order to have consistent regulatory requirements for personnel who perform services in schools.

Sec. 10. Minnesota Statutes 1998, section 256B.0625, subdivision 26, is amended to read:

Subd. 26. [SPECIAL EDUCATION SERVICES.] (a) Medical assistance covers medical services identified in a recipient's individualized education plan and covered under the medical assistance state plan. Covered services include occupational therapy, physical therapy, speech-language therapy, clinical psychological services, nursing services, school psychological services, school social work services, personal care assistants serving as management aides, assistive technology devices, transportation services, and other services covered under the medical assistance state plan. Mental health services eligible for medical assistance reimbursement must be

provided through a children's mental health collaborative where a collaborative exists. The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity, physician's orders, documentation, personnel qualifications, and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individual education plan are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

(b) Approval of health-related services for inclusion in the individual education plan does not require prior authorization for purposes of reimbursement under this chapter. The commissioner may require physician review and approval of the plan not more than once annually or upon any modification of the individual education plan that reflects a change in health-related services.

(c) Services of a speech-language pathologist provided under this section are covered notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

(1) holds a masters degree in speech-language pathology;

(2) is licensed by the Minnesota board of teaching as an educational speech-language pathologist; and

(3) either has a certificate of clinical competence from the American Speech and Hearing Association, has completed the equivalent educational requirements and work experience necessary for the certificate or has completed the academic program and is acquiring supervised work experience to qualify for the certificate.

(d) Medical assistance coverage for medically necessary services provided under other subdivisions in this section may not be denied solely on the basis that the same or similar services are covered under this subdivision.

(e) The commissioner shall develop and implement package rates, bundled rates, or per diem rates for special education services under which separately covered services are grouped together and billed as a unit in order to reduce administrative complexity.

(f) The commissioner shall develop a cost-based payment structure for payment of these services.

(g) Effective July 1, 2000, medical assistance services provided under an individual education plan or an individual family service plan by local school districts shall not count against medical assistance authorization thresholds for that child.

Sec. 11. Minnesota Statutes 1998, section 256B.69, is amended by adding a subdivision to read:

Subd. 4b. [INDIVIDUAL EDUCATION PLAN AND INDIVIDUALIZED FAMILY SERVICE PLAN SERVICES.] The commissioner shall amend the federal waiver allowing the state to separate out individual education plan and individualized family service plan services for children enrolled in the prepaid medical assistance program and the MinnesotaCare program. Effective July 1, 1999, or upon federal approval, medical assistance coverage of eligible individual education plan and individualized family service plan services shall not be included in the capitated services for children enrolled in health plans through the prepaid medical assistance program and the MinnesotaCare program. Upon federal approval, local school districts shall bill the commissioner for these services, and claims shall be paid on a fee-for-service basis.

Sec. 12. [EXPANSION OF SPECIAL EDUCATION SERVICES.]

The commissioner shall examine opportunities to expand the scope of providers eligible for reimbursement for medical assistance services listed in a child's individual education plan, based on state and federal requirements for provider qualifications. The commissioner shall complete

these activities, in consultation with the commissioner of children, families, and learning, by December 1999 and seek necessary federal approval.

Sec. 13. [EFFECTIVE DATE.]

Sections 2 to 7 and 10 are effective July 1, 2000."

Delete the title and insert:

"A bill for an act relating to education; modifying provisions relating to medical assistance reimbursement for special education services; amending Minnesota Statutes 1998, sections 122A.09, subdivision 4; 125A.08; 125A.21, subdivision 1; 125A.74, subdivisions 1 and 2; 125A.744, subdivision 3; 125A.76, subdivision 2; 256B.0625, subdivision 26; and 256B.69, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 127A; and 214."

And when so amended the bill do pass and be re-referred to the Committee on Children, Families and Learning. Amendments adopted. Report adopted.

**Senator Johnson, D.J. from the Committee on Taxes, to which was re-referred**

**S.F. No. 381:** A bill for an act relating to mortgage registry and deed taxes; making technical and clarifying changes; defining terms; amending Minnesota Statutes 1998, sections 270.101, subdivision 1; 287.01; 287.04; 287.05; 287.08; 287.10; 287.11; 287.12; 287.13, subdivision 1; 287.21, subdivision 1; 287.22; 287.23; 287.24; 287.241; 287.29, subdivision 1; 287.30; 287.31; and 287.33; proposing coding for new law in Minnesota Statutes, chapter 287; repealing Minnesota Statutes 1998, sections 287.06; 287.07; 287.09; 287.21, subdivisions 2 and 4; 287.34; 287.35; and 287.36.

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 1998, section 287.01, is amended to read:

287.01 [DEFINITIONS; MORTGAGE REGISTRY TAX.]

Subdivision 1. [WORDS, TERMS, AND PHRASES.] Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 287.01 to ~~287.12~~ 287.13, shall be given have the meanings ~~subjoined to~~ given them in this section.

Subd. 2. [~~REAL PROPERTY, REAL ESTATE, AND LAND AMENDMENT.~~] "Real property," "real estate," and "land," in addition to the meaning thereof contained in chapter 500, include all property a conveyance whereof may be recorded or registered by a county recorder under existing law. "Amendment" means generally a document that alters an existing mortgage without securing a new debt, or increasing the amount of an existing debt; and, that does not, in the case of a multistate mortgage described in section 287.05, subdivision 1, paragraph (b), result in an increased percentage of the real property encumbered by the mortgage being located in this state. Specifically, a document is considered an amendment to the extent it merely does any one or any combination of the following:

- (i) extends the time for payment of the unpaid portion of the original debt;
- (ii) changes the rate of interest applicable to the unpaid portion of the original debt;
- (iii) adds additional real property as security for the unpaid portion of the original debt;
- (iv) releases some but not all of the real property serving as security for the unpaid portion of the debt;

(v) replaces all the real property serving as security for the unpaid portion of the debt with other real property regardless of value;

(vi) replaces a party previously bound by the mortgage with a new party who becomes bound by the same amended mortgage; or

(vii) reduces the amount of the debt secured by real property located in this state, or in the case of a multistate mortgage described in section 287.05, subdivision 1, paragraph (b), reduces the percentage of real property encumbered by the mortgage that is located in this state.

Subd. 3. [MORTGAGE DEBT.] "Mortgage" means any instrument, including a decree of marriage dissolution or an instrument made pursuant to it, creating or evidencing a lien of any kind on property, given or taken as security for a debt, notwithstanding such debt may also be secured in part by a lien upon personalty. "Debt" means the principal amount of an obligation to pay money or to perform or refrain from performing an act that is secured in whole or in part by a mortgage of an interest in real property.

Subd. 4. [DECREE OF MARRIAGE DISSOLUTION.] "Decree of marriage dissolution" includes a summary real estate disposition judgment or an instrument made pursuant to under it.

Subd. 5. [EXTENSION.] "Extension" means any document that alters an existing mortgage by extending the time for repayment without increasing the amount of debt secured by real property that is located in this state.

Subd. 6. [MORTGAGE.] "Mortgage" means any instrument, including a decree of marriage dissolution or an instrument made under it, creating or evidencing a lien of any kind on real property, given by an owner of real property as security for a debt, notwithstanding that the debt may also be secured in part by a lien upon personalty.

Subd. 7. [MULTISTATE MORTGAGE.] "Multistate mortgage" means a mortgage that encumbers real property located both in and outside of this state.

Subd. 8. [PERSON.] "Person" includes any individual, partner, officer, director, firm, partnership, joint venture, limited liability company, association, cooperative, social club, fraternal organization, municipal or private corporation, whether organized for profit or not, estate, trusts, business trusts, receiver, trustee, syndicate, the United States, a state, any political subdivision of a state, or any group or combination acting as a unit, and the plural as well as the singular. The term includes any agent of any individual or organization enumerated in this subdivision.

Subd. 9. [REAL PROPERTY, REAL ESTATE, AND LAND.] "Real property," "real estate," and "land," have the meaning contained in chapter 500, and include all interests in real property that can be conveyed by a document which may be recorded.

Subd. 10. [RECORD, RECORDED, AND RECORDING.] "Record," "recorded," and "recording" each mean that a document has been delivered to and filed in the office of the county recorder or registrar of titles, whichever office maintains the records for the real property described in the document.

Sec. 2. Minnesota Statutes 1998, section 287.03, is amended to read:

287.03 [INSTRUMENTS VALID SECURITY FOR DEBT.]

No instrument, other than a decree of marriage dissolution or an instrument made pursuant to it, relating to real estate shall be valid as security for any debt, unless the fact that it is intended and the initial known amount of the debt are expressed in it.

Sec. 3. [287.035] [IMPOSITION OF TAX.]

A tax of 23 cents is imposed upon each \$100, or fraction thereof, of the debt or portion of a debt that is secured by any recorded mortgage of real property located in this state. The person liable for the tax is the mortgagee. The tax is not imposed on the lawful interest amounts that may accrue with respect to a debt.

Sec. 4. Minnesota Statutes 1998, section 287.04, is amended to read:

287.04 [EXEMPTIONS.]

~~Subdivision 1. [GENERALLY.]~~ The tax imposed by section 287.035 does not apply to:

- (a) A decree of marriage dissolution or an instrument made pursuant to it or a
- (b) A mortgage given to correct a misdescription of the mortgaged property, or to include,
- (c) A mortgage or other instrument that adds additional security for the same indebtedness on debt for which a mortgage registration registry tax has been paid, are not subject to the tax imposed by this chapter except as provided in section 287.05, subdivision 2, paragraph (b).
- (d) A contract for the conveyance of any interest in real property, including a contract for deed.
- (e) A mortgage secured by real property subject to the minerals production tax of sections 298.24 to 298.28.

~~Subd. 2. [MORTGAGES ON PUBLIC PROPERTY.]~~ No tax is imposed upon (f) The principal amount of bonds or other obligations issued by the St. Paul port authority under its common revenue bond fund if each of the following conditions are met.

- (a) (1) The bonds or other obligations are secured by a mortgage on property, title to which is held by the political subdivision.
- (b) (2) The mortgage is recorded or registered after the date of enactment May 19, 1993.
- (c) (3) The bonds or other obligations are either (i) outstanding on the date of enactment May 19, 1993, or (ii) issued in exchange for or to otherwise refund bonds or other obligations the original series of which were issued before the date of enactment May 19, 1993.
- (g) Mortgages taken in good faith by persons or corporations whose property is expressly exempted from taxation by section 272.02, subdivision 1, clauses (1) to (7), or mortgagees that are fraternal benefit societies subject to section 64B.24.
- (h) A mortgage amendment or extension, as defined in section 287.01.

Sec. 5. Minnesota Statutes 1998, section 287.05, is amended to read:

287.05 [DETERMINATION OF TAX ON RECORDATION OR REGISTRATION; SUPPLEMENTAL MORTGAGES; REVERSE MORTGAGES IN SPECIAL SITUATIONS.]

~~Subdivision 1. [TAX IMPOSED REAL PROPERTY OUTSIDE MINNESOTA.]~~ A tax of 23 cents is imposed upon each \$100, or fraction thereof, of the principal debt or obligation which is or may be secured by any mortgage of real property situated within the state executed, delivered, and recorded or registered; provided, however, that the tax shall be imposed but once upon any mortgage and extension thereof. If the mortgage describes real estate situated outside of this state, the tax shall be imposed upon that proportion of the whole debt secured thereby as the value of the real estate therein described situated in this state bears to the value of the whole of the real estate described therein. The tax imposed by this section shall not apply to a contract for the conveyance of any interest in real estate (a) When a multistate mortgage is intended to secure only a portion of a debt amount recited or referred to in the mortgage, the mortgage may contain the following statement, or its equivalent, on the first page: "Notwithstanding anything to the contrary herein, enforcement of this mortgage in Minnesota is limited to a debt amount of \$..... under chapter 287 of Minnesota Statutes." In such case, the tax shall be imposed based only on the amount of debt so stated to be secured by real property located in this state; and, the effect of the mortgage, or any amendment or extension, as evidence in any court in this state, or as notice for any purpose in this state, shall be limited to the amount contained in the statement and for which the tax has been paid.

- (b) All multistate mortgages not taxed under paragraph (a) shall be taxed under sections 287.01

to 287.13 as if the real property identified in the mortgage secures payment of that portion of the maximum debt amount referred to, or incorporated by reference, in the mortgage that is equal to a fraction the numerator of which is the value of the real property described in the mortgage that is located in this state and the denominator of which is the value of all the real property described in the mortgage.

Subd. 1a. [REAL PROPERTY IN THIS STATE SECURES PORTION OF DEBT.] (a) When the real property identified in a mortgage is located entirely in this state and is intended to secure only a portion of a debt amount recited or referred to in the mortgage, the mortgage may contain the following statement, or its equivalent, on the first page: "Notwithstanding anything to the contrary herein, enforcement of this mortgage is limited to a debt amount of \$..... under chapter 287 of Minnesota Statutes." In such case, the tax shall be imposed based only on the amount of debt so stated to be secured by real property; and, the effect of the mortgage, or any amendment or extension, as evidence in any court in this state, or as notice for any purpose in this state, shall be limited to the amount contained in the statement and for which the tax has been paid.

(b) All mortgages that are not multistate mortgages and that are not taxed under paragraph (a) shall be taxed under sections 287.01 to 287.13 as if the real property identified in the mortgage secures payment of the maximum debt amount referred to, or incorporated by reference, in the mortgage.

Subd. 2. [SUPPLEMENTAL MORTGAGES.] Except for an amendment or a revision to a reverse mortgage as described under subdivision 6, any supplemental document that alters an existing mortgage, not including revisions to a reverse mortgage as described under subdivision 6, securing a portion or all of the same indebtedness, whether or not additional security is included, by providing for an increase in the amount of debt secured by real property located in this state, or, in the case of a multistate mortgage described in subdivision 1, paragraph (b), an increase in the percentage of Minnesota real estate as compared to the total real estate that is encumbered by the mortgage shall be taxed in the following manner:

(a) Any additional indebtedness shall be taxed on the ratio that the value of the real estate therein described in this state bears to the value of the whole of the real estate described therein, based upon the increase in the amount of the debt determined to be secured by real property located in this state under either subdivision 1 or 1a.

(b) If there is no additional indebtedness but the percentage of the Minnesota real estate as compared to the total real estate secured by the previous mortgage is increased, the tax shall be recomputed and paid on the remaining indebtedness multiplied by the difference between that percentage of Minnesota real estate included in the supplemental mortgage and that percentage included in any previous mortgage.

(c) In the event of both an increase in the indebtedness and a change in the Minnesota percentage of real estate given as security, the tax shall be recomputed on the portion representing new indebtedness in the manner provided in (a) and in the event of an increase in the percentage of Minnesota property included as security, the tax shall be computed on the remaining portion of the indebtedness as provided in (b).

Subd. 3. [REVOLVING LINES OF CREDIT.] When a mortgage, including a reverse mortgage, secures a revolving line of credit under which advances, payments, and readvances may be made from time to time, the tax imposed under subdivision 1 shall section 287.035 must be paid on the maximum amount of the line of credit which that may be secured at any one time, as expressed in the mortgage, regardless of the time or amount of advances, payments, or readvances.

Subd. 4. [ADVANCES BY MORTGAGEE.] No tax under subdivision 1 section 287.035 shall be paid on the indeterminate amount which that may be advanced by the mortgagee in protection of the mortgaged premises or the mortgage, including taxes, assessments, charges, claims, fines, impositions, and insurance premiums; the amounts due upon prior or superior mortgages and other prior or superior liens, encumbrances, and interests; and legal expenses and attorneys' fees.

Subd. 5. [INDETERMINATE AMOUNTS.] When a mortgage secures an indeterminate

amount other than those described in subdivision 3, 4, or 6, no tax shall be paid at the time the mortgage is recorded ~~or registered~~, but the tax must be paid at the time of recording ~~or filing~~ an affidavit or other document stating the amount and time of the actual advance.

Subd. 6. [REVERSE MORTGAGES.] If real property secures a reverse mortgage, the principal debt or obligation to which mortgage registry tax applies is the expected total disbursements or cash equivalent to be made under the terms of the loan. Interest accruing on the disbursements made is not subject to mortgage registry tax. In the case of periodic payments made for an indefinite length of time, the expected total disbursements must equal the product of the periodic payment amounts and the number of payments and, if applicable, the amount of cash distribution or its equivalent. The number of payments must be based upon the life expectancy assumption used in determining the payment amount. In the case of reverse mortgages made as part of the Housing and Community Development Act of 1987, section 255 of the National Housing Act, and administered by the Department of Housing and Urban Development (HUD), mortgage registry tax must not be assessed on Federal Housing Administration mortgage insurance premiums, monthly lender service fees, or payments to be distributed to the borrower by HUD.

Subd. 7. [MORTGAGES TO SECURE OBLIGATIONS TO BE ISSUED.] If a mortgage is made to a mortgagee in trust to secure the payment of bonds or other obligations yet to be issued, a statement may be incorporated in the mortgage stating the amount of the obligations already issued or yet to be issued, and the tax to be paid on filing the mortgage for recording must be computed upon the amount so stated. The statement must be binding and conclusive upon all persons claiming through or under the mortgage, and no such obligation issued in excess of the aggregate so fixed is valid for any purpose unless the additional tax is paid and receipted by the proper county treasurer.

Subd. 8. [AMENDMENTS.] An amendment may contain the following statement, or its equivalent, on its first page: "This is a mortgage amendment, as defined in Minnesota Statutes, section 287.01, subdivision 2, and as such it does not secure a new or an increased amount of debt." In such cases, the document will be treated as a mortgage amendment, as defined in section 287.01, subdivision 2, for all purposes and does not serve to secure a new or an increased amount of debt.

Sec. 6. Minnesota Statutes 1998, section 287.08, is amended to read:

287.08 [TAX, HOW PAYABLE; RECEIPTS.]

(a) The tax imposed by sections 287.01 to 287.12 ~~shall~~ must be paid to the treasurer of the any county in this state in which the mortgaged land real property or some part thereof is situated located at or before the time of filing the mortgage for record or registration. The treasurer shall endorse receipt on the mortgage, ~~countersigned by the county auditor, who shall charge the amount to the treasurer and such the receipt shall be recorded with the mortgage, and such receipt of the record thereof shall be~~ is conclusive proof that the tax has been paid ~~to~~ in the amount therein stated and ~~authorize~~ authorizes any county recorder or registrar of titles to record the mortgage. Its form, in substance, shall be "registration tax hereon of ..... dollars paid." If the ~~mortgages~~ mortgage is exempt from taxation the endorsement shall, in substance, be "exempt from registration tax," ~~to~~ In either case the receipt must be signed in either case by the treasurer as such, and in case of payment ~~to be countersigned by the auditor.~~ In case the treasurer shall be unable to determine whether a claim of exemption should be allowed, the tax shall must be paid as in the case of a taxable mortgage.

(b) Upon written application of the taxpayer, the county treasurer may refund in whole or in part any tax ~~which~~ that has been erroneously paid, or a person having paid a mortgage registry tax amount may seek a refund of ~~such~~ the tax, or other appropriate relief, by bringing an action in tax court in the county in which the tax was paid, within 60 days of the payment. The action is commenced by the serving of a petition for relief on the county treasurer, and by filing a copy with the court. The county attorney shall defend the action. The county treasurer shall notify the treasurer of each county that has or would receive a portion of the tax as paid.

(c) If the county treasurer determines a refund should be paid, or if a refund is ordered by the

court, the county treasurer of each county that actually received a portion of the tax shall immediately pay a proportionate share of three percent of the refund using any available county funds. The county treasurer of each county ~~which~~ that received, or would have received, a portion of the tax shall also pay their county's proportionate share of the remaining 97 percent of the court-ordered refund on or before the tenth 20th day of the following month using solely the mortgage registry tax funds that would be paid to the commissioner of revenue on that date under section 287.12. If the funds on hand under this procedure are insufficient to fully fund 97 percent of the court-ordered refund, the county treasurer of the county in which the action was brought shall file a claim with the commissioner of revenue under section 16A.48 for the remaining portion of 97 percent of the refund, and shall pay over the remaining portion upon receipt of a warrant from the state issued pursuant to the claim.

(d) When any ~~such~~ mortgage covers real property situate located in more than one county in this state the ~~whole of such total tax shall~~ must be paid to the treasurer of the county where the mortgage is first presented for ~~record or registration recording~~, and the payment shall must be received ~~and countersigned as above provided in paragraph (a)~~. If the principal debt or obligation secured by such a multiple county mortgage exceeds \$1,000,000, the nonstate portion of the tax shall must be divided and paid over by the county treasurer receiving ~~the same it~~, on or before the tenth 20th day of each month after receipt thereof, to the county or counties entitled thereto in the ratio ~~which~~ that the market value of the real property covered by the mortgage in each county bears to the market value of all the real property in this state described in the mortgage. In making ~~such~~ the division and payment the county treasurer shall send therewith a statement giving the description of the real property described in the mortgage and the market value of the part thereof situate located in each county. For ~~the this~~ purpose aforesaid, the treasurer of any county may require the treasurer of any other county to certify to the former the market valuation of any tract of ~~land real property~~ in any such mortgage.

Sec. 7. Minnesota Statutes 1998, section 287.10, is amended to read:

287.10 [PREPAYMENT OF TAX; EVIDENCE; NOTICE.]

