

STATE OF MINNESOTA

Journal of the Senate

EIGHTIETH LEGISLATURE

TWENTY-THIRD DAY

St. Paul, Minnesota, Monday, March 17, 1997

The Senate met at 10:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. 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. Luther E. Peterson.

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

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

Ms. Johnson, J.B. was excused from the Session of today.

REPORTS FILED WITH THE SECRETARY OF THE SENATE

The following reports were received and filed with the Secretary of the Senate: Department of Employee Relations, Minnesota Local Government Pay Equity Compliance Report, 1997; Department of Finance, Report on Matching Money, 1997; Department of Corrections, Interstate Compact for the Supervision of Parolees and Probationers, 1997; Metropolitan Council, Regional Report, Paying for New Growth, 1997; Metropolitan Council, Participation in the Livable Communities Act Local Housing Incentives Account, 1997; Department of Finance, Actions

Taken by the Legislative Advisory Commission, January 1, 1995 to January 1, 1997; Department of Trade and Economic Development, Competitiveness Task Force, 1997; Department of Public Safety, Status of Emergency Planning for High-Level Radioactive Waste Transportation Accidents/Incidents, and the Ability of the State to Respond Adequately to an Accident, 1996; State Advisory Council on Mental Health, 1996; Department of Human Services, Medical Care Surcharge Fund, Quarterly Report, 1996; Department of Trade and Economic Development, Minnesota's International Tourism Program, 1997; Office of the Attorney General, Truancy Reduction Grants, Evaluation of Two Pilot Programs, 1997; Office of the Attorney General, Safe Schools Survey, Secondary Survey, 1997; Department of Corrections, Advisability of Converting the Minnesota Correctional Facility--Red Wing to a Minimum--Security Facility for Adults, 1997; Departments of Commerce and Health, Direct Contracting for Health Care Services, 1997; Department of Health, Need for Alternative Licensing for Rural Minnesota Hospitals, 1996; Department of Health, Children Helped in Long-Term Development, CHILD Project Implementation Plan, 1997; Department of Health, Housing Needs of HIV Positive Parents with Children, 1997; Metropolitan Sports Facilities Commission, Budget and Report on User Fee Charges, 1997; Department of Human Services, Child Care Regulation, Interim Report, 1997; Department of Economic Security, Radio Talking Book: A Report Regarding Privatization, 1997; Minnesota Advisory Council on Metropolitan Airport Planning, MSP Noise Mitigation Program, 1996; Metropolitan Airports Commission, Center for Transportation Studies, University of Minnesota, Air Service and the Minnesota Economy, 1997; Department of Commerce, Taxi Insurance Review, 1997; Department of Human Services, Results of Negotiations for Contributions by Tribal Gaming to the Minnesota Compulsive Gambling Treatment Program, 1997; Department of Human Services, ICF/MR Alternative Rate Structures: Fiscal Impact and Policy Implications, 1997; Department of Human Services, Report on Compensating Clients on Public Health Care Programs, 1997; Department of Health, Regional Coordinating Board Five, Health Coverage Demonstration Project, Progress Report, 1997; Iron Range Resources and Rehabilitation Board, Governor's Task Force on Mining and Minerals, 1997; Department of Natural Resources, Southwestern Minnesota Groundwater Exploration Project, Progress Report, 1996-97; Department of Trade and Economic Development, Minnesota Urban Initiative Board, Annual Report, 1996; Department of Natural Resources, Water Availability Assessment, 1996; Department of Administration, An Evaluation of Minnesota's State Correctional Institutions, 1997; Department of Human Services, Evaluation of Minnesota's Child Support Enforcement Mechanisms and Programs, 1997; Department of Human Services, Welfare Fraud Control and Recovery Efforts, Maximizing the Capability of the MAXIS System, 1995; Capitol Area Architectural and Planning Board, Human Development Center, Planning and Programming Report, 1996; University of Minnesota, Update on Petroleum Tank Release Cleanup Account Reimbursements, 1997; Department of Human Services, Child Care Regulation, Interim Report, 1997; Board on Judicial Standards, Annual Report, 1996; Department of Administration, Evaluation of Minnesota's State Correctional Institutions, 1997; University of Minnesota, Transition to Semester System, 1997; Metropolitan Council, Metropolitan Radio Board, Biennial Report, 1997; Board of Pardons, Annual Report, 1997.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 13, 1997

The Honorable Allan H. Spear
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 202.