A mortgage or ~~papers documents~~ relating to its foreclosure, assignment, or satisfaction, must not be recorded ~~or registered~~ unless the tax has been paid. ~~A~~ Except as provided in section 582.25, a document or any record of the mortgage may not be received in evidence in any court, and is not valid notice, unless the tax has been paid. If the tax is paid, an error in computation or ascertainment of the amount does not affect the validity of the mortgage or the record or foreclosure. This section does not apply to a mortgage that is exempt from taxation the tax imposed under section ~~287.04 or 287.05, subdivision 1~~ 287.035.

Sec. 8. Minnesota Statutes 1998, section 287.11, is amended to read:

287.11 [MORTGAGES RECORDED OR REGISTERED PRIOR TO PASSAGE OF SECTIONS 287.01 TO 287.12.]

All mortgages of real estate property recorded ~~or registered~~ prior to the passage of sections 287.01 to 287.12 ~~shall be~~ are taxable as ~~provided by law~~ under the provisions of law relating thereto existing prior to the enactment hereof of sections 287.01 to 287.12; provided, that the holder of any such mortgage may pay to the treasurer of the proper county, ~~or the state treasurer, or both,~~ the tax therein prescribed based upon the amount of the debt secured by such the mortgage at the time of such the payment as stated by the affidavit of the owner of such the mortgage, to. The affidavit may be filed with the county treasurer, ~~and have in which case the treasurer's receipt, countersigned by the auditor,~~ must be endorsed thereon on it. The county recorder ~~or secretary of state, as the case may be,~~ or registrar of titles on presentation of such the receipt, shall ~~note on the margin of the mortgage~~ make a record of the date and amount of such the payment. Thereafter such the mortgage debt lien shall not be otherwise taxable.

Sec. 9. Minnesota Statutes 1998, section 287.12, is amended to read:

287.12 [TAXES, HOW APPORTIONED.]

(a) All taxes paid to the county treasurer under the provisions of sections 287.01 to 287.12 shall must be apportioned, 97 percent to the general fund of the state, and three percent to the county revenue fund.

(b) On or before the ~~tenth~~ 20th day of each month the county treasurer shall determine and pay to the commissioner of revenue for deposit in the state treasury and credit to the general fund the state's portion of the receipts from the mortgage registration registry tax during the preceding month subject to the electronic funds transfer requirements of section 270.771. The county treasurer shall provide any related reports requested by the commissioner of revenue.

Sec. 10. Minnesota Statutes 1998, section 287.13, subdivision 1, is amended to read:

Subdivision 1. [FAILURE TO PAY FULL AMOUNT.] Any person liable for the tax imposed by section ~~287.05~~ 287.035 who fails to pay the full amount of mortgage registry tax imposed under sections ~~287.01 to 287.12~~ this chapter, unless such the failure is shown to be due to reasonable cause, is liable for a civil penalty of \$250 or 100 percent of the tax for each such failure, whichever is less.

Sec. 11. [287.20] [DEFINITIONS; DEED TAX.]

Subdivision 1. [WORDS, TERMS, AND PHRASES.] Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 287.21 to 287.31, have the meanings given to them in this section.

Subd. 2. [CONSIDERATION.] (a) "Consideration" means generally the total monetary value that is given in return for a conveyance of real property in this state and includes all lump-sum payments, all prior or future installment payments that are required under the agreement between the parties, and the fair market value of any property taken, or to be taken, in exchange.

(b) Consideration does not include the reasonable and lawful amounts of interest paid for the privilege of paying the purchase price in installments and the fair market value of any items of intangible personal property that are conveyed by the taxable instrument.

(c) Consideration does not include the amount paid for the personal property located on the real property being conveyed and transferred as a part of the total consideration, except that the amount paid for the personal property located on the real property being conveyed must be included if the real property being conveyed is a one-, two-, or three-unit residential structure.

(d) When a conveyance of real property is made pursuant to a contract for deed, the consideration is the price for the real property reflected in the contract; except that, subject to the limitations under section 287.221, when the conveyance is made by a person engaged in the business of land sales or construction of buildings and other improvements, or by an affiliated person, then the consideration is the amount paid for the land and the improvements. By January 1, 2001, the commissioner shall adopt rules that define the phrases "engaged in the business of land sales or construction of buildings and other improvements" and "affiliated person" as those phrases are used in this paragraph.

(e) "Total consideration" has the same meaning as consideration.

(f) "Consideration, exclusive of the value of any lien or encumbrance remaining at the time of sale" or "net consideration" means the amount of consideration as reduced by the amount outstanding under any lien that attached to the real property prior to the time of sale and that is not released or satisfied as a result of the sale.

Subd. 3. [CONSOLIDATION OR MERGER.] "Consolidation" or "merger" means the combination of all of the assets of two or more corporations, limited liability companies, or partnerships, or any combination of these entities, whether or not title to the assets is taken by a newly created entity or by a preexisting entity that survives the consolidation or merger in an altered form.

Subd. 4. [DOCUMENTARY STAMPS.] "Documentary stamps" means all stamps issued by the county for use in payment of the taxes imposed by sections 287.21 to 287.37.

Subd. 5. [LIEN.] "Lien" means any legal claim, other than an easement, created by contract, statute, or law on the real property of another as security for a debt or obligation. For purposes of the deed tax, the term "encumbrance" is synonymous with the term "lien" and an easement is not a lien.

Subd. 6. [PERSON.] "Person" includes any individual, partner, officer, director, firm, partnership, joint venture, limited liability company, association, cooperative, social club, fraternal organization, municipal or private corporation, whether organized for profit or not, estate, trusts, business trusts, receiver, trustee, syndicate, the United States, a state, any political subdivision of a state, or any group or combination acting as a unit, and the plural as well as the singular. The term includes directors and officers of corporations, governors and managers of a limited liability company, or members of partnerships who, either individually or jointly with others, have control, supervision, or responsibility of making or authorizing payment of the tax imposed by section 287.21. The term includes any agent of any individual or organization enumerated in this subdivision.

Subd. 7. [REAL PROPERTY, REAL ESTATE, AND LAND.] "Real property," "real estate," and "land" mean any fee simple estate, and any estate for life, as defined in chapter 500, and the purchaser's interest under a contract for the conveyance of such an estate.

Subd. 8. [RECORD, RECORDED, AND RECORDING.] "Record," "recorded," and "recording" each mean that a document has been delivered to and filed in the office of the county recorder or registrar of titles, whichever office maintains the records for the real property described in the document.

Subd. 9. [REORGANIZATION.] "Reorganization" means the transfer of substantially all of the assets of a corporation, a limited liability company, or a partnership not in the usual or regular course of business.

Sec. 12. Minnesota Statutes 1998, section 287.21, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION OF TAX.] ~~There (a) A tax is hereby imposed on each deed, or instrument, or writing by which any lands, tenements, or other realty real property in this state shall be is granted, assigned, transferred, or otherwise conveyed, a tax determined in the following manner. The tax applies against the net consideration.~~

(b) ~~The tax is determined in the following manner: (1) when transfers are made by instruments pursuant to mergers, consolidations, sales, or transfers of substantially all of the assets of corporations the entities as defined in section 287.20, subdivision 9, pursuant to plans of reorganization or, the tax is \$1.65; (2) when there is no consideration or when the consideration, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, is \$500 or less, the tax shall be is \$1.65.; or (3) when the consideration, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds \$500, the tax shall be is \$1.65 plus \$1.65 for each additional \$500 or fraction of that amount.~~

~~The tax applies against the total consideration, including the fair market value consideration for any personal property located on the real property conveyed by the deed and transferred as part of the total consideration, but excluding the value of any lien or encumbrance remaining on the property at the time of sale.~~

(c) ~~The tax is due at the time a taxable deed or instrument is presented for recording.~~

Sec. 13. Minnesota Statutes 1998, section 287.22, is amended to read:

287.22 [EXCEPTIONS EXEMPTIONS.]

The tax imposed by section 287.21 ~~shall~~ does not apply to:

~~A. Any~~ (1) An executory contract for the sale of ~~land~~ real property under which the vendee purchaser is entitled to or does take possession ~~thereof~~ of the real property, or any assignment or cancellation ~~thereof~~. of the contract;

~~B. Any (2) A mortgage or any an amendment, assignment, extension, partial release, or satisfaction thereof. of a mortgage;~~

~~C. Any (3) A will;~~

~~D. Any (4) A plat;~~

~~E. Any (5) A lease, amendment of lease, assignment of lease, or memorandum of lease;~~

~~F. Any (6) A deed, instrument, or writing in which the United States or any agency or instrumentality thereof is the grantor, assignor, transferor, conveyor, grantee, or assignee;~~

~~G. Deeds (7) A deed for a cemetery lot or lots;~~

~~H. Deeds (8) A deed of distribution by a personal representatives. representative;~~

~~I. Deeds (9) A deed to or from eowners a co-owner partitioning their undivided interests interest in the same piece of real property;~~

~~J. Any (10) A deed or other instrument of conveyance issued pursuant to a permanent school fund land exchange under section 92.121 and related laws;~~

~~K. (11) A referee's or sheriff's certificate of sale in a mortgage or lien foreclosure sale;~~

~~L. (12) A referee's or, sheriff's, or certificate holder's certificate of redemption from a mortgage or lien foreclosure sale issued to the redeeming mortgagor or lienee;~~

~~M. Any (13) A deed, instrument, or writing which grants, creates, modifies, or eaneels terminates an easement; and~~

~~N. (14) A decree of marriage dissolution, as defined in section 287.01, subdivision 4, or any a deed or other instrument between the parties to the dissolution made pursuant to the terms of the decree.~~

#### Sec. 14. [287.2205] [TAX-FORFEITED LAND.]

~~Before a state deed for tax-forfeited land may be issued, the deed tax must be paid by the purchaser of tax-forfeited land whether the purchase is the result of a public auction or private sale or a repurchase of tax-forfeited land. State agencies and local units of government that acquire tax-forfeited land by purchase or any other means are subject to this section.~~

Sec. 15. Minnesota Statutes 1998, section 287.23, is amended to read:

#### 287.23 [REAL PROPERTY OUTSIDE COUNTY OR STATE.]

~~Subdivision 1. [REAL PROPERTY OUTSIDE COUNTY.] If any taxable deed or instrument describes any real property located in more than one county in this state, the total tax must be paid to the treasurer of the county where the document is first presented for recording, and the payment must be receipted as provided in section 287.08. If the net consideration exceeds \$700,000, the nonstate portion of the tax must be divided and paid over by the county treasurer receiving it, on or before the 20th day of each month after receipt, to the county or counties entitled in the ratio which the market value of the real property covered by the document in each county bears to the market value of all the real property in this state described in the document. In making the division and payment the county treasurer shall send a statement to the other involved counties giving the description of the real property described in the document and the market value of the part located in each county. The treasurer of any county may require the treasurer of any other county to certify to the former the market valuation of any parcel of real property for this purpose.~~

~~Subd. 2. [REAL PROPERTY OUTSIDE STATE.] If any deed, or instrument, or writing shall describe describes any real estate-situate property located outside of this state, the tax imposed by section 287.21 shall must be measured upon such proportion of the consideration, (exclusive of the value of any lien or encumbrance remaining thereon at the time of sale), as the value of the real~~

estate ~~therein~~ property described ~~situate~~ in this state bears to the value of the whole of the real estate property described ~~therein~~ in the deed or instrument.

Sec. 16. Minnesota Statutes 1998, section 287.24, is amended to read:

287.24 [PERSONS LIABLE.]

Subdivision 1. [GENERAL RULE.] Any person who grants, assigns, transfers, or conveys any ~~land, tenement, or realty~~ real property by a deed, ~~writing,~~ or instrument subject to the tax imposed by section 287.21 shall be liable for such tax but no public official shall be liable for a tax with respect to any instrument executed by the official in connection with official duties.

Subd. 2. [OTHER RESPONSIBLE PERSONS.] If an underpayment is assessable by the commissioner of revenue against a grantor pursuant to section 287.37, and the grantor is a business entity no longer in existence, any person who, either individually or jointly with others, had control over, supervision of, or responsibility for making the statement of tax due or exemption from tax that was submitted to the county treasurer under section 287.241, subdivision 1, can be assessed and held liable by the commissioner for the underpayment.

Sec. 17. Minnesota Statutes 1998, section 287.241, is amended to read:

287.241 [STATEMENT OF TAX DUE OR EXEMPTION; RECORDING OR REGISTERING OF DOCUMENTS.]

Subdivision 1. [STATEMENT OF TAX DUE OR EXEMPTION.] No deed, ~~or instrument, or writing,~~ taxable under the provisions of section 287.21, shall be recorded ~~or registered by the county recorder or the registrar of titles~~ unless it ~~shall contain~~ contains the statement of the grantor or grantee, or any successor in interest, setting forth the amount of tax due under this chapter or that it is exempt from tax. The county recorder or registrar of titles shall record ~~or register~~ any such ~~document~~ deed or instrument when the statement sets forth that the transfer is tax exempt, and ~~shall refuse to record or register any such document on which or when documentary stamps in the amount stated thereon have not been affixed or the treasurer's receipt appear for the amount of deed tax recited in the statement.~~ The validity ~~or effectiveness of an~~ a deed or instrument as between the parties ~~thereto~~, and as to any person who would otherwise be bound ~~thereby~~, shall is not be affected by the failure to comply ~~herewith; nor with this section.~~ If ~~an~~ a deed or instrument is accepted for recording ~~or filing~~ contrary to the ~~provisions hereof~~ this section, shall the failure to comply ~~herewith~~ does not destroy or impair the record ~~thereof~~ of the deed or instrument as notice.

Subd. 2. [NOTICE OF CERTIFICATE OF VALUE.] No deed or instrument providing for the transfer of title to real estate ~~as property~~ that is subject to the tax as provided in section 287.21, and no executory contract for the sale of land, shall be recorded ~~in the office of the county recorder or the registrar of titles~~ unless such deed or instrument shall be is accompanied by a notice from the county auditor that a certificate of value was filed in the auditor's office as provided in section 272.115.

Sec. 18. Minnesota Statutes 1998, section 287.29, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT AND PAYMENT OF TAX PROCEEDS.] (a) The proceeds of the taxes levied and collected under sections 287.21 to 287.36 must be apportioned, 97 percent to the general fund of the state, and three percent to the county revenue fund.

(b) On or before the tenth 20th day of each month, the county treasurer shall determine and pay to the commissioner of revenue for deposit in the state treasury and credit to the general fund the state's portion of the receipts for deed tax from the sale of documentary stamps during the preceding month subject to the electronic transfer requirements of section 270.771. The county treasurer shall provide any related reports requested by the commissioner of revenue.

Sec. 19. Minnesota Statutes 1998, section 287.30, is amended to read:

287.30 [COUNTY TREASURER; DUTIES.]

The care of documentary stamps entrusted to county treasurers and the duties imposed upon county treasurers by ~~sections 287.21 to 287.33~~ this chapter are within the duties of such office and ~~shall be~~ are within the coverage of any official bond delivered to the state, conditioned that any such officer shall faithfully execute the duties of office. The county board may by resolution require the county auditor to perform any duty imposed on the county treasurer under this chapter.

Sec. 20. Minnesota Statutes 1998, section 287.31, is amended to read:

287.31 [VIOLATIONS; CIVIL PENALTIES.]

Subdivision 1. [FAILURE TO ~~COMPLY~~ PAY FULL AMOUNT.] Any person liable for the tax imposed by section 287.21 who fails to ~~comply with the provisions of section 287.25~~ pay the full amount of deed tax imposed under this chapter, unless ~~such~~ the failure is shown to be due to reasonable cause, ~~shall be~~ is liable to a civil penalty of \$250, or 100 percent of the tax, for each such failure, whichever is less.

Subd. 2. [WILLFUL EVASION.] Any person who willfully attempts in any manner to evade or defeat any such tax or the payment thereof, ~~shall is~~, in addition to other penalties provided by law, be liable to a penalty of 50 percent of the total amount of the underpayment of the tax.

Sec. 21. [287.325] [VIOLATIONS; CRIMINAL PENALTIES.]

Any person who in any manner intentionally attempts to evade a tax imposed by this chapter, or who intentionally aids or abets in the evasion or attempted evasion of such tax is guilty of a gross misdemeanor.

Sec. 22. Minnesota Statutes 1998, section 287.33, is amended to read:

287.33 [EXPENSES OF ADMINISTRATION.]

Expenses of administration of ~~sections 287.21 to 287.34~~ this chapter to be paid out of county funds include fees and expenses incurred by the county attorney in connection with ~~sections 287.21 to 287.34~~ this chapter and all other costs and expenses.

Sec. 23. [287.38] [LIMITATIONS ON TIME FOR ASSESSMENT OF TAX.]

Subdivision 1. [GENERAL RULE.] Except as otherwise provided in this section, the amount of taxes assessable under this chapter must be assessed within 3-1/2 years after the date the document is recorded.

Subd. 2. [OMISSION IN EXCESS OF 25 PERCENT.] Additional taxes may be assessed within 6-1/2 years after the document was recorded, if the taxpayer underpays the tax due on the filing of that document by more than 25 percent or the document was erroneously treated as exempt.

Subd. 3. [FRAUD.] Notwithstanding the limitations under subdivision 1, additional taxes may be assessed at any time if a document is presented for recording with a fraudulent intent to underpay the taxes imposed by this chapter.

Sec. 24. [287.385] [INTEREST.]

Subdivision 1. [INTEREST RATE.] If an interest assessment is required under this section, interest is computed at the rate specified in section 270.75.

Subd. 2. [LATE PAYMENT.] If a tax is not paid within the time specified by law for payment, the unpaid tax bears interest from the date the tax should have been paid until the date the tax is paid.

Subd. 3. [EXTENSIONS.] If an extension of time for payment has been granted, interest must be paid from the date the payment should have been made if no extension had been granted, until the date the tax is paid.

Subd. 4. [ADDITIONAL ASSESSMENTS.] If a taxpayer is liable for additional taxes because of a redetermination by the commissioner of revenue, or for any other reason, the additional taxes bear interest from the time the tax should have been paid, without regard to any extension allowed, until the date the tax is paid.

Subd. 5. [REFUNDS.] (a) Interest must be paid at the rate specified in section 270.75 on an overpayment that is refunded or credited to a taxpayer more than 30 days after a refund request is made. Interest does not apply to the 30-day period.

(b) In the case of an erroneous refund, interest accrues from the date the refund was paid unless the erroneous refund results from a mistake of the department of revenue or the county, then no interest or penalty is imposed unless the deficiency assessment is not satisfied within 60 days of the order.

Subd. 6. [INTEREST ON JUDGMENTS.] Notwithstanding section 549.09, if judgment is entered in favor of the commissioner of revenue or a county with regard to any tax under this chapter, the judgment bears interest at the rate specified in section 270.75 from the date the judgment is entered until the date of payment.

Subd. 7. [INTEREST ON PENALTIES.] A penalty imposed under this chapter bears interest from the date payment was required to be paid, including any extensions, to the date of payment of the penalty.

Sec. 25. [287.39] [ADMINISTRATIVE REVIEW.]

Subdivision 1. [TAXPAYER RIGHT TO RECONSIDERATION.] Under this section, a taxpayer may obtain reconsideration by the commissioner of revenue of:

(1) an order of the commissioner assessing tax;

(2) a denial by the commissioner of a request for abatement of penalty; or

(3) a denial by the commissioner of a claim for refund of money paid to the commissioner as a result of an assessment or order issued by the commissioner under this chapter, by filing an administrative appeal as provided in subdivision 4.

A taxpayer cannot obtain reconsideration if the action taken by the commissioner of revenue is the outcome of an administrative appeal.

Subd. 2. [APPEAL BY TAXPAYER.] A taxpayer who wishes to seek administrative review shall follow the procedure in subdivision 4.

Subd. 3. [NOTICE DATE.] For purposes of this section, "notice date" means the date of the order adjusting the tax or order denying a request for abatement or, in the case of a denied refund, the date of the notice of denial.

Subd. 4. [TIME AND CONTENT FOR ADMINISTRATIVE APPEAL.] Within 60 days after the notice date, the taxpayer shall file a written appeal with the commissioner of revenue. The appeal need not be in any particular form, but must contain the following information:

(1) name and address of the taxpayer;

(2) if a corporation, the state of incorporation of the taxpayer, and the principal place of business of the corporation;

(3) the Minnesota identification number or social security number of the taxpayer;

(4) the type of tax involved;

(5) the date;

(6) the tax periods involved and the amount of tax involved for each period;

- (7) the findings in the notice that the taxpayer disputes;
- (8) a summary statement that the taxpayer relies on for each exception; and
- (9) the taxpayer's signature or the signature of the taxpayer's duly authorized agent.

Subd. 5. [EXTENSIONS.] If requested in writing and within the time allowed for filing an administrative appeal, the commissioner may extend the time for filing an appeal for a period of not more than 30 days from the expiration of the 60 days from the notice date.

Subd. 6. [DETERMINATION OF APPEAL.] On the basis of applicable law and available information, the commissioner shall determine the validity, if any, in whole or part of the appeal and notify the taxpayer of the decision. This notice must be in writing and contain the basis for the determination.

Subd. 7. [AGREEMENT DETERMINING TAX LIABILITY.] If the commissioner determines that it is in the best interests of the state, the commissioner may settle taxes, penalties, or interest that the commissioner has under consideration by virtue of an appeal filed under this section. An agreement must be in writing and signed by the commissioner and the taxpayer or the taxpayer's representative authorized by the taxpayer to enter into an agreement. The agreement is final and conclusive and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact, the case shall not be reopened as to the matters agreed upon.

Subd. 8. [APPEAL OF AN ADMINISTRATIVE DETERMINATION.] Following the determination of an appeal and notwithstanding any period of limitations for making assessments or other determinations to the contrary, the commissioner shall issue an order reflecting that disposition. If the statute of limitations for making assessments or other determinations would have expired before the issuance of this order, except for this section, the order is limited to issues or matters contained in the appealed determination. The order is appealable to the Minnesota tax court under section 271.06.

Subd. 9. [APPEAL WHERE NO DETERMINATION.] If the commissioner does not make a determination within six months of the filing of an administrative appeal, the taxpayer may elect to appeal to tax court.

Subd. 10. [EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT.] This section is not subject to chapter 14.

Sec. 26. [REPEALER.]

Minnesota Statutes 1998, sections 287.06; 287.07; 287.09; 287.21, subdivisions 2 and 4; 287.34; 287.35; and 287.36, are repealed.

Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 26 are effective for documents recorded or registered after June 30, 1999."

Delete the title and insert:

"A bill for an act relating to mortgage registry and deed taxes; making technical and clarifying changes; defining terms; amending Minnesota Statutes 1998, sections 287.01; 287.03; 287.04; 287.05; 287.08; 287.10; 287.11; 287.12; 287.13, subdivision 1; 287.21, subdivision 1; 287.22; 287.23; 287.24; 287.241; 287.29, subdivision 1; 287.30; 287.31; and 287.33; proposing coding for new law in Minnesota Statutes, chapter 287; repealing Minnesota Statutes 1998, sections 287.06; 287.07; 287.09; 287.21, subdivisions 2 and 4; 287.34; 287.35; and 287.36."

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

**Senator Vickerman from the Committee on Local and Metropolitan Government, to which was referred**

**S.F. No. 373:** A bill for an act relating to regional development commissions; appropriating money for regional planning.

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

**Senator Vickerman from the Committee on Local and Metropolitan Government, to which was referred**

**S.F. No. 891:** A bill for an act relating to municipalities; clarifying an exception to tort liability; amending Minnesota Statutes 1998, section 466.03, subdivision 4.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

**Senator Vickerman from the Committee on Local and Metropolitan Government, to which was referred**

**S.F. No. 616:** A bill for an act relating to Washington county; changing the length of the terms of housing and redevelopment authority commissioners; amending Laws 1974, chapter 475, section 2, by adding a subdivision.

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

**Senator Vickerman from the Committee on Local and Metropolitan Government, to which was re-referred**

**S.F. No. 716:** A bill for an act relating to regional planning; providing a grant to the city of Mankato for the Mankato area growth management and planning study; appropriating money.

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

Page 1, line 20, delete "Decerta" and insert "Decoria"

Page 1, lines 23 and 24, delete "address the following" and insert "develop information and analysis to provide guidance on such issues as"

Page 2, line 11, after the semicolon, insert "and"

Page 2, delete lines 12 to 14

Page 2, line 15, delete "(9)" and insert "(8)"

And when so amended the bill do pass and be re-referred to the Committee on State Government Finance. Amendments adopted. Report adopted.

**Senator Vickerman from the Committee on Local and Metropolitan Government, to which was referred**

**S.F. No. 760:** A bill for an act relating to local government; authorizing county boards to establish by ordinance procedures for imposing civil penalties for ordinance violations and allowing a county to certify fines to its county auditor as a special tax against the land; proposing coding for new law in Minnesota Statutes, chapter 375.

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

Delete everything after the enacting clause and insert:

"Section 1. [103F.002] [COLLECTION OF PENALTIES.]

If a penalty imposed for violation of an ordinance enacted under this chapter is unpaid for more than 60 days after the date when payment is due, the local government unit that imposed the penalty may certify the delinquent penalty, together with any interest and additional penalties that apply to it, to the county auditor for collection to the same extent and in the same manner provided by law for the assessment and collection of real estate taxes.

Sec. 2. Minnesota Statutes 1998, section 394.37, is amended by adding a subdivision to read:

Subd. 5. [COLLECTION OF PENALTIES.] If a fine or other penalty imposed for violation of an ordinance, regulation, or other official control adopted by the board under this chapter is unpaid for more than 60 days after the date when payment is due, the county board may certify the delinquent fine or penalty, together with any interest and additional penalties that apply to it, to the county auditor for collection to the same extent and in the same manner provided by law for the assessment and collection of real estate taxes."

Delete the title and insert:

"A bill for an act relating to local government; authorizing collection of penalties and fines imposed by local governments for certain violations of water and planning laws together with taxes; amending Minnesota Statutes 1998, section 394.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103F."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

#### **Senator Johnson, D.J. from the Committee on Taxes, to which was referred**

**S.F. No. 382:** A bill for an act relating to taxation; making technical corrections to income, property, sales, MinnesotaCare, and certain special taxes; making technical corrections to certain state tax administrative provisions; amending Minnesota Statutes 1998, sections 60A.15, by adding a subdivision; 271.01, subdivision 5; 271.21, subdivision 2; 273.111, subdivision 3; 273.124, subdivision 13; 289A.40, subdivision 1; 289A.60, subdivisions 3 and 21; 290.0671, subdivision 1; 290.0921, subdivision 5; 290.095, subdivision 3; 290.17, subdivision 4; 295.50, subdivision 9b; 295.55, subdivisions 2 and 3; 295.57, by adding a subdivision; 297A.15, subdivision 5; 297F.01, subdivision 23; 297F.17, subdivision 6; 297H.01, subdivision 12; 297H.05; and 297H.06, subdivision 2; repealing Minnesota Statutes 1998, sections 273.11, subdivision 10; 297E.12, subdivision 3; 297F.19, subdivision 4; and 297G.18, subdivision 4.

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

Pages 9 to 16, delete sections 3 and 4 and insert:

"Sec. 3. Minnesota Statutes 1998, section 462A.071, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] (a) In order to qualify for certification under subdivision 1, the owner or manager of the property must annually apply to the agency. The application must be in the form prescribed by the agency, contain the information required by the agency, and be submitted by the date and time specified by the agency. ~~Beginning in calendar year 2000, the agency shall adopt procedures and deadlines for making application to permit certification of the units qualifying to the assessor by no later than April 1 of the assessment year.~~

(b) Each application must include:

- (1) the property tax identification number;
- (2) the number, type, and size of units the applicant seeks to qualify as low-income housing under class 4d;
- (3) the number, type, and size of units in the property for which the applicant is not seeking qualification, if any;

(4) a certification that the property has been inspected by a qualified inspector within the past three years and meets the minimum housing quality standards or is exempt from the inspection requirement under subdivision 4;

(5) a statement indicating the qualifying units in compliance with the income limits;

(6) an executed agreement to restrict rents meeting the requirements specified by the agency or executed leases for the units for which qualification as low-income housing as class 4d under section 273.13 is sought and the rent schedule; and

(7) any additional information the agency deems appropriate to require.

(c) The applicant must pay a per-unit application fee to be set by the agency. The application fee charged by the agency must approximately equal the costs of processing and reviewing the applications. The fee must be deposited in the housing development fund.

Sec. 4. Minnesota Statutes 1998, section 469.002, subdivision 10, is amended to read:

Subd. 10. [FEDERAL LEGISLATION.] "Federal legislation" includes the United States Housing Act of 1937, United States Code, title 42, sections 1401 to 1440, as amended through December 31, 1989 1998; the National Housing Act, United States Code, title 12, sections 1701 to 1750g, as amended through December 31, 1989; and any other legislation of the Congress of the United States relating to federal assistance for clearance or rehabilitation of substandard or blighted areas, land assembly, redevelopment projects, or housing.

Sec. 5. Minnesota Statutes 1998, section 469.012, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE OF POWERS.] An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 469.001 to 469.047, except that the power to levy and collect taxes or special assessments is limited to the power provided in sections 469.027 to 469.033. Its powers include the following powers in addition to others granted in sections 469.001 to 469.047:

(1) to sue and be sued; to have a seal, which shall be judicially noticed, and to alter it; to have perpetual succession; and to make, amend, and repeal rules consistent with sections 469.001 to 469.047;

(2) to employ an executive director, technical experts, and officers, agents, and employees, permanent and temporary, that it requires, and determine their qualifications, duties, and compensation; for legal services it requires, to call upon the chief law officer of the city or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies in its area of operation, provided that those local public bodies, if requested, shall make the services available;

(3) to delegate to one or more of its agents or employees the powers or duties it deems proper;

(4) within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) subject to the provisions of section 469.026, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take action that is necessary or convenient to carry out the purposes of these sections;

(6) within its area of operation, to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by chapter 117, to acquire real property which it may deem necessary for its purposes, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 469.003 or to provide decent, safe, and sanitary

housing for persons of low and moderate income, or is necessary to carry out a redevelopment project. Real property needed or convenient for a project may be acquired by the authority for the project by condemnation pursuant to this section. This includes any property devoted to a public use, whether or not held in trust, notwithstanding that the property may have been previously acquired by condemnation or is owned by a public utility corporation, because the public use in conformity with the provisions of sections 469.001 to 469.047 shall be deemed a superior public use. Property devoted to a public use may be so acquired only if the governing body of the municipality has approved its acquisition by the authority. An award of compensation shall not be increased by reason of any increase in the value of the real property caused by the assembly, clearance or reconstruction, or proposed assembly, clearance or reconstruction for the purposes of sections 469.001 to 469.047 of the real property in an area;

(7) within its area of operation, and without the adoption of an urban renewal plan, to acquire, by all means as set forth in clause (6) but without the adoption of a resolution provided for in clause (6), real property, and to demolish, remove, rehabilitate, or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill, and construct foundations or otherwise prepare the site for improvements. The authority may dispose of the property pursuant to section 469.029, provided that the provisions of section 469.029 requiring conformance to an urban renewal plan shall not apply. The authority may finance these activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 469.033 or by means of contributions from the municipality provided for in section 469.041, clause (9), or by any combination of those means. Real property with buildings or improvements thereon shall only be acquired under this clause when the buildings or improvements are substandard. The exercise of the power of eminent domain under this clause shall be limited to real property which contains, or has contained within the three years immediately preceding the exercise of the power of eminent domain and is currently vacant, buildings and improvements which are vacated and substandard. Notwithstanding the prior sentence, in cities of the first class the exercise of the power of eminent domain under this clause shall be limited to real property which contains, or has contained within the three years immediately preceding the exercise of the power of eminent domain, buildings and improvements which are substandard. For the purpose of this clause, substandard buildings or improvements mean hazardous buildings as defined in section 463.15, subdivision 3, or buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community;

(8) within its area of operation, to determine the level of income constituting low or moderate family income. The authority may establish various income levels for various family sizes. In making its determination, the authority may consider income levels that may be established by the Department of Housing and Urban Development or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use that determination as a basis for the maximum amount of income for admissions to housing development projects or housing projects owned or operated by it;

(9) to provide in federally assisted projects any relocation payments and assistance necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto;

(10) to make an agreement with the governing body or bodies creating the authority which provides exemption from all ad valorem real and personal property taxes levied or imposed by the body or bodies creating the authority. In the case of low-rent public housing that received financial assistance under the United States Housing Act of 1937, or successor federal legislation, an authority may make an agreement with the governing body or bodies creating the authority to provide exemption from all real and personal property taxes levied or imposed by the state, city, county, or other political subdivision, for which the authority shall make payments in lieu of taxes to the state, city, county, or other political subdivisions as provided in section 469.040. The governing body shall agree on behalf of all the applicable governing bodies affected that local cooperation as required by the federal government shall be provided by the local governing body

or bodies in whose jurisdiction the project is to be located, at no cost or at no greater cost than the same public services and facilities furnished to other residents;

(11) to cooperate with or act as agent for the federal government, the state or any state public body, or any agency or instrumentality of the foregoing, in carrying out any of the provisions of sections 469.001 to 469.047 or of any other related federal, state, or local legislation; and upon the consent of the governing body of the city to purchase, lease, manage, or otherwise take over any housing project already owned and operated by the federal government;

(12) to make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, and plans for the enforcement of laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements. The authority may develop, test, and report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and blight;

(13) to borrow money or other property and accept contributions, grants, gifts, services, or other assistance from the federal government, the state government, state public bodies, or from any other public or private sources;

(14) to include in any contract for financial assistance with the federal government any conditions that the federal government may attach to its financial aid of a project, not inconsistent with purposes of sections 469.001 to 469.047, including obligating itself (which obligation shall be specifically enforceable and not constitute a mortgage, notwithstanding any other laws) to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default with respect to the covenants or conditions to which the authority is subject; to provide in the contract that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey, or otherwise deal with the project until the defaults are cured if the federal government agrees in the contract to reconvey to the authority the project as then constituted when the defaults have been cured;

(15) to issue bonds for any of its corporate purposes and to secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants or contributions;

(16) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control or in the manner and subject to the conditions provided in section 118A.04 for the deposit and investment of public funds;

(17) within its area of operation, to determine where blight exists or where there is unsafe, unsanitary, or overcrowded housing;

(18) to carry out studies of the housing and redevelopment needs within its area of operation and of the meeting of those needs. This includes study of data on population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages, desirable patterns for land use and community growth, and other factors affecting the local housing and redevelopment needs and the meeting of those needs; to make the results of those studies and analyses available to the public and to building, housing, and supply industries;

(19) if a local public body does not have a planning agency or the planning agency has not produced a comprehensive or general community development plan, to make or cause to be made a plan to be used as a guide in the more detailed planning of housing and redevelopment areas;

(20) to lease or rent any dwellings, accommodations, lands, buildings, structures, or facilities included in any project and, subject to the limitations contained in sections 469.001 to 469.047 with respect to the rental of dwellings in housing projects, to establish and revise the rents or charges therefor;

(21) to own, hold, and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;

(22) to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards;

(23) to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts thereof issued by an authority and to pay premiums on the insurance;

(24) to make expenditures necessary to carry out the purposes of sections 469.001 to 469.047;

(25) to enter into an agreement or agreements with any state public body to provide informational service and relocation assistance to families, individuals, business concerns, and nonprofit organizations displaced or to be displaced by the activities of any state public body;

(26) to compile and maintain a catalog of all vacant, open and undeveloped land, or land which contains substandard buildings and improvements as that term is defined in clause (7), that is owned or controlled by the authority or by the governing body within its area of operation and to compile and maintain a catalog of all authority owned real property that is in excess of the foreseeable needs of the authority, in order to determine and recommend if the real property compiled in either catalog is appropriate for disposal pursuant to the provisions of section 469.029, subdivisions 9 and 10;

(27) to recommend to the city concerning the enforcement of the applicable health, housing, building, fire prevention, and housing maintenance code requirements as they relate to residential dwelling structures that are being rehabilitated by low- or moderate-income persons pursuant to section 469.029, subdivision 9, for the period of time necessary to complete the rehabilitation, as determined by the authority;

(28) to recommend to the city the initiation of municipal powers, against certain real properties, relating to repair, closing, condemnation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings, as provided in section 469.041, clause (5);

(29) to sell, at private or public sale, at the price or prices determined by the authority, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual;

(30) within its area of operation, to acquire and sell real property that is benefited by federal housing assistance payments, other rental subsidies, interest reduction payments, or interest reduction contracts for the purpose of preserving the affordability of low- and moderate-income multifamily housing;

(31) to apply for, enter into contracts with the federal government, administer, and carry out a section 8 program. Authorization by the governing body creating the authority to administer the program at the authority's initial application is sufficient to authorize operation of the program in its area of operation for which it was created without additional local governing body approval. Approval by the governing body or bodies creating the authority constitutes approval of a housing program for purposes of any special or general law requiring local approval of section 8 programs undertaken by city, county, or multicounty authorities; and

(32) to secure a mortgage or loan for a rental housing project by obtaining the appointment of receivers or assignments of rents and profits under sections 559.17 and 576.01, except that the limitation relating to the minimum amounts of the original principal balances of mortgages specified in sections 559.17, subdivision 2, clause (2); and 576.01, subdivision 2, does not apply."

Page 16, line 31, delete everything after the period and insert "Sections 3 to 6 are"

Page 16, delete line 32

Pages 16 to 19, delete article 3

Page 19, delete section 1

Pages 20 and 21, delete sections 4 and 5

Page 23, line 18, delete "2, 4, and 6" and insert "and 3"

Page 23, line 19, delete "3" and insert "2"

Page 23, line 20, delete everything after the period

Page 23, delete line 21

Renumber the articles and sections in sequence

Amend the title as follows:

Page 1, line 3, delete "MinnesotaCare,"

Page 1, lines 6 and 7, delete "60A.15, by adding a subdivision;"

Page 1, line 8, delete everything after "2;"

Page 1, line 9, delete "subdivision 13;"

Page 1, line 12, delete everything after the first semicolon

Page 1, delete line 13

Page 1, line 15, delete "297H.01, subdivision 12;"

Page 1, line 16, delete "297H.05;"

Page 1, line 19, delete "and" and after "4" insert "; 462A.071, subdivision 2; 469.002, subdivision 10; and 469.012, subdivision 1"

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

### **Senator Marty from the Committee on Election Laws, to which was referred**

**S.F. No. 1064:** A bill for an act relating to elections; providing for redistricting; appropriating money; amending Minnesota Statutes 1998, sections 204B.135, by adding a subdivision; 204B.14, subdivision 4; 204B.146, by adding a subdivision; and 205.84.

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

Page 1, line 17, after "county" insert "on a per capita basis 25 percent of"

Page 1, line 18, delete "equal to 25 cents per capita"

Page 2, line 14, delete "coordination of" and insert "coordinating"

Page 2, line 15, delete "reestablishment of" and insert "reestablishing"

Page 2, line 25, delete "so that" and insert "to move"

Page 2, line 26, delete "are again" and insert "so they again will be"

Page 3, line 15, after the period, reinstate the stricken language

Page 3, lines 16 to 24, reinstate the stricken language

Pages 3 and 4, delete section 5

Amend the title as follows:

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

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

**Senator Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 346:** A bill for an act relating to child custody; expanding provisions for relative ex parte temporary custody; amending Minnesota Statutes 1998, section 518.158, subdivisions 1 and 2.

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

Page 2, line 7, delete ", mental, or emotional health" and insert "safety"

Page 2, line 16, after the period, insert "The application must include an affidavit made under oath that states with particularity the specific facts and circumstances on which the application is based."

Page 2, line 24, before the period, insert ", except that if the ex parte temporary custody order is based on the grounds under subdivision 1, paragraph (b), clause (2), the temporary custody hearing must be set for not later than 72 hours, excluding Saturdays, Sundays, and holidays, after issuance of the order"

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

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

**S.F. No. 820:** A bill for an act relating to commerce; regulating the duties of the secretary as a licensed certification authority; modifying the effective period of emerging suspensions of certificates; specifying the consequences of accepting certain digital signatures; regulating fees; appropriating money; amending Minnesota Statutes 1998, sections 325K.03, by adding a subdivision; 325K.04; 325K.05, subdivision 1; 325K.09, by adding a subdivision; 325K.10, subdivision 5; 325K.14, by adding a subdivision; and 325K.15, by adding a subdivision; repealing Minnesota Rules, part 8275.0045, subpart 2.

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

**Senator Flynn from the Committee on Transportation, to which was referred**

**H.F. No. 157:** A bill for an act relating to highways; modifying route of Laura Ingalls Wilder Historic Highway; amending Minnesota Statutes 1998, section 161.14, subdivision 29.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

**Senator Metzen from the Committee on Governmental Operations and Veterans, to which was referred**

**S.F. No. 613:** A bill for an act relating to animals; increasing certain penalties for cruelty to animals; defining acts or omissions constituting cruelty or abuse; imposing criminal penalties; amending Minnesota Statutes 1998, sections 343.20, subdivision 3, and by adding subdivisions; and 343.21, subdivisions 2, 7, 10, and by adding subdivisions; repealing Minnesota Statutes 1998, sections 343.21, subdivisions 1 and 9; and 346.57.

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 1998, section 343.20, subdivision 3, is amended to read:

Subd. 3. [~~TORTURE; CRUELTY.~~] (a) ~~"Torture" or "Cruelty"~~ means every act, omission, or neglect which causes or permits unnecessary or unjustifiable ~~pain, suffering, bodily harm,~~ substantial bodily harm, great bodily harm, or death.

Unless gross negligence can be shown, cruelty does not include:

- (1) commonly accepted veterinary procedures performed by a licensed veterinarian;
  - (2) lawful slaughtering of animals;
  - (3) scientific research activities performed in accordance with federal and state laws and regulations by licensed or registered facilities;
  - (4) commonly accepted animal husbandry practices;
  - (5) the taking of wild animals in accordance with state, federal, or local laws; or
  - (6) acts of God as defined in section 115B.02, subdivision 2.
- (b) The taking of wild animals in violation of federal, state, or local laws is not prima facie evidence of cruelty to animals.

Sec. 2. Minnesota Statutes 1998, section 343.20, is amended by adding a subdivision to read:

Subd. 9. [BODILY HARM; SUBSTANTIAL BODILY HARM; GREAT BODILY HARM.] "Bodily harm," "substantial bodily harm," and "great bodily harm" have the meanings given them in section 609.02, subdivisions 7, 7a, and 8.

Sec. 3. Minnesota Statutes 1998, section 343.21, subdivision 2, is amended to read:

Subd. 2. [~~NOURISHMENT; SHELTER; REST.~~] No person shall deprive any animal over which the person has ownership, custody, charge, or control of necessary food, water, ~~or shelter,~~ or rest, or overdrive, overload, or cruelly work an animal.

Sec. 4. Minnesota Statutes 1998, section 343.21, subdivision 7, is amended to read:

Subd. 7. [~~CRUELTY.~~] No person shall willfully, intentionally, or knowingly instigate or in any way further any act of cruelty to any animal or animals, or any act or omission tending to produce cruelty to animals.

Sec. 5. Minnesota Statutes 1998, section 343.21, is amended by adding a subdivision to read:

Subd. 8a. [DOGS AND CATS IN MOTOR VEHICLES.] A person may not leave a dog or cat unattended in a standing or parked motor vehicle in a manner that endangers the dog's or cat's health or safety. A peace officer, as defined in section 626.84, a humane agent, an animal control officer, or a volunteer or professional member of a fire or rescue department of a political subdivision may use reasonable force to enter a motor vehicle and remove a dog or cat that has been left in the vehicle in violation of this subdivision. The officer, agent, or member removing a dog or cat under this subdivision shall use reasonable means to communicate with the owner of the dog or cat to arrange for its return home. If the officer, agent, or member removing a dog or cat under this subdivision is unable to communicate with the owner, the person may take the dog or cat to an animal shelter, or, if the animal is in distress, to a licensed veterinarian.

Sec. 6. Minnesota Statutes 1998, section 343.21, is amended by adding a subdivision to read:

Subd. 9a. [~~PENALTY.~~] (a) A violation of subdivision 2 or 7 that results in great bodily harm or death is a felony. A person guilty of a violation of subdivision 2 or 7 may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

(b) A violation of subdivision 2 or 7 that results in substantial bodily harm is a gross

misdemeanor. A person convicted of a second or subsequent violation under this paragraph within three years of a previous violation is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

(c) A violation of subdivision 2 or 7 that results in bodily harm is a misdemeanor. A person convicted of a second or subsequent violation under this paragraph within three years of a previous violation is guilty of a gross misdemeanor.

(d) A violation of subdivision 3, 4, 5, 6, 8, or 8a is a misdemeanor. A person convicted of a second or subsequent violation under this paragraph within three years of a previous violation is guilty of a gross misdemeanor.

Sec. 7. Minnesota Statutes 1998, section 343.21, subdivision 10, is amended to read:

Subd. 10. [RESTRICTIONS.] If a person is convicted of violating this section, the court shall require that ~~pet or companion~~ animals, as defined in section 346.36, subdivision 6, that have not been seized by a peace officer or agent and are in the custody of the person must be turned over to a peace officer or other appropriate officer or agent unless the court determines that the person is able and fit to provide adequately for an animal. If the evidence indicates lack of proper and reasonable care of an animal, the burden is on the person to affirmatively demonstrate by clear and convincing evidence that the person is able and fit to have custody of and provide adequately for an animal. The court may limit the person's further possession or custody of ~~pet or companion animals, an animal~~ and may impose other conditions the court considers appropriate, including, but not limited to:

(1) imposing a probation period during which the person may not have ownership, custody, or control of a ~~pet or companion~~ an animal;

(2) requiring periodic visits of the person by an animal control officer or agent appointed pursuant to section 343.01, subdivision 1;

(3) requiring performance by the person of community service, but not in a humane facility; and

(4) requiring the person to receive psychological or behavioral counseling.

Sec. 8. [REPEALER.]

Minnesota Statutes 1998, sections 343.21, subdivisions 1 and 9; and 346.57, are repealed."

Delete the title and insert:

"A bill for an act relating to animals; increasing certain penalties for cruelty to animals; defining acts or omissions constituting cruelty or abuse; imposing criminal penalties; amending Minnesota Statutes 1998, sections 343.20, subdivision 3, and by adding a subdivision; and 343.21, subdivisions 2, 7, 10, and by adding subdivisions; repealing Minnesota Statutes 1998, sections 343.21, subdivisions 1 and 9; and 346.57."

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

**Senator Sams from the Committee on Agriculture and Rural Development, to which was referred**

**S.F. No. 451:** A bill for an act relating to agriculture; regulating security interests in agricultural crops; modifying the treatment of certain collateral; amending Minnesota Statutes 1998, sections 336.9-203; 336.9-401; and 336.9-402.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

**Senator Sams from the Committee on Agriculture and Rural Development, to which was referred**

**S.F. No. 836:** A bill for an act relating to agriculture; changing food handlers license provisions for food processors or manufacturers operating only at the state fair or a county fair; amending Minnesota Statutes 1998, sections 28A.04, subdivision 1; and 28A.08, subdivision 3.

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

**Senator Sams from the Committee on Agriculture and Rural Development, to which was referred**

**S.F. No. 845:** A bill for an act relating to agriculture; the board of animal health; making paratuberculosis (Johne's disease) diagnosis nonpublic data; changing the name of the executive secretary of the board of animal health to the executive director; repealing limitations on the sale of cattle; amending Minnesota Statutes 1998, sections 35.02, subdivision 1; 35.04; 35.08; 35.09, subdivisions 2 and 2a; 35.67; 35.68; 35.82, subdivisions 1b, 2, and 3; 35.92, subdivision 5; and 35.93, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1998, sections 35.245; and 35.96, subdivision 4.

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

Page 1, delete section 1

Page 2, after line 15, insert:

"Sec. 3. Minnesota Statutes 1998, section 35.05, is amended to read:

35.05 [AUTHORITY OF STATE BOARD.]

(a) The state board may quarantine or kill any domestic animal infected with, or which has been exposed to, a contagious or infectious dangerous disease if it is necessary to protect the health of the domestic animals of the state.

(b) The board may regulate or prohibit the arrival in and departure from the state of infected or exposed animals and, in case of violation of any rule or prohibition, may detain any animal at its owner's expense. The board may regulate or prohibit the importation of domestic animals which, in its opinion, may injure the health of Minnesota livestock.

(c) The board may implement the United States, Voluntary Johne's Disease Herd Status Program for cattle.

(d) Rules adopted by the board under authority of this chapter must be published in the State Register."

Re-number the sections in sequence

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "nonpublic data" and insert "authorizing the board of animal health to implement a federal voluntary Johne's disease program"

Page 1, line 8, after "35.04;" insert "35.05;"

Page 1, line 11, delete everything after the semicolon

Page 1, line 12, delete everything before "repealing"

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

**Senator Ranum from the Committee on Judiciary, to which was referred**

**S.F. No. 299:** A bill for an act relating to civil actions; limiting the liability of the state and municipalities for certain claims involving Year 2000 problems; amending Minnesota Statutes 1998, section 466.03, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Page 2, line 16, before "The" insert "Without intent to preclude the courts from finding additional cases where the state or a municipality should not, in equity or good conscience, pay damages,"

Page 2, line 35, delete "The provisions of section"

Page 2, delete line 36

Page 3, delete lines 1 to 5 and insert "(a) At least 60 days before commencing or asserting a Year 2000 claim against the state or a municipality, the person bringing the claim must give the state or municipality a written notice of claim stating the time, place, and circumstances giving rise to the claim, the names of any state or municipal employees known to be involved, and the amount of compensation or other relief demanded."

Page 3, line 6, before "The" insert "(b)"

Page 3, line 10, delete "September 1, 2000" and insert "180 days after the damage or loss on which the claim is based is discovered by the plaintiff"

Page 3, delete lines 13 to 17

Page 3, line 18, delete "7" and insert "6" and delete "Without intent"

Page 3, delete lines 19 and 20

Page 3, line 21, delete everything before "the"

Page 3, line 26, delete "8" and insert "7"

Page 3, line 33, delete everything after the period

Page 3, delete lines 34 to 36

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

**Senator Novak from the Committee on Jobs, Energy and Community Development, to which was referred**

**S.F. No. 337:** A bill for an act relating to economic development; requiring the department of trade and economic development to review planning for and feasibility of a technology corridor; authorizing the board of trustees of the Minnesota state colleges and universities to accept federal money for construction of a technology center at Pine technical college.

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

Page 1, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "requiring the"

Page 1, delete lines 3 and 4

And when so amended the bill do pass and be re-referred to the Committee on Children, Families and Learning. Amendments adopted. Report adopted.

**Senator Novak from the Committee on Jobs, Energy and Community Development, to which was referred**

**S.F. No. 923:** A bill for an act relating to taxation; providing for use of the revenues derived from the mortgage and deed taxes; appropriating money; amending Minnesota Statutes 1998, sections 287.12; and 287.21, 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 1998, section 287.12, is amended to read:

287.12 [TAXES, HOW APPORTIONED.]

(a) Except as provided in paragraph (b), all taxes paid to the county treasurer under the provisions of sections 287.01 to 287.12 shall be apportioned, 97 percent to the general fund of the state, and three percent to the county revenue fund.

On or before the tenth day of each month the county treasurer shall determine and pay to the commissioner of revenue for deposit in the state treasury and credit to the general fund the state's portion of the receipts from the mortgage registration tax during the preceding month. The county treasurer shall provide any related reports requested by the commissioner of revenue.

(b) Beginning with fiscal year 2000 and each fiscal year thereafter, if the amount credited to the general fund under paragraph (a) exceeds the amount credited to the general fund under paragraph (a) for fiscal year 1997, the excess over the fiscal year 1997 amount must be credited to the community rehabilitation fund account in the housing development fund created by section 462A.20.

Sec. 2. Minnesota Statutes 1998, section 287.21, subdivision 2, is amended to read:

Subd. 2. [APPORTIONMENT OF PROCEEDS.] (a) Except as provided in paragraph (b), the proceeds of the taxes levied and collected under sections 287.21 to 287.36 shall be apportioned, 97 percent to the general fund of the state, and three percent to the county revenue fund.

(b) Beginning with fiscal year 2000 and each fiscal year thereafter, if the amount credited to the general fund under paragraph (a) exceeds the amount credited to the general fund under paragraph (a) for fiscal year 1997, the excess over the fiscal year 1997 amount must be credited to the community rehabilitation fund account in the housing development fund created by section 462A.20.

Sec. 3. Minnesota Statutes 1998, section 297A.25, is amended by adding a subdivision to read:

Subd. 79. [CONSTRUCTION MATERIALS; HOUSING PROJECTS AND HOUSING DEVELOPMENT PROJECTS.] Purchases of materials and supplies used or consumed in, and fixtures, furnishings, and equipment incorporated into, the construction or improvement of housing projects or housing development projects are exempt from the tax imposed under this section, regardless of whether purchased by the owner or a contractor, subcontractor, or builder. The tax shall be calculated and paid as if the rate in section 297A.02, subdivision 1, was in effect and a refund applied for in the manner prescribed in section 297A.15, subdivision 7. For purposes of this subdivision, "housing project" is defined pursuant to section 469.002, subdivision 15, and means the following:

(1) is owned by a housing and redevelopment authority established under sections 469.001 to 469.047 or special law or an economic development authority enabled with the powers of sections 469.001 to 469.047;

(2) has or will receive federal low-income housing tax credits and will have rents for the initial 15 years of occupancy that are no more than the maximum monthly rent allowed to be charged under the program; or

(3) has received financial assistance in the form of a loan or grant from the Minnesota housing finance agency or local government and a condition of the assistance is an agreement regarding the maximum amount of monthly rent paid."

Delete the title and insert:

"A bill for an act relating to housing; allocating a portion of mortgage and deed tax payments to housing purposes; exempting certain housing construction material purchases from the sales tax; appropriating money; amending Minnesota Statutes 1998, sections 287.12; 287.21, subdivision 2; and 297A.25, by adding a subdivision."

And when so amended the bill do pass and be re-referred to the Committee on Local and Metropolitan Government. Amendments adopted. Report adopted.

### **Senator Solon from the Committee on Commerce, to which was referred**

**S.F. No. 1205:** A bill for an act relating to insurance; regulating insurers, agents, and coverages; modifying reporting requirements; regulating the rehabilitation and liquidation of insurers; modifying certain notice and disclosure provisions; modifying certain definitions; making technical changes; amending Minnesota Statutes 1998, sections 60A.02, by adding a subdivision; 60A.052, subdivision 2, and by adding a subdivision; 60A.06, subdivisions 1 and 2; 60A.092, subdivisions 6 and 11; 60A.10, subdivision 1; 60A.111, subdivision 1; 60A.13, subdivision 1; 60A.19, subdivision 1; 60B.04, by adding a subdivision; 60B.21, subdivision 2; 60B.25; 60B.26, subdivision 1; 60B.39, subdivision 2; 60B.44, subdivisions 4, 6, and by adding subdivisions; 60D.20, subdivision 2; 60K.02, subdivision 1; 60K.03, subdivisions 2 and 3; 60K.19, subdivisions 7 and 8; 61A.60, subdivision 1; 61B.19, subdivision 3; 62A.04, subdivision 3; 62A.135, subdivision 5; 62A.50, subdivision 3; 62A.61; 62A.65, subdivision 5; 62B.04, subdivision 2; 62E.02, subdivision 1; 62E.05, subdivision 1; 62E.09; 62E.13, subdivisions 6 and 8; 62E.14, subdivision 2; 62E.15, subdivision 2; 62L.02, subdivision 24; 62L.05, subdivision 5; 62L.14, subdivision 7; 62M.01, subdivision 2; 62M.02, subdivision 7, and by adding subdivisions; 62M.15; 62S.01, subdivision 14; 62S.05, subdivision 2; 65A.01, subdivisions 1, 3, and by adding a subdivision; 65A.27, subdivision 4; 65A.29, subdivision 4; 65B.02, subdivision 2; 65B.44, subdivision 1; 65B.48, subdivision 5; 72A.125, subdivision 3; 72A.20, subdivision 29; 72B.04, subdivision 10; 79A.01, subdivision 10, and by adding a subdivision; 79A.02, subdivisions 1 and 4; 79A.03, subdivisions 6, 7, 9, 10, and by adding a subdivision; 79A.21, subdivision 2; 79A.23, subdivisions 1 and 2; and 256B.0644; proposing coding for new law in Minnesota Statutes, chapter 60B; repealing Minnesota Statutes 1998, sections 60A.11, subdivision 24a; 60B.36; 60B.44, subdivision 3; 65A.29, subdivision 12; and 79A.04, subdivision 8; Minnesota Rules, part 2780.0500, item C.

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

Page 1, after line 42, insert:

"Section 1. Minnesota Statutes 1998, section 60A.02, subdivision 1a, is amended to read:

Subd. 1a. [ASSOCIATION OR ASSOCIATIONS.] (a) "Association" or "associations" means an organized body of people who have some interest in common and that has at the onset a minimum of 100 persons; is organized and maintained in good faith for purposes other than that of obtaining insurance; and has a constitution and bylaws which provide that: (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members; (2) except for credit unions, the association or associations collect dues or solicit contributions from members; (3) the members have voting privileges and representation on the governing board and committees, which provide the members with control of the association including the purchase and administration of insurance products offered to members; and (4) the members are not, within the first 30 days of membership, directly solicited, offered, or sold an insurance policy if the policy is available as an association benefit.

(b) An association may apply to the commissioner for a waiver of the 30-day waiting period to that association. The commissioner may grant the waiver upon a finding of all at least three of the following: (1) the association is in full compliance with this subdivision; (2) sanctions have not been imposed against the association as a result of significant disciplinary action by the commissioner; and (3) at least 80 percent of the association's income comes from dues, contributions, or sources other than income from the sale of insurance; or (4) the association has been organized and maintained for at least ten years."

Page 6, after line 35, insert:

"Sec. 7. Minnesota Statutes 1998, section 60A.075, is amended by adding a subdivision to read:

Subd. 18. [POST CONVERSION ACQUISITION.] Prior to and for a period of five years following the date when the distribution of consideration to the eligible members in exchange for their membership interests is completed under a plan of conversion according to this section, no person other than the reorganized company shall directly or indirectly acquire or offer to acquire in any manner ownership or beneficial ownership of ten percent or more of any class of voting security of the reorganized company, or of any affiliate of the reorganized company which controls, directly or indirectly, a majority of the voting power of the reorganized company, without the prior approval of the commissioner. For the purposes of this subdivision, the terms "affiliate" and "person" have the meanings given in section 60D.15, and the term "reorganized company" includes any successor of the reorganized company."

Page 8, after line 6, insert:

"Payments by the reinsurer must be made directly to the ceding insurer or its receiver, except where the contract of insurance or reinsurance specifically provides for another payee for the reinsurance in the event of insolvency of the ceding insurer according to the applicable requirements of statutes, rules, or orders of the domiciliary state of the ceding insurer."

Page 10, after line 15, insert:

"Sec. 13. Minnesota Statutes 1998, section 60A.16, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE TO BE FOLLOWED.] (1) [AGREEMENT PLAN OF MERGER.] The merger or consolidation of insurance corporations can be effected only as a result of a joint agreement entered into plan of merger adopted, approved, and filed as follows:

(a) ~~The board of directors of each of such insurance corporations as desire to merge or consolidate may, by majority vote, enter into a joint agreement signed by such directors and prescribing~~ A resolution containing the plan of merger shall be approved by the affirmative vote of a majority of the directors of the board of each constituent corporation. The plan of merger shall prescribe the terms and conditions of merger or consolidation, and the mode of carrying the same into effect, with such other details and provisions as are deemed necessary. In the case of merging or consolidating stock insurance corporations or stock and mutual insurance corporations, such ~~joint agreement~~ plan of merger may prescribe that stock of one or more of such corporations shall be converted, in whole or in part, into stock or other securities of a corporation which is not a merging or consolidating corporation or into cash.

(b) The agreement plan of merger, or a summary of the plan approved by the commissioner, shall be submitted to the respective shareholders or members, as the case may be, of each of the merging or consolidating insurance corporations constituent corporation, for consideration at a regular meeting or at a special meeting duly called for the purpose of considering and acting upon the agreement, and if plan. Written notice of the meeting, which shall state that the purpose of the meeting is to consider the proposed plan of merger, shall be given to each shareholder or member entitled to vote upon the plan of merger not less than 30 nor more 60 days before the meeting. The plan of merger must be approved by the affirmative vote of the holders of two-thirds of the voting power of the shareholders or members present or represented at the meeting of each such insurance constituent corporation shall vote for the adoption of the agreement, then that fact shall be certified on the agreement by the secretary of each insurance corporation, and the agreement so

~~adopted and certified shall be signed and acknowledged by the president and secretary of each of said insurance corporations; provided, however, that in the case of a merger, except one whereby in which any shares of the surviving insurance corporation are to be converted into shares or other securities of another corporation or into cash, the agreement need not be submitted to the shareholders or members of that one of the insurance corporations into which it has been agreed the others shall be merged, but the agreement may be signed and acknowledged by the president and secretary of such insurance corporation at the direction of the board of directors. Upon receiving the approval of the shareholders or members of each constituent corporation, articles of merger shall be prepared that contain the plan of merger and a statement that the plan has been approved by each corporation under this section.~~

~~(c) The agreement so adopted, certified and acknowledged articles of merger shall be delivered to the commissioner of commerce, who, if the agreement plan of merger is reasonable and if the provisions thereof providing for any transfer of assets and assumption of liabilities are fair and equitable to the claimants and policyholders, shall place a certificate of approval on the agreement articles of merger and shall file the agreement articles in the commissioner's office, and a copy copies of the agreement articles, certified by the commissioner of commerce, shall be filed for record in the office of the secretary of state and in the offices of the county recorders of the counties in this state in which any of the corporate parties to the agreement have their home or principal offices, and of any counties in which any of the corporate parties have land, title to which will be transferred as a result of the merger or consolidation delivered to the surviving corporation or its legal representative.~~

~~(2) [ARTICLES OF INCORPORATION OF NEW COMPANY.] (a) If the joint agreement plan of merger is for a consolidation into a new insurance corporation to be formed under any law or laws of this state, articles of incorporation for such new insurance corporation shall be prepared and delivered to the commissioner of commerce together with the agreement articles of merger as provided in clause (1) hereof.~~

~~(b) Such articles shall be prepared, executed, approved, filed and recorded in the form and manner prescribed in, or applicable to, the particular law or laws under which the new insurance corporation is to be formed.~~

~~(3) [ABANDONMENT.] A proposed merger or consolidation may be abandoned at any time prior to approval by the commissioner under the provision for abandonment, if any, set forth in the plan of merger.~~

~~(4) In the case of a merger of two mutual insurance holding companies under section 60A.077, subdivision 2, paragraph (c), the procedures set forth in subdivisions 1, 2, 3, 4, and 6 of this section shall apply, subject to the following:~~

~~(a) the plan of merger must be fair and reasonable to the members of each constituent corporation;~~

~~(b) no member of either constituent corporation on the effective date of the merger shall lose membership solely on account of the merger;~~

~~(c) membership and voting rights in each respective constituent corporation for purposes of the meeting of the members held to consider the plan of merger shall be determined in accordance with the articles and bylaws of that constituent corporation as of a record date established in the plan of merger; and~~

~~(d) the commissioner may require changes to the plan or require certain undertakings from the surviving corporation to assure compliance with this clause.~~

Sec. 14. Minnesota Statutes 1998, section 60A.16, subdivision 3, is amended to read:

Subd. 3. [CONSUMMATION OF MERGER.] (1) A merger of one or more insurance corporations into a domestic insurance corporation shall be effective when the joint agreement has articles of merger have been approved and filed in the office of the commissioner of commerce, or at a later date specified in the articles of merger.

(2) A consolidation of insurance corporations into a new domestic insurance corporation shall be effective when the ~~joint agreement~~ articles of merger and the new articles of incorporation have been approved and filed in the office of the commissioner of commerce, or at a later date as specified in the plan of merger.

(3) A merger or consolidation of one or more domestic insurance corporations into a foreign insurance corporation shall be effective according to the provisions of law of the jurisdiction in which ~~such the~~ foreign insurance corporation was formed, but not until the ~~joint agreement has been adopted, certified and acknowledged, and copies thereof approved and~~ articles of merger have been filed in accordance with subdivision 2, clause (1).

Sec. 15. Minnesota Statutes 1998, section 60A.16, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF MERGER OR CONSOLIDATION.] Upon the consummation of the merger or consolidation as provided in subdivision 3, the effect of ~~such the~~ the merger or consolidation shall be:

(1) That the several corporate parties to the ~~joint agreement~~ plan of merger shall be one insurance corporation, which shall be

(a) in the case of a merger, that one of the constituent insurance corporations into which it has been agreed the others shall be merged and which shall survive the merger for that purpose, or

(b) in the case of a consolidation, the new insurance corporation into which it has been agreed the others shall be consolidated;

(2) The separate existence of the constituent insurance corporations shall cease, except that of the surviving insurance corporation in the case of a merger;

(3) The surviving or new insurance corporation, as the case may be, shall possess all the rights, privileges and franchises possessed by each of the former insurance corporations so merged or consolidated except that such surviving or new corporation shall not thereby acquire authority to engage in any insurance business or exercise any right which an insurance corporation may not be formed under the laws of this state to engage in or exercise;

(4) All the property, real, personal and mixed, of each of the constituent insurance corporations, and all debts due on whatever account to any of them, including without limitation subscriptions for shares, premiums on existing policies, and other choses in action belonging to any of them, shall be taken and be deemed to be transferred to and invested in such surviving or new insurance corporation, as the case may be, without further act or deed;

(5) The surviving or new insurance corporation shall be responsible for all the liabilities and obligations of each of the insurance corporations merged or consolidated, in accordance with the terms of the agreement for merger or consolidation; but the rights of the creditors of the constituent insurance corporations, or of any persons dealing with such insurance corporations shall not be impaired by such merger or consolidation, and any claim existing or action or proceeding pending by or against any of the constituent insurance corporations may be prosecuted to judgment as if the merger or consolidation had not taken place, or the surviving or new insurance corporation may be proceeded against or substituted in its place."

Pages 11 to 14, delete sections 12 and 13 and insert:

"Sec. 17. Minnesota Statutes 1998, section 60A.32, is amended to read:

60A.32 [RATE FILING FOR CROP HAIL INSURANCE.]

An insurer issuing policies of insurance against crop damage by hail in this state shall file its insurance rates with the commissioner. The insurance rates must be filed before ~~March 1~~ February 1 of the year in which a policy is issued."

Page 20, line 5, before the period, insert "except as provided in subdivision 2"

Page 21, after line 20, insert:

"Sec. 24. Minnesota Statutes 1998, section 60B.44, is amended by adding a subdivision to read:

Subd. 4a. [UNEARNED PREMIUMS.] Claims under nonassessable policies or contracts of coverage for unearned premiums or subscription rates or other refunds."

Page 21, line 23, delete "4a" and insert "4b"

Page 21, line 27, delete "4b" and insert "4c"

Page 28, line 33, strike "At least 15"

Page 28, strike line 34

Page 28, line 35, strike everything before "Any"

Page 29, after line 10, insert:

"Sec. 34. Minnesota Statutes 1998, section 61A.276, subdivision 2, is amended to read:

Subd. 2. [ISSUANCE.] The funding agreements may be issued to: (1) individuals; or (2) persons authorized by a state or foreign country to engage in an insurance business or subsidiaries or affiliates of these persons; or (3) entities other than individuals and other than persons authorized to engage in an insurance business, and subsidiaries and affiliates of these persons, for the following purposes: (i) to fund benefits under any employee benefit plan as defined in the Employee Retirement Income Security Act of 1974, as now or hereafter amended, maintained in the United States or in a foreign country; (ii) to fund the activities of any organization exempt from taxation under section 501(c) of the Internal Revenue Code of 1986, as amended through December 31, 1992, or of any similar organization in any foreign country; (iii) to fund any program of any state, foreign country or political subdivision thereof, or any agency or instrumentality thereof; ~~or~~ (iv) to fund any agreement providing for periodic payments in satisfaction of a claim; or (v) to fund a program of a financial institution that has assets in excess of \$100,000,000. No funding agreement shall be issued in an amount less than \$1,000,000."

Page 42, line 31, after "training" insert "and"

Page 42, line 36, delete "respective" and insert "representative" and delete "per" and insert "or"

Page 45, line 8, before "disability" insert "credit"

Page 45, line 24, after "policy" insert "or certificate"

Page 45, line 36, before "disability" insert "credit"

Page 46, after line 14, insert:

"Sec. 43. Minnesota Statutes 1998, section 62D.12, subdivision 2, is amended to read:

Subd. 2. [COVERAGE CANCELLATION; NONRENEWAL.] No health maintenance organization may cancel or fail to renew the coverage of an enrollee except for (a) failure to pay the charge for health care coverage; (b) termination of the health care plan; (c) termination of the group plan; (d) enrollee moving out of the area served, subject to section 62A.17, subdivisions 1 and 6, and section 62D.104; (e) enrollee moving out of an eligible group, subject to section 62A.17, subdivisions 1 and 6, and section 62D.104; (f) failure to make copayments required by the health care plan; ~~or~~ (g) fraud or misrepresentation by the enrollee with respect to eligibility for coverage or any other material fact; or (h) other reasons established in rules promulgated by the commissioner of health."

Page 48, after line 22, insert:

"Sec. 51. Minnesota Statutes 1998, section 62I.07, subdivision 1, is amended to read:

Subdivision 1. [GENERAL ASSESSMENT.] Each member of the association that is authorized to write property and casualty insurance in the state shall participate in its losses and expenses in the proportion that the direct written premiums of the member on the kinds of insurance in that account bears to the total aggregate direct written premiums written in this state by all members on the kinds of insurance in that account. The members' participation in the association shall be determined annually on the direct written premiums written during the preceding calendar year as reported on the annual statements and other reports filed by the member with the commissioner. Direct written premiums mean that amount at page 14, column (2), lines 5 5.1, 8, 9, 17, 21.2, 22, 23, 24, 25, 26, and 27 of the annual statement filed annually with the department of commerce under section 60A.13."

Page 49, after line 16, insert:

"(14) a health plan; or"

Page 49, line 17, strike "(14)" and insert "(15)"

Page 49, lines 19 and 20, delete the new language

Page 49, after line 20, insert:

"Sec. 53. Minnesota Statutes 1998, section 62L.03, subdivision 5, is amended to read:

Subd. 5. [CANCELLATIONS AND FAILURES TO RENEW.] (a) No health carrier shall cancel, decline to issue, or fail to renew a health benefit plan as a result of the claim experience or health status of the persons covered or to be covered by the health benefit plan. For purposes of this subdivision, a failure to renew does not include a uniform modification of coverage at time of renewal, as described in subdivision 1.

(b) A health carrier may cancel or fail to renew a health benefit plan:

- (1) for nonpayment of the required premium;
- (2) for fraud or misrepresentation by the small employer with respect to eligibility for coverage or any other material fact;
- (3) if the employer fails to comply with the minimum contribution percentage required under subdivision 3; or
- (4) for any other reasons or grounds expressly permitted by the respective licensing laws and regulations governing a health carrier, including, but not limited to, service area restrictions imposed on health maintenance organizations under section 62D.03, subdivision 4, paragraph (m), to the extent that these grounds are not expressly inconsistent with this chapter.

(c) A health carrier may fail to renew a health benefit plan:

- (1) if eligible employee participation during the preceding calendar year declines to less than 75 percent, subject to the waiver of coverage provision in subdivision 3;
- (2) if the health carrier ceases to do business in the small employer market under section 62L.09; or
- (3) if a failure to renew is based upon the health carrier's decision to discontinue the health benefit plan form previously issued to the small employer, but only if the health carrier permits each small employer covered under the prior form to switch to its choice of any other health benefit plan offered by the health carrier, without any underwriting restrictions that would not have been permitted for renewal purposes.

(d) A health carrier need not renew a health benefit plan, and shall not renew a small employer plan, if an employer ceases to qualify as a small employer as defined in section 62L.02. If a health benefit plan, other than a small employer plan, provides terms of renewal that do not exclude an employer that is no longer a small employer, the health benefit plan may be renewed according to

its own terms. If a health carrier issues or renews a health plan to an employer that is no longer a small employer, without interruption of coverage, the health plan is subject to section 60A.082.

(e) A health carrier may cancel or fail to renew the coverage of an individual employee or dependent under a health benefit plan for fraud or misrepresentation by the eligible employee or dependent with respect to eligibility for coverage or any other material fact."

Pages 50 and 51, delete sections 47 to 51 and insert:

"Sec. 56. Minnesota Statutes 1998, section 62Q.185, is amended to read:

62Q.185 [GUARANTEED RENEWABILITY; LARGE EMPLOYER GROUP HEALTH COVERAGE.]

(a) No health plan company, as defined in section 62Q.01, subdivision 4, shall refuse to renew a health benefit plan, as defined in section 62L.02, subdivision 15, but issued to a large employer, as defined in section 62Q.18, subdivision 1.

(b) This section does not require renewal if:

(1) the large employer has failed to pay premiums or contributions as required under the terms of the health benefit plan, or the health plan company has not received timely premium payments unless the late payments were received within a grace period provided under state law;

(2) the large employer has performed an act or practice that constitutes fraud or misrepresentation of material fact under the terms of the health benefit plan;

(3) the large employer has failed to comply with a material plan provision relating to employer contribution or group participation rules not prohibited by state law;

(4) the health plan company is ceasing to offer coverage in the large employer market in this state in compliance with United States Code, title 42, section 300gg-12(c), and applicable state law;

(5) in the case of a health maintenance organization, there is no longer any enrollee in the large employer's health benefit plan who lives, resides, or works in the approved service area; or

(6) in the case of a health benefit plan made available to large employers only through one or more bona fide associations, the membership of the large employer in the association ceases, but only if such coverage is terminated uniformly without regard to any health-related factor relating to any covered individual.

(c) This section does not prohibit a health plan company from modifying the premium rate or from modifying the coverage for purposes of renewal.

(d) This section does not require renewal of the coverage of individual enrollees under the health benefit plan if the individual enrollee has performed an act or practice that constitutes fraud or misrepresentation of material fact under the terms of the health benefit plan."

Page 59, line 36, delete "homeowners" and insert "homeowner's"

Page 60, line 1, delete "homeowners" and insert "homeowner's"

Page 60, delete lines 28 to 30 and insert "required to file proof of financial responsibility with the commissioner of public safety in accordance with the provisions of this chapter a certificate of insurance, and"

Page 62, line 17, strike "services" and insert "service plan"

Page 64, after line 22, insert:

"Sec. 73. Minnesota Statutes 1998, section 79A.02, subdivision 3, is amended to read:

Subd. 3. [AUDIT OF SELF-INSURANCE APPLICATION.] (a) The self-insurer's security fund ~~shall~~ may retain a certified public accountant ~~who shall~~ to perform services for, and report directly to, the commissioner of commerce. When requested by the workers' compensation self-insurers' advisory committee, the certified public accountant shall review each an application to self-insure, including the applicant's financial data. The certified public accountant shall provide a report to the commissioner of commerce indicating whether ~~the~~ that applicant has met the requirements of section 79A.03, subdivisions 2 and 3. Additionally, ~~the~~ certified public accountant shall provide advice and counsel to the commissioner about relevant facts regarding ~~the~~ that applicant's financial condition.

(b) If the report of the certified public accountant is used by the commissioner as the basis for the commissioner's determination regarding the applicant's self-insurance status, the certified public accountant shall be made available to the commissioner for any hearings or other proceedings arising from that determination.

(c) The commissioner shall provide the advisory committee with the summary report by the certified public accountant and any financial data in possession of the department of commerce that is otherwise available to the public.

The cost of the review shall be the obligation of the self-insurer's security fund."

Page 65, line 33, after "submitting" insert ", at least 45 days before joining the group"

Page 66, line 1, delete everything after "accountant"

Page 66, line 2, delete "group"

Page 66, line 20, after "depository" insert a comma

Page 70, after line 12, insert:

"Sec. 80. Minnesota Statutes 1998, section 79A.06, subdivision 5, is amended to read:

Subd. 5. [PRIVATE EMPLOYERS WHO HAVE CEASED TO BE SELF-INSURED.] (a) Private employers who have ceased to be private self-insurers shall discharge their continuing obligations to secure the payment of compensation which is accrued during the period of self-insurance, for purposes of Laws 1988, chapter 674, sections 1 to 21, by compliance with all of the following obligations of current certificate holders:

(1) Filing reports with the commissioner to carry out the requirements of this chapter;

(2) Depositing and maintaining a security deposit for accrued liability for the payment of any compensation which may become due, pursuant to chapter 176. However, if a private employer who has ceased to be a private self-insurer purchases an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the entire period the employer was self-insured, whether or not reported during that period, the policy will:

(i) discharge the obligation of the employer to maintain a security deposit for the payment of the claims covered under the policy;

(ii) discharge any obligation which the self-insurers' security fund has or may have for payment of all claims for compensation arising out of injuries occurring during the period the employer was self-insured, whether or not reported during that period; and

(iii) discharge the obligations of the employer to pay any future assessments to the self-insurers' security fund.

A private employer who has ceased to be a private self-insurer may instead buy an insurance policy described above, except that it covers only a portion of the period of time during which the private employer was self-insured; purchase of such a policy discharges any obligation that the self-insurers' security fund has or may have for payment of all claims for compensation arising out

of injuries occurring during the period for which the policy provides coverage, whether or not reported during that period.

The A policy described in this clause may not be issued by an insurer unless it has previously been approved as to form and substance by the commissioner; and

(3) Paying within 30 days all assessments of which notice is sent by the security fund, for a period of seven years from the last day its certificate of self-insurance was in effect. Thereafter, the private employer who has ceased to be a private self-insurer may either: (i) continue to pay within 30 days all assessments of which notice is sent by the security fund until it has no incurred liabilities for the payment of compensation arising out of injuries during the period of self-insurance; or (ii) pay the security fund a cash payment equal to four percent of the net present value of all remaining incurred liabilities for the payment of compensation under sections 176.101 and 176.111 as certified by a member of the casualty actuarial society. Assessments shall be based on the benefits paid by the employer during the calendar year immediately preceding the calendar year in which the employer's right to self-insure is terminated or withdrawn.

(b) With respect to a self-insurer who terminates its self-insurance authority after April 1, 1998, that member shall obtain and file with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability from medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment before termination.

(c) A former member who terminated its self-insurance authority before April 1, 1998, who has paid assessments to the self-insurers' security fund for seven years, and whose annualized assessment is \$500 or less, may buy out of its outstanding liabilities to the self-insurers' security fund by an amount calculated as follows: 1.35 multiplied by the indemnity case reserves at the time of the calculation, multiplied by the then current self-insurers' security fund annualized assessment rate.

(d) A former member who terminated its self-insurance authority before April 1, 1998, and who is paying assessments within the first seven years after ceasing to be self-insured under paragraph (a), clause (3), may elect to buy out its outstanding liabilities to the self-insurers' security fund by obtaining and filing with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability from medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment.

(e) A former member who has paid the security fund according to paragraphs (b) to (d) and subsequently receives authority from the commissioner to again self-insure shall be assessed under section 79A.12, subdivision 2, only on indemnity benefits paid on injuries that occurred after the former member received authority to self-insure again; provided that the member furnishes verified data regarding those benefits to the security fund.

(f) In addition to proceedings to establish liabilities and penalties otherwise provided, a failure to comply may be the subject of a proceeding before the commissioner. An appeal from the commissioner's determination may be taken pursuant to the contested case procedures of chapter 14 within 30 days of the commissioner's written determination.

Any current or past member of the self-insurers' security fund is subject to service of process on any claim arising out of chapter 176 or this chapter in the manner provided by section 5.25, or as otherwise provided by law. The issuance of a certificate to self-insure to the private self-insured

employer shall be deemed to be the agreement that any process which is served in accordance with this section shall be of the same legal force and effect as if served personally within this state.

Sec. 81. Minnesota Statutes 1998, section 79A.06, is amended by adding a subdivision to read:

Subd. 6. [PRIVATE EMPLOYERS WHO ARE SELF-INSURED.] Private employers who are currently self-insurers may also purchase a policy described in subdivision 5, paragraph (a), clause (2), of this section, with the same effect as specified in that clause for the period covered by the policy."

Page 76, delete section 78

Page 76, line 24, delete "subdivision 3" and insert "subdivisions 3 and 5"

Page 76, after line 26, insert:

"Sec. 87. [EFFECTIVE DATES.]

Sections 1, 7, 51, 73, 80, and 81 are effective the day following final enactment. Sections 13 to 15 are effective the day following final enactment and apply to plans of merger approved on or after that date by the board of directors of the first of the constituent corporations to grant such approval. Merging or consolidating insurance corporations may, however, elect to have the changes made by sections 13 to 15 not apply to a merger or consolidation arising out of a joint agreement entered into prior to January 1, 2000."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, before "by" insert "subdivision 1a, and"

Page 1, line 10, after "2;" insert "60A.075, by adding a subdivision;"

Page 1, line 12, after the first semicolon, insert "60A.16, subdivisions 2, 3, and 4;" and delete "60B.04, by" and insert "60A.32;"

Page 1, line 13, delete "adding a subdivision;"

Page 1, line 17, after "8;" insert "61A.276, subdivision 2;"

Page 1, line 21, after "2;" insert "62D.12, subdivision 2;"

Page 1, line 23, after the second semicolon, insert "62I.07, subdivision 1;"

Page 1, line 24, after "24;" insert "62L.03, subdivision 5;"

Page 1, delete lines 25 and 26 and insert "subdivision 7; 62Q.185;"

Page 1, line 34, after "1" insert ", 3,"

Page 1, line 35, after the semicolon, insert "79A.06, subdivision 5, and by adding a subdivision;"

Page 1, line 40, delete "subdivision 3" and insert "subdivisions 3 and 5"

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 1176, 534, 296, 381, 616, 382, 346, 820, 836, 845, 299 and 1205 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. No. 157 was read the second time.

**MOTIONS AND RESOLUTIONS**

Senator Larson moved that the name of Senator Day be added as a co-author to S.F. No. 6. The motion prevailed.

Senator Marty moved that the name of Senator Price be added as a co-author to S.F. No. 295. The motion prevailed.

Senator Wiger moved that the name of Senator Ten Eyck be added as a co-author to S.F. No. 621. The motion prevailed.

Senator Pappas moved that the name of Senator Robling be added as a co-author to S.F. No. 755. The motion prevailed.

Senator Ourada moved that the name of Senator Piper be added as a co-author to S.F. No. 1238. The motion prevailed.

Senator Wiger moved that the name of Senator Johnson, J.B. be added as a co-author to S.F. No. 1278. The motion prevailed.

Senator Berglin moved that the name of Senator Terwilliger be added as a co-author to S.F. No. 1292. The motion prevailed.

Senator Olson moved that the name of Senator Junge be added as a co-author to S.F. No. 1303. The motion prevailed.

Senator Day moved that his name be stricken as a co-author to S.F. No. 1328. The motion prevailed.

Senator Belanger moved that his name be stricken as a co-author to S.F. No. 1342. The motion prevailed.

Senator Runbeck moved that S.F. No. 927 be withdrawn from the Committee on Commerce and returned to its author. The motion prevailed.

Senator Ranum moved that S.F. No. 846 be withdrawn from the Committee on Health and Family Security and re-referred to the Committee on Governmental Operations and Veterans. The motion prevailed.

**Senator Lourey introduced--**

**Senate Resolution No. 43:** A Senate resolution memorializing the life and service of Brenda HagE.

Referred to the Committee on Rules and Administration.

Senator Langseth moved that S.F. No. 1066 be withdrawn from the Committee on Local and Metropolitan Government and re-referred to the Committee on Taxes. The motion prevailed.

Senator Johnson, J.B. moved that S.F. No. 1277 be withdrawn from the Committee on Children, Families and Learning and re-referred to the Committee on Jobs, Energy and Community Development. The motion prevailed.

Senator Anderson moved that S.F. No. 962 be withdrawn from the Committee on Local and Metropolitan Government and re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Senator Scheevel moved that S.F. No. 605 be withdrawn from the Committee on Taxes and re-referred to the Committee on Children, Families and Learning. The motion prevailed.

### CALENDAR

**H.F. No. 49:** A bill for an act relating to public employees; making certain changes relating to health coverage for survivors of police officers and firefighters killed in the line of duty; amending Minnesota Statutes 1998, section 299A.465, subdivision 2.

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

So the bill passed and its title was agreed to.

**H.F. No. 302:** A bill for an act relating to municipal contracting; authorizing ambulance services to participate in shared service purchasing; amending Minnesota Statutes 1998, section 471.345, subdivision 10.

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 59 and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Betzold

So the bill passed and its title was agreed to.

**CONSENT CALENDAR**

**H.F. No. 454:** A bill for an act relating to health; modifying requirements for nursing home administrators; amending Minnesota Statutes 1998, section 144A.04, subdivisions 5 and 7a.

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

So the bill passed and its title was agreed to.

**S.F. No. 649:** A bill for an act relating to health; modifying the definition of public water supply; amending Minnesota Statutes 1998, section 144.382, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**GENERAL ORDERS**

The Senate resolved itself into a Committee of the Whole, with Senator Higgins in the chair.

After some time spent therein, the committee arose, and Senator Higgins reported that the committee had considered the following:

S.F. Nos. 122, 540, 257, 609, 184, 129 and H.F. Nos. 544, 137, which the committee recommends to pass.

S.F. No. 519, which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S.F. No. 519.

The roll was called, and there were yeas 30 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Krentz	Pappas	Sams
Berglin	Hottinger	Lourey	Piper	Scheid
Betzold	Johnson, D.H.	Marty	Pogemiller	Stumpf
Cohen	Johnson, J.B.	Metzen	Price	Ten Eyck
Flynn	Kelley, S.P.	Moe, R.D.	Ranum	Vickerman
Foley	Kelley, R.C.	Morse	Robertson	Wiener

Those who voted in the negative were:

Belanger	Hanson	Lesewski	Ourada	Solon
Berg	Junge	Lessard	Pariseau	Spear
Day	Kiscaden	Limmer	Robling	Stevens
Dille	Kleis	Neuville	Runbeck	Terwilliger
Fischbach	Knutson	Oliver	Samuelson	
Frederickson	Larson	Olson	Scheevel	

The motion prevailed. So S.F. No. 519 was recommended to pass.

H.F. No. 56, which the committee recommends to pass with the following amendment offered by Senator Betzold:

Amend H.F. No. 56, as amended pursuant to Rule 49, adopted by the Senate March 1, 1999, as follows:

(The text of the amended House File is identical to S.F. No. 90.)

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1998, section 541.07, is amended to read:

541.07 [TWO- OR THREE-YEAR LIMITATIONS.]

Except where the Uniform Commercial Code, this section, section 148A.06, ~~or section 541.073, or 541.076~~ otherwise prescribes, the following actions shall be commenced within two years:

(1) for libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against ~~physicians, surgeons, dentists, occupational therapists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156, hospitals, sanitariums,~~ for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counterclaim may be pleaded as a defense to any action for services brought by a ~~physician, surgeon, dentist, occupational therapists, or other health care professional or veterinarian, hospital or sanitarium,~~ after the limitations herein described notwithstanding it is barred by the provisions of this chapter, period if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) upon a statute for a penalty or forfeiture, except as provided in sections 541.074 and 541.075;

(3) for damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the preemption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;

(5) for the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years. (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages" means single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) for damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide."

Page 3, line 1, delete "veterinarian as defined in chapter 156,"

The motion prevailed. So the amendment was adopted.

S.F. No. 333, which the committee recommends to pass with the following amendment offered by Senator Limmer:

Page 1, after line 10, insert:

"Section 1. [13C.031] [DISCLOSURE TO CONSUMER OF REPORT RECIPIENTS.]

Within ten days after a person procures a consumer report from a consumer reporting agency, the consumer reporting agency shall disclose to the consumer that the consumer report was procured. The disclosure must identify the person who procured the report, including:

(1) the name of the person or, if applicable, trade name under which the person conducts business; and

(2) the address and telephone number of the person."

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. 663, which the committee recommends to pass with the following amendment offered by Senator Krentz:

Page 3, line 25, delete the new language and strike the old language

Page 3, strike line 26

Page 3, line 27, strike everything before "Any" and insert "Local authorities must erect appropriate signs designating the school zone speed limit and indicating the beginning and end of the reduced speed zone in all school zones located on streets and highways under their respective jurisdictions. The commissioner of transportation must erect such signs in each school zone on a trunk highway. The school zone speed limit shall be effective upon the erection of these signs."

Page 3, strike lines 29 to 31

The motion prevailed. So the amendment was adopted.

On motion of Senator Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Senator Lesewski moved that S.F. No. 586 be withdrawn from the Committee on Taxes and re-referred to the Committee on Children, Families and Learning. The motion prevailed.

Senator Solon moved that S.F. No. 376 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Local and Metropolitan Government. The motion prevailed.

Senator Ten Eyck moved that S.F. No. 1308 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Governmental Operations and Veterans. The motion prevailed.

### RECESS

Senator Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Senator Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 414: Senators Hanson, Stumpf and Dille.

Senator Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

#### **Senators Spear, Foley and Knutson introduced--**

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

Referred to the Committee on Crime Prevention.

#### **Senators Kelly, R.C.; Kleis and Wiger introduced--**

**S.F. No. 1383:** A bill for an act relating to crime; requiring individuals convicted of certain predatory crimes to provide a biological specimen for DNA analysis; amending Minnesota Statutes 1998, section 609.3461, subdivisions 1 and 2.

Referred to the Committee on Crime Prevention.

#### **Senator Limmer introduced--**

**S.F. No. 1384:** A bill for an act relating to nuisances; distinguishing between large and small

buildings for purposes of proving a public nuisance; requiring the police authority and the prosecuting attorney to present landlords with evidence of criminal activity; repealing the law that authorizes neighborhood groups to bring a nuisance action; amending Minnesota Statutes 1998, section 617.81, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1998, section 617.89.

Referred to the Committee on Judiciary.

**Senators Kleis, Fischbach and Stevens introduced--**

**S.F. No. 1385:** A bill for an act relating to taxes; sales and use taxes; exempting the purchase of construction materials used in building the Central Minnesota events center; amending Minnesota Statutes 1998, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes.

**Senator Spear introduced--**

**S.F. No. 1386:** A bill for an act relating to appropriations; appropriating money to mitigate flooding at Lake of the Isles.

Referred to the Committee on Environment and Natural Resources.

**Senator Samuelson introduced--**

**S.F. No. 1387:** A bill for an act relating to education; authorizing funding for an occupational skills instructor; appropriating money.

Referred to the Committee on Children, Families and Learning.

**Senators Lourey and Piper introduced--**

**S.F. No. 1388:** A bill for an act relating to agriculture; requiring a pollution control agency animal feedlot registry; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Agriculture and Rural Development.

**Senators Betzold, Ranum and Knutson introduced--**

**S.F. No. 1389:** A bill for an act relating to government data; clarifying and providing for data classifications; simplifying terminology for data classifications; amending Minnesota Statutes 1998, sections 3.97, subdivision 11; 6.715, subdivision 2; 10A.02, subdivision 12; 13.02, subdivisions 3, 12, 14, and by adding subdivisions; 13.03; 13.04; 13.05, subdivisions 1, 4, 6, 8, and 9; 13.06; 13.072; 13.073, subdivisions 3 and 4; 13.08; 13.10, subdivisions 2 and 3; 13.30; 13.31; 13.32, subdivision 1; 13.34; 13.35; 13.36; 13.37, subdivision 2; 13.39; 13.392, subdivision 1; 13.40, subdivisions 1 and 3; 13.41, subdivisions 2, 2a, 3, and 4; 13.42, subdivision 2; 13.43; 13.44; 13.45; 13.46, subdivisions 2, 3, 4, 8, 10, and 11; 13.48; 13.50; 13.51; 13.511; 13.52; 13.521; 13.53; 13.531; 13.54, subdivisions 2 and 4; 13.55, subdivisions 1 and 2; 13.551; 13.57; 13.59; 13.61; 13.62; 13.621; 13.622; 13.64; 13.643, subdivision 1; 13.645; 13.646, subdivision 2; 13.65, subdivisions 2 and 3; 13.66; 13.67; 13.671; 13.68; 13.69, subdivision 1; 13.71; 13.72; 13.74; 13.75; 13.76, subdivisions 1 and 2; 13.761; 13.77, subdivision 1; 13.78; 13.79; 13.793; 13.80; 13.82, subdivisions 5, 5b, 5d, 5e, 8, 12, 13, 14, 15, and 16; 13.83, subdivisions 4, 7, 8, and 9; 13.84, subdivisions 2 and 3; 13.85, subdivisions 2 and 3; 13.86, subdivision 2; 13.87, subdivision 2; 13.88; 16A.672, subdivision 11; 16D.06, subdivision 2; 17.117, subdivision 12; 17.498; 17.694, subdivision 1; 18B.38, subdivision 2; 27.04, subdivision 2; 31A.27, subdivision 3; 32.19; 32.71, subdivision 2; 41B.211, subdivision 2; 44A.08, subdivision 2; 45.012; 46.041, subdivision 1; 46.07, subdivisions 2 and 3; 47.66; 53A.081, subdivision 4; 60A.03, subdivision 9; 60A.031, subdivision 4; 60A.135, subdivision 4; 60A.208, subdivision 7; 60A.67, subdivision 1;

60A.93; 60A.968, subdivision 2; 60B.14, subdivision 3; 60C.14, subdivision 2; 60D.22; 60K.10; 62C.17, subdivision 4; 62E.13, subdivision 11; 62G.20, subdivision 3; 62J.152, subdivision 7; 62J.23, subdivision 2; 62J.321, subdivision 5; 62J.452, subdivisions 2, 5, and 9; 62J.79, subdivision 4; 62L.10, subdivision 3; 62Q.03, subdivision 9; 72A.20, subdivision 15; 79A.02, subdivision 2; 115A.84, subdivision 5; 115A.882, subdivision 3; 115A.93, subdivision 5; 115B.17, subdivision 5; 115B.24, subdivision 5; 115C.03, subdivision 8; 115D.09; 116.075, subdivision 2; 116.54; 116C.840, subdivision 2; 116O.03, subdivisions 6 and 7; 116R.02, subdivision 3; 116S.02, subdivision 8; 136A.64, subdivision 2; 144.147, subdivision 5; 144.225, subdivision 6; 144.4186, subdivision 1; 144.581, subdivision 5; 145.64, subdivision 3; 156.082; 169.09, subdivision 13; 171.31; 171.32, subdivisions 1 and 3; 174.30, subdivision 9; 175.24; 175.27; 176.184, subdivision 5; 176.231, subdivision 8; 182.668, subdivision 2; 196.08; 214.25, subdivision 1; 214.35; 216C.17, subdivision 4; 216C.37, subdivision 3b; 221.0355, subdivision 9; 223.17, subdivision 6; 254A.09; 256.01, subdivision 12; 256.9744, subdivision 1; 257.56, subdivision 1; 257.70; 259.10, subdivision 2; 268.19; 268A.05, subdivision 1; 270B.02; 272.115, subdivision 1; 295.57, subdivision 2; 297B.12; 297D.13, subdivision 1; 297E.03, subdivision 8; 298.48, subdivisions 2 and 4; 299A.61, subdivision 2; 299C.065, subdivision 4; 299F.095; 299F.096, subdivision 1; 299J.13, subdivision 3; 319B.11, subdivision 6; 326.3382, subdivision 3; 363.061, subdivisions 2 and 3; 383B.217, subdivision 7; 383B.225, subdivision 6; 390.11, subdivision 7; 390.32, subdivision 6; 400.08, subdivision 4; 446A.11, subdivision 11; 469.154, subdivision 2; 471.617, subdivision 5; 473.598, subdivision 4; 473.6671, subdivision 3; 473.843, subdivision 4; 475.55, subdivision 6; 583.29; 626.53, subdivision 1; and 626.558, subdivision 3; repealing Minnesota Statutes 1998, sections 13.02, subdivisions 4, 8a, 9, 13, and 15; 13.10, subdivision 1; 13.528; 13.54, subdivisions 3 and 5; 13.77, subdivision 2; 144.58; and 297D.13, subdivisions 2 and 3.

Referred to the Committee on Judiciary.

**Senators Johnson, D.E. and Lesewski introduced--**

**S.F. No. 1390:** A bill for an act relating to taxes; exempting the purchase of certain property used in constructing a multipurpose center in the city of Granite Falls from sales and use taxes; amending Minnesota Statutes 1998, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes.

**Senators Piper, Samuelson, Stevens and Sams introduced--**

**S.F. No. 1391:** A bill for an act relating to occupations and professions; modifying practical examination requirements for chiropractors licensed in other states; amending Minnesota Statutes 1998, section 148.06, subdivision 1.

Referred to the Committee on Health and Family Security.

**Senator Sams introduced--**

**S.F. No. 1392:** A bill for an act relating to liquor; authorizing Detroit Lakes to issue one additional on-sale intoxicating liquor license.

Referred to the Committee on Commerce.

**Senators Robertson, Runbeck, Stevens, Metzen and Cohen introduced--**

**S.F. No. 1393:** A bill for an act relating to charitable organizations; requiring annual reports to include information on funding received from government agencies; amending Minnesota Statutes 1998, section 309.53, by adding a subdivision.

Referred to the Committee on Commerce.

**Senators Ten Eyck and Morse introduced--**

**S.F. No. 1394:** A bill for an act relating to minimum fire state aid; expanding eligibility to post-1993 relief associations; amending Minnesota Statutes 1998, section 69.021, subdivision 7.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Lourey and Stumpf introduced--**

**S.F. No. 1395:** A bill for an act relating to health; modifying the definition of gross income under the MinnesotaCare program; amending Minnesota Statutes 1998, section 256L.01, subdivision 4.

Referred to the Committee on Health and Family Security.

**Senators Kleis, Ten Eyck, Morse, Murphy and Hottinger introduced--**

**S.F. No. 1396:** A bill for an act relating to education; changing the calculation of state grants; amending Minnesota Statutes 1998, section 136A.121, subdivision 5.

Referred to the Committee on Children, Families and Learning.

**Senators Hottinger, Kleis, Ten Eyck, Morse and Murphy introduced--**

**S.F. No. 1397:** A bill for an act relating to income taxes; providing a credit for certain higher education expenses; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

**Senators Novak, Frederickson, Janezich, Anderson and Johnson, D.H. introduced--**

**S.F. No. 1398:** A bill for an act relating to appropriations; appropriating money for WomenVenture and the Metropolitan Economic Development Association.

Referred to the Committee on Jobs, Energy and Community Development.

**Senators Foley, Marty, Janezich, Lourey and Fischbach introduced--**

**S.F. No. 1399:** A bill for an act relating to adult basic education; defining basic service levels; providing aid; appropriating money; amending Minnesota Statutes 1998, sections 124D.52, by adding a subdivision; and 124D.53, by adding a subdivision.

Referred to the Committee on Children, Families and Learning.

**Senators Novak, Scheid, Wiener, Belanger and Metzen introduced--**

**S.F. No. 1400:** A bill for an act relating to property taxes; extending the education credit to seasonal recreational property; changing the name to general education credit; amending Minnesota Statutes 1998, sections 273.1382; and 275.08, subdivision 1e.

Referred to the Committee on Local and Metropolitan Government.

**Senator Laidig introduced--**

**S.F. No. 1401:** A bill for an act relating to liquor; authorizing additional on-sale licenses for the city of Stillwater.

Referred to the Committee on Commerce.

**Senator Flynn introduced--**

**S.F. No. 1402:** A bill for an act relating to state lands; authorizing the commissioner of natural resources to enter into a lease of land at Fort Snelling.

Referred to the Committee on Environment and Natural Resources.

**Senator Belanger introduced--**

**S.F. No. 1403:** A bill for an act relating to taxation; property; exempting noncommercial seasonal residential property from school levies; amending Minnesota Statutes 1998, section 275.08, subdivision 1b.

Referred to the Committee on Children, Families and Learning.

**Senators Johnson, D.H.; Ten Eyck; Anderson and Kleis introduced--**

**S.F. No. 1404:** A bill for an act relating to crime; providing criminal penalties for possessing and disseminating pornographic work depicting a minor; including computer-generated or computer-altered images within the definition of pornographic work; amending Minnesota Statutes 1998, sections 617.246, subdivisions 1, 2, 3, 4, and by adding a subdivision; and 617.247, subdivisions 1, 2, 3, 4, and by adding a subdivision.

Referred to the Committee on Crime Prevention.

**Senators Stumpf, Hanson and Lessard introduced--**

**S.F. No. 1405:** A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Roseau county.

Referred to the Committee on Environment and Natural Resources.

**Senators Johnson, D.E. and Pogemiller introduced--**

**S.F. No. 1406:** A bill for an act relating to education; appropriating money for enhanced pairing combination aid.

Referred to the Committee on Children, Families and Learning.

**Senator Hottinger introduced--**

**S.F. No. 1407:** A bill for an act relating to insurance; regulating nonrenewals of homeowner's insurance; prohibiting various discriminatory practices in automobile and homeowner's insurance; amending Minnesota Statutes 1998, sections 65A.29, subdivision 8; 65B.13; and 72A.20, subdivision 13.

Referred to the Committee on Commerce.

**Senator Hottinger introduced--**

**S.F. No. 1408:** A bill for an act relating to children; appropriating money for the South Central Children's Project.

Referred to the Committee on Children, Families and Learning.

**Senators Sams and Samuelson introduced--**

**S.F. No. 1409:** A bill for an act relating to human services; providing a rate increase for a nursing facility; amending Minnesota Statutes 1998, section 256B.434, by adding a subdivision.

Referred to the Committee on Health and Family Security.

**Senator Cohen introduced--**

**S.F. No. 1410:** A bill for an act relating to capital improvements; appropriating money to enhance the West Seventh Street/Gateway area.

Referred to the Committee on Jobs, Energy and Community Development.

**Senators Janezich, Foley, Higgins, Terwilliger and Wiger introduced--**

**S.F. No. 1411:** A bill for an act relating to child care; modifying child care improvement grants; appropriating money; amending Minnesota Statutes 1998, section 119B.25, subdivision 3.

Referred to the Committee on Children, Families and Learning.

**Senators Bermlin, Terwilliger, Ten Eyck, Hottinger and Ranum introduced--**

**S.F. No. 1412:** A bill for an act relating to human services; requiring the commissioner of human services to develop proposals to implement medical assistance reimbursement for mental health and other treatment in children's residential treatment programs, rehabilitation services for adults with mental illness or other disabilities, and targeted case management services for vulnerable adults; amending Minnesota Statutes 1998, section 245.4932, by adding a subdivision.

Referred to the Committee on Health and Family Security.

**Senators Krentz, Robertson and Scheevel introduced--**

**S.F. No. 1413:** A bill for an act relating to education; implementing the recommendations of the task force on transitional issues affecting state board of education powers and duties; amending Minnesota Statutes 1998, sections 120B.30, subdivision 1; 122A.19, subdivision 4; 122A.20, subdivisions 1 and 2; 122A.21; 123B.83, subdivision 4; 124D.19, subdivision 11; 124D.86, subdivisions 1 and 3; 124D.89, subdivision 1; 124D.94, subdivision 3; 125A.09, subdivision 11; 127A.05, subdivision 1; 127A.41, subdivision 5; 127A.42, subdivisions 5 and 6; 127A.60, subdivision 1; 127A.66, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 127A; repealing Minnesota Statutes 1998, sections 127A.42, subdivision 8; 127A.60, subdivisions 2, 3, and 4; 127A.61; 127A.62, subdivision 2; 127A.64; and 127A.66, subdivision 1.

Referred to the Committee on Children, Families and Learning.

**Senators Belanger; Johnson, D.H.; Johnson, D.J.; Hottinger and Vickerman introduced--**

**S.F. No. 1414:** A bill for an act relating to tax increment financing; authorizing pooling to make up deficits caused by property tax changes enacted in 1997 and 1998; amending Minnesota Statutes 1998, section 469.1763, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

**Senators Runbeck; Johnson, D.H.; Neuville and Foley introduced--**

**S.F. No. 1415:** A bill for an act relating to education; requiring schools and libraries that provide Internet access to restrict certain materials from minors; requiring school districts to adopt or amend policies on Internet use; proposing coding for new law in Minnesota Statutes, chapters 125B; and 134.

Referred to the Committee on Children, Families and Learning.

**Senators Runbeck and Kiscaden introduced--**

**S.F. No. 1416:** A bill for an act relating to health; prohibiting provider agreements with certain financial inducements; amending Minnesota Statutes 1998, section 62J.71, subdivision 1.

Referred to the Committee on Health and Family Security.

**Senators Runbeck, Oliver and Novak introduced--**

**S.F. No. 1417:** A bill for an act relating to taxation; extending the credit for increasing research activities to noncorporate taxpayers; amending Minnesota Statutes 1998, section 290.068, subdivisions 1, 3, and 4.

Referred to the Committee on Taxes.

**Senators Lesewski; Johnson, D.E.; Larson; Stumpf and Olson introduced--**

**S.F. No. 1418:** A bill for an act relating to education; providing a grant and administrative expenses to facilitate planning for a cooperative secondary facility; appropriating money.

Referred to the Committee on Children, Families and Learning.

**Senators Samuelson; Stevens; Metzen; Johnson, D.E. and Hanson introduced--**

**S.F. No. 1419:** A bill for an act relating to appropriations; authorizing state bonds; appropriating money for design, architectural drawings, and construction of a World War II veterans memorial.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Johnson, D.J. introduced--**

**S.F. No. 1420:** A bill for an act relating to capital improvements; appropriating money to renovate a building owned by the city of Ely.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Johnson, D.J. introduced--**

**S.F. No. 1421:** A bill for an act relating to taxation; authorizing Lake county, the city of Two Harbors, and Lake Superior independent school district No. 381 to abate certain delinquent taxes; authorizing recording of a conveyance of land upon abatement.

Referred to the Committee on Local and Metropolitan Government.

**Senators Kiscaden, Berglin, Neuville, Robertson and Ten Eyck introduced--**

**S.F. No. 1422:** A bill for an act relating to human services; authorizing an exception to the maximum reimbursement rate for certain group residential housing facilities; removing a sunset on eligibility for certain state programs; appropriating money; amending Minnesota Statutes 1998, section 256I.05, by adding a subdivision; Laws 1997, chapter 203, article 9, section 21, as amended.

Referred to the Committee on Health and Family Security.

**Senators Novak, Wiener, Solon, Belanger and Scheid introduced--**

**S.F. No. 1423:** A bill for an act relating to commerce; regulating rental-purchase agreements; modifying the definitions of certain terms; providing for the calculation of the cash price of property; limiting charges for cost-of-lease services; amending Minnesota Statutes 1998, sections

325F.84, subdivision 3, and by adding a subdivision; 325F.85; 325F.86; and 325F.91, by adding subdivisions.

Referred to the Committee on Commerce.

**Senator Pogemiller introduced--**

**S.F. No. 1424:** A bill for an act relating to tax-exempt bond allocations; providing for certain eligibility, scoring system, income and purchase price limits, and reservation of authority; amending Minnesota Statutes 1998, sections 474A.02, subdivision 23a; 474A.045; 474A.061, subdivisions 2a, 2b, and 4; and 474A.091, subdivision 5.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Cohen introduced--**

**S.F. No. 1425:** A bill for an act relating to liquor; authorizing the board of regents of the University of Minnesota to allow for the sale of alcoholic beverages at Northrop Auditorium; amending Minnesota Statutes 1998, section 340A.412, subdivision 4.

Referred to the Committee on Commerce.

**Senators Stumpf, Morse, Pogemiller, Betzold and Terwilliger introduced--**

**S.F. No. 1426:** A bill for an act relating to retirement; teachers retirement association and first class city teacher retirement fund associations; authorizing the purchase of service credit for certain military service, out-of-state teaching service, and maternity leaves and maternity breaks-in-service; amending Minnesota Statutes 1998, section 356.55, subdivisions 1 and 6; proposing coding for new law in Minnesota Statutes, chapters 354; and 354A.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Cohen, Pappas, Robertson, Wiger and Laidig introduced--**

**S.F. No. 1427:** A bill for an act relating to appropriations; appropriating money for the Minnesota Children's Museum Project Greenstart.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Pappas, Robertson, Cohen, Wiger and Laidig introduced--**

**S.F. No. 1428:** A bill for an act relating to appropriations; appropriating money for the Minnesota Children's Museum Project GreenStart.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Foley, Marty, Robling, Lourey and Higgins introduced--**

**S.F. No. 1429:** A bill for an act relating to children; increasing revenue for early childhood family education; including expectant parent activities in early childhood family education programs; appropriating money for early childhood family education aid; amending Minnesota Statutes 1998, sections 124D.13, subdivision 2; and 124D.135, subdivision 1.

Referred to the Committee on Children, Families and Learning.

**Senators Lesewski, Morse, Pariseau, Johnson, J.B. and Hottinger introduced--**

**S.F. No. 1430:** A bill for an act relating to drainage; providing for notification to owner when

survey is made; modifying the number of signatures required for a petition; amending Minnesota Statutes 1998, sections 103E.061; and 103E.215, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

**Senators Wiener, Hottinger, Price, Krentz and Laidig introduced--**

**S.F. No. 1431:** A bill for an act relating to natural resources; providing matching funding from the general fund for private contributions to the nongame wildlife account; appropriating money; amending Minnesota Statutes 1998, sections 290.431; and 290.432.

Referred to the Committee on Environment and Natural Resources.

**Senators Ten Eyck, Fischbach, Vickerman, Dille and Samuelson introduced--**

**S.F. No. 1432:** A bill for an act relating to health; establishing a loan forgiveness program for certain pharmacy students; authorizing sole community pharmacy financial assistance; establishing a pilot project for drug therapy management; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Family Security.

**Senators Murphy; Johnson, D.E.; Hanson and Limmer introduced--**

**S.F. No. 1433:** A bill for an act relating to traffic regulations; prohibiting admission of use of protective headgear by motorcycle operators or passengers age 18 or older in litigation involving damages arising from use or operation of a motor vehicle; amending Minnesota Statutes 1998, section 169.974, by adding a subdivision; repealing Minnesota Statutes 1998, section 169.974, subdivision 6.

Referred to the Committee on Transportation.

**Senator Johnson, J.B. introduced--**

**S.F. No. 1434:** A bill for an act relating to motor vehicles; exempting from registration taxes vehicles owned by a commercial driving school and used exclusively in driver education and training; amending Minnesota Statutes 1998, section 168.012, subdivision 1.

Referred to the Committee on Transportation.

**Senator Johnson, J.B. introduced--**

**S.F. No. 1435:** A bill for an act relating to political subdivisions; providing that certain checks of a political subdivision are exempt from Minnesota Statutes, sections 345.31 to 345.60; amending Minnesota Statutes 1998, section 345.38, by adding a subdivision.

Referred to the Committee on Commerce.

**Senator Johnson, J.B. introduced--**

**S.F. No. 1436:** A bill for an act relating to natural resources; appropriating money for community forest improvement grants.

Referred to the Committee on Environment and Natural Resources.

**Senators Wiger, Morse, Terwilliger, Betzold and Johnson, D.E. introduced--**

**S.F. No. 1437:** A bill for an act relating to retirement; increasing maximum service pensions

payable by volunteer firefighter relief associations; amending Minnesota Statutes 1998, section 424A.02, subdivision 3.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Morse, Terwilliger, Wiger, Betzold and Johnson, D.E. introduced--**

**S.F. No. 1438:** A bill for an act relating to retirement; changing provisions governing deferred service pensions for volunteer firefighters; amending Minnesota Statutes 1998, section 424A.02, subdivision 7.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Johnson, D.E. introduced--**

**S.F. No. 1439:** A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Kandiyohi county.

Referred to the Committee on Environment and Natural Resources.

**Senators Ten Eyck; Moe, R.D.; Johnson, D.E.; Neuville and Kelly, R.C. introduced--**

**S.F. No. 1440:** A bill for an act relating to crime prevention; appropriating money for the continuation of the center for reducing rural violence.

Referred to the Committee on Crime Prevention.

**Senators Higgins and Vickerman introduced--**

**S.F. No. 1441:** A bill for an act relating to employee relations; reclassifying certain positions as classified positions; amending Minnesota Statutes 1998, section 43A.08, subdivision 1.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Novak introduced--**

**S.F. No. 1442:** A bill for an act relating to housing; establishing a pilot project in the city of Hilltop; appropriating money.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Novak introduced--**

**S.F. No. 1443:** A bill for an act relating to economic development; appropriating money to the redevelopment account.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Ranum introduced--**

**S.F. No. 1444:** A bill for an act relating to crime prevention; placing requirements related to trigger locks on the transfer of certain pistols and semiautomatic military-style assault weapons; imposing criminal penalties; amending Minnesota Statutes 1998, sections 624.7131, subdivision 1; 624.7132, subdivision 15, and by adding a subdivision; and 624.7162, by adding a subdivision.

Referred to the Committee on Crime Prevention.

**Senator Oliver introduced--**

**S.F. No. 1445:** A bill for an act relating to the city of Chanhassen; modifying tax increment financing requirements.

Referred to the Committee on Local and Metropolitan Government.

**Senator Oliver introduced--**

**S.F. No. 1446:** A bill for an act relating to taxation; property; reducing the class rate on the second tier of residential homestead property; providing a homestead and agricultural credit aid adjustment; amending Minnesota Statutes 1998, sections 273.13, subdivision 22; and 273.1398, subdivision 1a.

Referred to the Committee on Local and Metropolitan Government.

**Senator Ten Eyck introduced--**

**S.F. No. 1447:** A bill for an act relating to taxation; providing a sales tax exemption for construction materials for the Deep Portage environmental learning center; amending Minnesota Statutes 1998, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes.

**Senator Ten Eyck introduced--**

**S.F. No. 1448:** A bill for an act relating to taxation; eliminating liability for tax on certain manufactured homes located on real property purchased under contracts for deed; proposing coding for new law in Minnesota Statutes, chapter 278.

Referred to the Committee on Local and Metropolitan Government.

**Senators Price; Johnson, J.B.; Frederickson; Krentz and Laidig introduced--**

**S.F. No. 1449:** A bill for an act relating to natural resources; renaming a state park; adding to and deleting from state parks; authorizing a land exchange in a state park; transferring land from a state wayside to a state park and abolishing a state wayside; authorizing a private sale of surplus land in Rock county; amending Minnesota Statutes 1998, section 85.012, subdivision 19; proposing coding for new law in Minnesota Statutes, chapter 85; repealing Minnesota Statutes 1998, section 85.013, subdivision 8.

Referred to the Committee on Environment and Natural Resources.

**Senators Ten Eyck; Frederickson; Johnson, D.E. and Johnson, D.J. introduced--**

**S.F. No. 1450:** A bill for an act relating to taxation; increasing payments from the state to counties that contain Indian gaming casinos; amending Minnesota Statutes 1998, section 270.60, subdivision 4.

Referred to the Committee on Taxes.

**Senators Kiscaden, Samuelson, Sams, Fischbach and Stevens introduced--**

**S.F. No. 1451:** A bill for an act relating to health; requiring prompt payments by health maintenance organizations and nonprofit health service plan corporations of certain claims made by providers; requiring claim errors to be reported within a certain time; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Health and Family Security.

**Senators Johnson, D.J.; Stumpf; Stevens; Lessard and Moe, R.D. introduced--**

**S.F. No. 1452:** A bill for an act relating to taxation; providing an inflation adjustment to payments by the department of natural resources to counties in lieu of taxes on certain lands; amending Minnesota Statutes 1998, sections 477A.12; and 477A.14; proposing coding for new law in Minnesota Statutes, chapter 477A.

Referred to the Committee on Taxes.

**Senators Robling, Pogemiller, Wiger and Neuville introduced--**

**S.F. No. 1453:** A bill for an act relating to education; establishing an advisory group to make recommendations on strategies to address the needs of students who fail to meet the requirements of the state's high school graduation rule.

Referred to the Committee on Children, Families and Learning.

**Senators Kelly, R.C. and Pappas introduced--**

**S.F. No. 1454:** A bill for an act relating to the environment; modifying provisions related to contaminated land; modifying provisions relating to petroleum tank cleanup; amending Minnesota Statutes 1998, sections 115B.03, subdivisions 1 and 5; 115C.021, subdivisions 1 and 3a; 117.085; and 117.175, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

**Senators Frederickson; Vickerman; Hottinger; Johnson, D.E. and Robling introduced--**

**S.F. No. 1455:** A bill for an act relating to appropriations; appropriating money for the Minnesota river basin.

Referred to the Committee on Environment and Natural Resources.

**Senators Pogemiller, Terwilliger, Hottinger, Knutson and Vickerman introduced--**

**S.F. No. 1456:** A bill for an act relating to taxation; corporate franchise; allowing a credit for certain education expenses; amending Minnesota Statutes 1998, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes.

**Senators Sams, Berglin, Samuelson, Robertson and Dille introduced--**

**S.F. No. 1457:** A bill for an act relating to medical assistance reimbursement for special transportation services; amending Minnesota Statutes 1998, section 256B.0625, subdivision 17.

Referred to the Committee on Health and Family Security.

**Senator Robertson introduced--**

**S.F. No. 1458:** A bill for an act relating to education; providing for a student-based system of education finance; amending Minnesota Statutes 1998, sections 123B.53, subdivision 5; 123B.57, subdivision 4; 123B.64, subdivision 3; 124D.03, subdivision 2; 124D.11, subdivision 1; 124D.22, subdivision 3; 124D.65, by adding a subdivision; 124D.86, subdivisions 3 and 6; 126C.05, subdivisions 5 and 7; 126C.10, subdivisions 2, 4, 5, 6, 7, 8, 9, 10, 13, 18, 20, and 21; 126C.12, subdivision 1; 126C.16, subdivision 3; 126C.17, subdivisions 1, 2, 4, 5, 6, and 9; 126C.19, subdivisions 1 and 2; 126C.40, subdivisions 1 and 4; and 127A.47, subdivisions 1, 7, and 8; proposing coding for new law in Minnesota Statutes, chapter 126C.

Referred to the Committee on Children, Families and Learning.

**Senator Robertson introduced--**

**S.F. No. 1459:** A bill for an act relating to education; providing for an optional form of school district organization; providing for school boards to contract for school district services; amending Minnesota Statutes 1998, section 123B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 123A.

Referred to the Committee on Children, Families and Learning.

**Senator Kelly, R.C. introduced--**

**S.F. No. 1460:** A bill for an act relating to public safety; providing for expansion and improvement of driver testing facilities and operations; requiring adult driver license applicant to hold instruction permit for six months; authorizing commissioner of public safety to include paid advertisements in department publications; appropriating money; amending Minnesota Statutes 1998, sections 171.04, subdivision 1; 171.05, subdivision 1a; and 299A.01, by adding a subdivision.

Referred to the Committee on Transportation.

**Senator Pappas introduced--**

**S.F. No. 1461:** A bill for an act relating to the city of St. Paul; extending the duration of a tax increment financing district in the city.

Referred to the Committee on Local and Metropolitan Government.

**Senators Price; Cohen; Johnson, J.B.; Frederickson and Dille introduced--**

**S.F. No. 1462:** A bill for an act relating to environmental quality; urban development; directing the environmental quality board to establish the urban development environmental steering committee; providing for a generic environmental impact statement on urban development; appropriating money.

Referred to the Committee on Environment and Natural Resources.

**Senator Krentz introduced--**

**S.F. No. 1463:** A bill for an act relating to townships; authorizing creation of a capital reserve fund; amending Minnesota Statutes 1998, section 365.10, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

**Senator Cohen introduced--**

**S.F. No. 1464:** A bill for an act relating to public administration; making deficiency appropriations for state government operations; appropriating money.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Oliver introduced--**

**S.F. No. 1465:** A bill for an act relating to commerce; providing that guests staying in their recreational vehicles at a hotel are included in the provisions governing hotels and guests; amending Minnesota Statutes 1998, sections 327.70, subdivisions 2 and 3; 327.71, subdivisions 4 and 6; and 327.72.

Referred to the Committee on Commerce.

**Senators Knutson and Dille introduced--**

**S.F. No. 1466:** A bill for an act relating to adoption; providing for release of birth information to adopted persons; appropriating money; amending Minnesota Statutes 1998, section 259.89, subdivisions 1, 4, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 259; repealing Minnesota Statutes 1998, section 259.89, subdivisions 2 and 3.

Referred to the Committee on Judiciary.

**Senators Murphy, Larson, Vickerman and Hanson introduced--**

**S.F. No. 1467:** A bill for an act relating to education; establishing the Minnesota career and technical education leadership council; proposing coding for new law in Minnesota Statutes, chapter 136F.

Referred to the Committee on Children, Families and Learning.

**Senators Stevens, Stumpf and Johnson, D.E. introduced--**

**S.F. No. 1468:** A bill for an act relating to retirement; modifying public employees retirement association provisions; amending Minnesota Statutes 1998, sections 353.01, subdivisions 2, 2a, 2b, 7, 10, 11a, 11b, 12, 32, and by adding subdivisions; 353.27, subdivisions 4, 10, 11, and 12; and 353.64, subdivisions 1 and 2; repealing Minnesota Statutes 1998, section 353.64, subdivision 3.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Pariseau, Metzen, Wiener, Murphy and Knutson introduced--**

**S.F. No. 1469:** A bill for an act relating to natural resources; appropriating money for the Chub lake scientific and natural area.

Referred to the Committee on Environment and Natural Resources.

**Senator Samuelson introduced--**

**S.F. No. 1470:** A bill for an act relating to natural resources; modifying the route of Paul Bunyan state trail; amending Minnesota Statutes 1998, section 85.015, subdivision 15.

Referred to the Committee on Environment and Natural Resources.

**Senators Murphy, Novak, Anderson and Janezich introduced--**

**S.F. No. 1471:** A bill for an act relating to landlords and tenants; requiring certain limitations on tenant screening fees; proposing coding for new law in Minnesota Statutes, chapter 504.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Samuelson introduced--**

**S.F. No. 1472:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Nisswa; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Samuelson introduced--**

**S.F. No. 1473:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Crosslake; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senators Hottinger, Wiener, Knutson, Neuville and Kelley, S.P. introduced--**

**S.F. No. 1474:** A bill for an act relating to liens; establishing a lien for commercial real estate broker commissions; proposing coding for new law in Minnesota Statutes, chapter 514.

Referred to the Committee on Judiciary.

**Senators Moe, R.D.; Langseth; Sams and Stumpf introduced--**

**S.F. No. 1475:** A bill for an act relating to agriculture; appropriating money for seed potato inspection.

Referred to the Committee on Agriculture and Rural Development.

**Senators Samuelson and Stevens introduced--**

**S.F. No. 1476:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Garrison; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Johnson, J.B. introduced--**

**S.F. No. 1477:** A bill for an act relating to state lands; authorizing conveyance and private sale of certain tax-forfeited land that borders public water in Chisago county.

Referred to the Committee on Environment and Natural Resources.

**Senator Johnson, J.B. introduced--**

**S.F. No. 1478:** A bill for an act relating to appropriations; appropriating wastewater funding for Rush City; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senators Stumpf, Langseth and Moe, R.D. introduced--**

**S.F. No. 1479:** A bill for an act relating to education; providing for declining pupil unit aid for independent school district Nos. 592, Climax; 2171, Kittson Central; and 2856, Stephen-Argyle Central.

Referred to the Committee on Children, Families and Learning.

**Senator Pariseau introduced--**

**S.F. No. 1480:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Cannon Falls; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Pariseau introduced--**

**S.F. No. 1481:** A bill for an act relating to appropriations; appropriating wastewater funding for the New Market/Elko project; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senators Kelly, R.C.; Limmer; Neuville and Knutson introduced--**

**S.F. No. 1482:** A bill for an act relating to crime prevention; requiring the commissioner of administration to develop and issue a request for proposals to operate the new custody level 4 correctional facility at Rush City and select a vendor to operate the facility; repealing Laws 1997, chapter 238, section 4.

Referred to the Committee on Crime Prevention.

**Senator Neuville introduced--**

**S.F. No. 1483:** A bill for an act relating to education; providing for site council recommendations for board appointments; clarifying provisions relating to the Minnesota state academies; appropriating money; amending Minnesota Statutes 1998, sections 125A.62; 125A.64; 125A.65, subdivisions 3, 5, 6, 7, 8, and 10; 125A.68, subdivision 1; 125A.69, subdivisions 1 and 3; 125A.70, subdivision 2; 125A.71, subdivision 3; 125A.72; and 125A.73.

Referred to the Committee on Children, Families and Learning.

**Senators Novak and Betzold introduced--**

**S.F. No. 1484:** A bill for an act relating to economic development; providing assistance to economic development in the city of Fridley; appropriating money.

Referred to the Committee on Jobs, Energy and Community Development.

**Senators Scheid, Solon, Metzen and Cohen introduced--**

**S.F. No. 1485:** A bill for an act relating to professions; modifying provisions of the board of architecture, engineering, land surveying, landscape architecture, geoscience, and interior design relating to fees and continuing education; increasing penalties; amending Minnesota Statutes 1998, section 326.111, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Rules, part 1800.0500, subpart 3.

Referred to the Committee on Commerce.

**Senator Betzold introduced--**

**S.F. No. 1486:** A bill for an act relating to state government; directing the commissioner of administration to study the feasibility and potential benefits of establishing a state travel office.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Lourey introduced--**

**S.F. No. 1487:** A bill for an act relating to human services; making changes to MFIP; appropriating money; amending Minnesota Statutes 1998, sections 256J.49, subdivision 12; 256J.52, subdivisions 2, 3, and 4; 256J.53, subdivision 1; and 256J.62, by adding a subdivision; Laws 1997, chapter 85, article 1, section 63; proposing coding for new law in Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 1998, section 256J.53, subdivision 4.

Referred to the Committee on Health and Family Security.

**Senator Lourey introduced--**

**S.F. No. 1488:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Hinckley; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Lourey introduced--**

**S.F. No. 1489:** A bill for an act relating to appropriations; appropriating wastewater funding for Twin Lakes township; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senators Solon; Johnson, D.J. and Lourey introduced--**

**S.F. No. 1490:** A bill for an act relating to waters; implementing a joint powers agreement for St. Louis, Carlton, and Lake counties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 103F.

Referred to the Committee on Environment and Natural Resources.

**Senator Junge introduced--**

**S.F. No. 1491:** A bill for an act relating to crime prevention; requiring that permits to carry pistols be issued to retired peace officers in certain situations; amending Minnesota Statutes 1998, section 624.714, by adding a subdivision.

Referred to the Committee on Crime Prevention.

**Senators Langseth; Moe, R.D.; Stumpf; Sams and Dille introduced--**

**S.F. No. 1492:** A bill for an act relating to agriculture; appropriating money for potato aphid research.

Referred to the Committee on Agriculture and Rural Development.

**Senators Hottinger, Oliver and Pappas introduced--**

**S.F. No. 1493:** A bill for an act relating to taxation; property; exempting certain assisted living facility property; amending Minnesota Statutes 1998, section 272.02, subdivision 1; repealing Minnesota Statutes 1998, section 273.13, subdivision 25a.

Referred to the Committee on Local and Metropolitan Government.

**Senators Kelley, S.P.; Johnson, D.J.; Novak; Pappas and Hottinger introduced--**

**S.F. No. 1494:** A bill for an act relating to taxation; reducing individual income tax rates; increasing the income limitations for the dependent care credit; providing income tax credits for children; adjusting property tax refund amounts; providing a sales tax exemption for capital equipment used to provide telecommunications services; appropriating money; amending Minnesota Statutes 1998, sections 290.06, subdivisions 2c and 2d; 290.067, subdivisions 2 and 2b; 290A.04, subdivisions 2, 2a, and 4; 297A.01, subdivision 16; and 297A.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

**Senators Hottinger; Kelley, S.P.; Knutson; Neville and Betzold introduced--**

**S.F. No. 1495:** A bill for an act relating to commerce; enacting revised article 9 of the Uniform Commercial Code as adopted by the National Conference of Commissioners on Uniform State Laws; amending Minnesota Statutes 1998, sections 336.1-105; 336.1-201; 336.2-103; 336.2-210; 336.2-326; 336.2-502; 336.2-716; 336.2A-103; 336.2A-303; 336.2A-307; 336.2A-309; 336.4-210;

336.7-503; 336.8-103; 336.8-106; 336.8-110; 336.8-301; 336.8-302; and 336.8-510; proposing coding for new law in Minnesota Statutes, chapter 336.

Referred to the Committee on Judiciary.

**Senators Solon, Day, Samuelson and Oliver introduced--**

**S.F. No. 1496:** A bill for an act relating to commerce; regulating motor vehicle retail installment sales; prescribing certain forms; amending Minnesota Statutes 1998, section 168.66, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 168.

Referred to the Committee on Commerce.

**Senators Kleis, Solon, Day, Metzen and Oliver introduced--**

**S.F. No. 1497:** A bill for an act relating to liens; creating a lien and right of detainer; amending Minnesota Statutes 1998, section 514.19.

Referred to the Committee on Judiciary.

**Senators Junge and Scheid introduced--**

**S.F. No. 1498:** A bill for an act relating to campaign finance; increasing spending limits; increasing contribution and spending limits for candidates involved in close primary election; increasing general fund contribution to public subsidies; paying public subsidy to major party candidates for constitutional officer without regard to vote they receive at general election; increasing penalty for violation of contribution or spending limits; appropriating money; amending Minnesota Statutes 1998, sections 10A.25, subdivisions 2, 5, and 10; 10A.255, subdivision 1; 10A.27, subdivision 10; 10A.28, subdivisions 1 and 2; 10A.31, subdivisions 1, 2, 3, 4, 6, 7, and 12; 10A.322, subdivision 1; and 10A.323.

Referred to the Committee on Election Laws.

**Senators Robling and Belanger introduced--**

**S.F. No. 1499:** A bill for an act relating to education; authorizing grants for historical educational programming; appropriating money.

Referred to the Committee on Children, Families and Learning.

**Senator Robling introduced--**

**S.F. No. 1500:** A bill for an act relating to appropriations; appropriating wastewater funding for Spring Lake township; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Robling introduced--**

**S.F. No. 1501:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Mayer; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Robling introduced--**

**S.F. No. 1502:** A bill for an act relating to appropriations; appropriating wastewater funding for the city of Carver; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

**Senator Johnson, D.E. introduced--**

**S.F. No. 1503:** A bill for an act relating to education; authorizing a grant to independent school district No. 2534, Bird Island-Olivia-Lake Lillian; appropriating money.

Referred to the Committee on Children, Families and Learning.

**Senator Fischbach introduced--**

**S.F. No. 1504:** A bill for an act relating to taxation; property; providing homestead treatment for military personnel stationed in Minnesota; amending Minnesota Statutes 1998, section 273.124, subdivision 12.

Referred to the Committee on Local and Metropolitan Government.

**Senators Johnson, D.J.; Robling; Day; Metzen and Larson introduced--**

**S.F. No. 1505:** A bill for an act relating to the state lottery; gaming machines and card games; establishing horse racing purse payments; amending Minnesota Statutes 1998, sections 297A.259; 299L.07, subdivision 2a; 349A.01, by adding subdivisions; 541.21; and 609.761, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 349A.

Referred to the Committee on Local and Metropolitan Government.

**Senators Anderson, Metzen, Lourey, Cohen and Robertson introduced--**

**S.F. No. 1506:** A bill for an act relating to Native American Indians; establishing the Coldwater Springs Traditional Cultural Property Preservation; proposing coding for new law in Minnesota Statutes, chapter 138.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Pappas; Langseth; Kelly, R.C. and Berglin introduced--**

**S.F. No. 1507:** A bill for an act relating to education; modifying area learning centers to include programs for children who speak a language other than English; establishing a grant program; appropriating money; amending Minnesota Statutes 1998, sections 123A.05, subdivision 3; and 123A.06, subdivisions 1 and 2.

Referred to the Committee on Children, Families and Learning.

**Senators Marty, Pappas and Piper introduced--**

**S.F. No. 1508:** A bill for an act relating to adult education; providing a set aside for adult education support services; appropriating money; amending Minnesota Statutes 1998, section 124D.52, subdivision 2; repealing Minnesota Statutes 1998, section 124D.53, subdivision 6; Laws 1997, chapter 162, article 2, section 32.

Referred to the Committee on Children, Families and Learning.

**Senators Wiener, Hottinger, Neuville, Oliver and Metzen introduced--**

**S.F. No. 1509:** A bill for an act relating to insurance; establishing an insurance compliance self-audit privilege; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

**Senator Lesewski introduced--**

**S.F. No. 1510:** A bill for an act relating to agriculture; providing a property tax credit for new debt service levies on certain agricultural property; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Agriculture and Rural Development.

**Senators Stumpf, Sams and Lesewski introduced--**

**S.F. No. 1511:** A bill for an act relating to taxation; exempting agricultural aircraft from registration tax; amending Minnesota Statutes 1998, section 360.55, by adding a subdivision.

Referred to the Committee on Taxes.

**Senator Dille introduced--**

**S.F. No. 1512:** A bill for an act relating to agriculture; allowing corporations that lease dairy production facilities to certain farming operations to own agricultural land; amending Minnesota Statutes 1998, section 500.24, subdivisions 2 and 3.

Referred to the Committee on Agriculture and Rural Development.

**Senator Dille introduced--**

**S.F. No. 1513:** A bill for an act relating to agriculture; requiring environmental review of feedlots with more than 1,000 animal units; eliminating the connected action rule from application to feedlots; proposing coding for new law in Minnesota Statutes, chapter 116D.

Referred to the Committee on Agriculture and Rural Development.

**Senator Dille introduced--**

**S.F. No. 1514:** A bill for an act relating to education; authorizing a technology grant for independent school district No. 466, Dassel-Cokato; appropriating money.

Referred to the Committee on Children, Families and Learning.

**Senators Higgins and Anderson introduced--**

**S.F. No. 1515:** A bill for an act relating to landlords and tenants; expanding jurisdiction of rent escrow and tenant remedy actions to include improper and retaliatory notices; amending Minnesota Statutes 1998, sections 566.18, subdivision 6; 566.19, by adding a subdivision; 566.25; and 566.34, subdivision 2.

Referred to the Committee on Jobs, Energy and Community Development.

**Senators Foley, Ten Eyck, Ranum and Berglin introduced--**

**S.F. No. 1516:** A bill for an act relating to courts; requiring mandatory expungement of certain eviction cases; allowing for discretionary expungement in other cases; proposing coding for new law in Minnesota Statutes, chapter 484.

Referred to the Committee on Judiciary.

**Senators Lourey, Robling, Piper, Foley and Larson introduced--**

**S.F. No. 1517:** A bill for an act relating to families; appropriating money for male responsibility and fathering grants.

Referred to the Committee on Children, Families and Learning.

**Senators Scheid and Olson introduced--**

**S.F. No. 1518:** A bill for an act relating to education; defining home school for purposes of extracurricular activities; requiring school boards to allow all students to fully participate in extracurricular activities; amending Minnesota Statutes 1998, sections 123B.36, subdivision 1; and 123B.49, subdivision 4.

Referred to the Committee on Children, Families and Learning.

**Senators Runbeck, Knutson, Cohen, Langseth and Robling introduced--**

**S.F. No. 1519:** A bill for an act relating to municipal contracts; permitting the awarding of attorney fees in certain cases; amending Minnesota Statutes 1998, section 471.345, subdivision 14.

Referred to the Committee on Local and Metropolitan Government.

**Senators Solon; Johnson, J.B. and Johnson, D.J. introduced--**

**S.F. No. 1520:** A bill for an act relating to public transit; reducing percentage of operating costs required to be paid by provider of large urbanized area service; amending Minnesota Statutes 1998, section 174.24, subdivision 3b.

Referred to the Committee on Transportation.

**Senators Janezich, Berglin, Larson, Novak and Kelly, R.C. introduced--**

**S.F. No. 1521:** A bill for an act relating to economic security; appropriating money for training for people with disabilities.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Wiener introduced--**

**S.F. No. 1522:** A bill for an act relating to health; modifying review and complaint procedures for health plans; amending Minnesota Statutes 1998, sections 62M.05, by adding a subdivision; 62M.06, subdivisions 2, 3, and by adding a subdivision; and 62Q.105; proposing coding for new law in Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1998, sections 62D.11; 62Q.105, subdivision 2; 62Q.11; and 62Q.30; Minnesota Rules, part 4685.1700, subpart 1.

Referred to the Committee on Health and Family Security.

**Senators Pogemiller, Ranum and Spear introduced--**

**S.F. No. 1523:** A bill for an act relating to domestic violence; providing for a domestic fatality review team pilot project; authorizing grants for organizations to monitor certain criminal court cases; appropriating money.

Referred to the Committee on Crime Prevention.

**Senators Pogemiller and Berglin introduced--**

**S.F. No. 1524:** A bill for an act relating to urban redevelopment; appropriating money for a federal empowerment zone designation grant.

Referred to the Committee on Local and Metropolitan Government.

**Senators Wiger; Moe, R.D. and Lessard introduced--**

**S.F. No. 1525:** A bill for an act relating to land use; precluding the termination of lawful land uses by amortization; amending Minnesota Statutes 1998, sections 394.21, by adding a subdivision; and 462.357, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

**Senators Samuelson, Piper, Kiscaden and Berglin introduced--**

**S.F. No. 1526:** A bill for an act relating to human services; changing provisions in the Minnesota family investment program; indexing MFIP earned income disregard; enhancing employment services; proposing a performance management system for MFIP; continuing Minnesota food assistance program and the food portion of MFIP for legal noncitizens; changing food stamp employment and training programs; proposing a TANF administrative cap to counties; amending Minnesota Statutes 1998, sections 256D.051, subdivision 2a, and by adding a subdivision; 256D.053, subdivision 1; 256D.06, subdivision 5; 256J.08, subdivisions 11, 24, 65, 83, 86a, and by adding subdivisions; 256J.11, subdivisions 2 and 3; 256J.12, subdivisions 1a and 2; 256J.14; 256J.20, subdivision 3; 256J.21, subdivisions 2, 3, and 4; 256J.24, subdivisions 2, 3, 7, 8, 9, and by adding a subdivision; 256J.26, subdivision 1; 256J.30, subdivisions 8 and 9; 256J.31, subdivisions 5 and 12; 256J.32, subdivisions 4 and 6; 256J.34, subdivisions 1, 3, and 4; 256J.35; 256J.37, subdivisions 2, 9, and 10; 256J.38, subdivision 4; 256J.39, subdivision 2; 256J.42, subdivisions 1 and 5; 256J.43, subdivision 4; 256J.45, subdivision 1; 256J.46, subdivisions 1, 2, and 2a; 256J.48, subdivisions 2 and 3; 256J.50, subdivision 1; 256J.515; 256J.52, subdivisions 1 and 4; 256J.55, subdivision 4; 256J.56; 256J.62, subdivisions 1, 6, 7, 8, 9, and by adding a subdivision; 256J.74, subdivision 2; and 256J.76, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 1998, sections 256D.051, subdivisions 6 and 19; 256D.053, subdivision 4; 256J.396; and 256J.62, subdivisions 2, 3, and 5.

Referred to the Committee on Health and Family Security.

**Senators Frederickson, Junge, Olson, Marty and Ourada introduced--**

**S.F. No. 1527:** A bill for an act relating to school boards; a person convicted of a sex offense who is required to be registered under the predatory offender law is not eligible to be a candidate for the office of school board member; amending Minnesota Statutes 1998, sections 123B.09, by adding a subdivision; and 205A.06, by adding a subdivision.

Referred to the Committee on Election Laws.

**Senators Price, Samuelson and Lourey introduced--**

**S.F. No. 1528:** A bill for an act relating to natural resources; modifying harmful exotic species provisions; amending Minnesota Statutes 1998, sections 84.027, subdivision 13; 84D.01, subdivision 2; 84D.02, subdivision 4; 84D.03, subdivision 1, and by adding a subdivision; 84D.09, subdivision 2; 84D.10; 84D.11, by adding a subdivision; and 84D.12, subdivisions 1 and 3; repealing Minnesota Statutes 1998, sections 84D.01, subdivision 10; and 84D.03, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

**Senators Johnson, D.H.; Frederickson; Novak; Lesewski and Oliver introduced--**

**S.F. No. 1529:** A bill for an act relating to economic development; providing funding for various tourism programs; appropriating money; amending Minnesota Statutes 1998, section 116J.63, subdivision 4.

Referred to the Committee on Jobs, Energy and Community Development.

**Senator Day introduced--**

**S.F. No. 1530:** A bill for an act relating to appropriations; rescinding authority for the purchase of 800 MHz radio.

Referred to the Committee on Local and Metropolitan Government.

**Senators Wiger and Kelly, R.C. introduced--**

**S.F. No. 1531:** A bill for an act relating to criminal justice; providing for community notification of the release of certain high risk juvenile sex offenders; requiring end-of-confinement review committees to assess risk for sexual reoffense and assign juvenile sex offenders to low and high risk levels; specifying sexual risk reoffense factors; providing guidelines to structure law enforcement agency disclosure of juvenile sex offender release information; requiring commissioner of corrections to send written notice to law enforcement agencies and certain other individuals before certain juvenile sex offenders are released; requiring the peace officer standards and training board to develop a model policy for law enforcement agencies to follow when disclosing information on juvenile sex offenders; requiring local law enforcement agencies to adopt a disclosure policy substantially similar to the model policy; proposing coding for new law in Minnesota Statutes, chapter 244.

Referred to the Committee on Crime Prevention.

**Senator Kelley, S.P. introduced--**

**S.F. No. 1532:** A bill for an act relating to education; reducing the space requirement for the alternative facilities bonding and levy program; amending Minnesota Statutes 1998, section 123B.59, subdivision 1.

Referred to the Committee on Children, Families and Learning.

**Senators Kelley, S.P.; Runbeck; Novak and Frederickson introduced--**

**S.F. No. 1533:** A bill for an act relating to state government; abolishing department of public service and transferring responsibilities; amending Minnesota Statutes 1998, sections 169.073; 181.30; 216A.01; 216A.02, by adding a subdivision; 216A.07; 216A.085; 216B.241, subdivisions 1, 1a, 1b, 1c, 2, 2a, and 2b; 216C.01, subdivision 2; 237.082; and 237.70, subdivision 7; repealing Minnesota Statutes 1998, sections 216A.06; 216B.02, subdivision 8; 237.30; and 237.69, subdivision 3.

Referred to the Committee on Governmental Operations and Veterans.

**Senators Spear, Metzen, Scheid, Pappas and Robertson introduced--**

**S.F. No. 1534:** A bill for an act relating to liquor; authorizing the cities of Minneapolis, St. Paul, Duluth, and Bloomington to adopt ordinances authorizing on-sales during certain hours; exempting certain sales from on-sale hours restrictions; amending Minnesota Statutes 1998, section 340A.504, by adding subdivisions.

Referred to the Committee on Commerce.

**Senator Anderson introduced--**

**S.F. No. 1535:** A bill for an act relating to taxation; modifying the hearing requirement applicable to revenue recapture proceedings; amending Minnesota Statutes 1998, sections 270A.07, subdivision 2; and 270A.08, subdivision 2.

Referred to the Committee on Taxes.

**Senator Anderson introduced--**

**S.F. No. 1536:** A bill for an act relating to crime prevention; making miscellaneous changes to certain forfeiture provisions; amending Minnesota Statutes 1998, sections 169.1217, subdivisions 2, 7, and 7a; 609.531, subdivision 4; and 609.5314, subdivisions 2 and 3.

Referred to the Committee on Crime Prevention.

**Senators Anderson, Berglin, Spear and Janezich introduced--**

**S.F. No. 1537:** A bill for an act relating to Minnesota Statutes; repealing various statutory provisions; repealing Minnesota Statutes 1998, sections 42.03; 152.02, subdivision 10; 169.01, subdivision 18; 169.03, subdivision 7; 169.38; 169.901; 609.293; 609.34; 609.551; 617.251; and 624.65.

Referred to the Committee on Crime Prevention.

**Senator Anderson introduced--**

**S.F. No. 1538:** A bill for an act relating to the property tax refund; increasing the percentage of rent constituting property taxes; amending Minnesota Statutes 1998, section 290A.03, subdivision 11.

Referred to the Committee on Local and Metropolitan Government.

**Senators Stumpf, Morse and Price introduced--**

**S.F. No. 1539:** A bill for an act relating to the environment; providing a new license category under the well code for a vertical heat exchanger contractor; establishing training requirements for well contractors installing vertical heat exchangers; amending Minnesota Statutes 1998, sections 103I.005, subdivision 20; 103I.101, subdivisions 2 and 5; 103I.105; 103I.208, subdivision 2; 103I.501; 103I.525, by adding a subdivision; and 103I.641, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 103I.

Referred to the Committee on Health and Family Security.

**Senators Moe, R.D.; Piper; Janezich and Fischbach introduced--**

**S.F. No. 1540:** A bill for an act relating to minimum fire state aid; expanding eligibility to post-1993 relief associations; amending Minnesota Statutes 1998, section 69.021, subdivision 7.

Referred to the Committee on Governmental Operations and Veterans.

**Senator Price introduced--**

**S.F. No. 1541:** A bill for an act relating to the environment; modifying and making permanent the environmental improvement pilot program; amending Minnesota Statutes 1998, sections 114C.20; 114C.21, subdivisions 1, 4, and by adding subdivisions; 114C.22; 114C.24, subdivisions 2, 3, 4, and 5; 114C.25; 114C.26; 114C.27; and 114C.28; repealing Minnesota Statutes 1998, sections 114C.21, subdivisions 9 and 11; 114C.29; 114C.30; and 114C.31.

Referred to the Committee on Environment and Natural Resources.

**Senator Stumpf introduced--**

**S.F. No. 1542:** A bill for an act relating to natural resources; changing the repeal date of the Sustainable Forest Resources Act; amending Laws 1995, chapter 220, section 142.

Referred to the Committee on Environment and Natural Resources.

**Senator Laidig introduced--**

**S.F. No. 1543:** A bill for an act relating to natural resources; providing for wolf management; providing criminal penalties; amending Minnesota Statutes 1998, sections 97A.331, by adding a subdivision; and 97B.645; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

**Senator Frederickson introduced--**

**S.F. No. 1544:** A bill for an act relating to education; increasing the pupil weight for kindergarten students who are enrolled in all day kindergarten; amending Minnesota Statutes 1998, section 126C.05, subdivision 1.

Referred to the Committee on Children, Families and Learning.

**Senator Stumpf introduced--**

**S.F. No. 1545:** A bill for an act relating to taxation; allowing Lake of the Woods and Koochiching counties to expend certain taxes in any township; amending Minnesota Statutes 1998, section 163.06, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

**MEMBERS EXCUSED**

Senator Pogemiller was excused from the Session of today from 9:30 to 10:10 a.m. Senator Limmer was excused from the Session of today from 9:30 to 10:25 a.m. Senator Fischbach was excused from the Session of today from 9:30 to 10:45 a.m. Senator Johnson, D.J. was excused from the Session of today at 11:00 a.m. Senator Novak was excused from the Session of today at 11:15 a.m. Senator Wiger was excused from the Session of today from 11:15 to 11:20 a.m. Senator Scheevel was excused from the Session of today at 11:30 a.m.

**ADJOURNMENT**

Senator Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 10, 1999. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



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