Warmest regards,
Arne H. Carlson, Governor

March 13, 1997

The Honorable Phil Carruthers
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 Act of the 1997 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1997	Date Filed 1997
202		9	10:45 a.m. March 13	March 13

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 7: A Senate concurrent resolution relating to adoption of revenue targets under Minnesota Statutes 1996, section 16A.102, subdivision 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1997

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 35: A bill for an act relating to elections; permitting the election of soil and water conservation district supervisors from single-member districts in the counties of Ramsey and Washington; amending Minnesota Statutes 1996, section 103C.311.

There has been appointed as such committee on the part of the House:

McCollum, Osthoff and Holsten.

Senate File No. 35 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1997

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 211, 281, 601 and 763.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 13, 1997

FIRST READING OF HOUSE BILLS

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

H.F. No. 211: A bill for an act relating to telecommunications; authorizing the installation of extended area service within combined school districts.

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

H.F. No. 281: A bill for an act relating to utilities; providing performance regulation plans for gas utility services; amending Minnesota Statutes 1996, section 216B.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 147, now on General Orders.

H.F. No. 601: A bill for an act relating to local government; authorizing boundary commissions; amending Minnesota Statutes 1996, section 465.79.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 869.

H.F. No. 763: A bill for an act relating to historic places; designating Zion Lutheran Church and cemetery as a historic place; amending Minnesota Statutes 1996, section 138.664, by adding a subdivision.

Referred to the Committee on Governmental Operations and Veterans.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report pertaining to appointments. The motion prevailed.

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

S.F. No. 900: A bill for an act relating to environment; amending provisions regulating toxics in packaging; amending Minnesota Statutes 1996, section 115A.965, subdivisions 3, 7, and by adding a subdivision; repealing Minnesota Statutes 1996, section 115A.965, subdivision 6.

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

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

S.F. No. 1071: A bill for an act relating to local government; authorizing removal and reinterment of bodies in the city of Luverne.

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

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

S.F. No. 525: A bill for an act relating to public administration; modifying ownership restrictions for privatization of capital intensive public services; providing for the nonpublic status

of internal competitive proposals; amending Minnesota Statutes 1996, sections 13.37; 471A.02, subdivisions 6, 11, and 13; and 471A.03, subdivision 3.

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

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

S.F. No. 647: A bill for an act relating to Washington county; providing that certain personal information on property taxpayers may be kept from certain lists at the taxpayer's request.

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

Delete everything after the enacting clause and insert:

"Section 1. [TAXPAYER'S PERSONAL INFORMATION; DISCLOSURE.]

(a) An owner of property in Washington county that is subject to property taxation must be informed in a clear and conspicuous manner in writing on a form sent to property taxpayers that the property owner's name, address, and other information may be used, rented, or sold for business purposes, including surveys, marketing, and solicitation.

(b) If the property owner so requests on the form provided, then any such list generated by the county and sold for business purposes must exclude the owner's name and address.

Sec. 2. [LOCAL APPROVAL REQUIRED.]

Section 1 is effective the day after the chief clerical officer of Washington county complies with Minnesota Statutes, section 645.021, subdivision 3."

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

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

S.F. No. 869: A bill for an act relating to local government; authorizing boundary commissions; amending Minnesota Statutes 1996, section 465.79.

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

Page 1, line 16, delete the new language and insert "an adjoining or affected owner,"

Page 1, line 18, after "areas" insert "in the respective jurisdiction"

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

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

S.F. No. 944: A bill for an act relating to education; providing for the reporting of tobacco use by students; amending Minnesota Statutes 1996, sections 126.036; and 126.037, subdivision 1.

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

H.F. No. 538: A resolution memorializing Congress to support legislative initiatives to mitigate the economic competition among the states that has resulted from the adoption of targeted business incentive programs.

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 156: A bill for an act relating to consumer protection; regulating interest payments on utility deposits; amending Minnesota Statutes 1996, section 325E.02.

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

Page 2, line 2, delete "1996" and insert "1997"

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 291: A bill for an act relating to tourism; modifying requirements relating to expenditure of tourism money; amending Minnesota Statutes 1996, section 116J.615, subdivision 1.

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

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

S.F. No. 278: A bill for an act relating to courts; exempting local governments from paying filing fee in forfeiture action resulting from DWI-related offense; amending Minnesota Statutes 1996, section 357.021, subdivision 1a.

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

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

S.F. No. 240: A bill for an act relating to state agencies; providing for the electronic conduct of state business; authorizing the commissioner of administration to approve digital signatures; amending Minnesota Statutes 1996, sections 16B.05, subdivision 2; and 16B.467.

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

Page 1, line 15, reinstate the stricken "of" and before "must" insert "the delegated authority and instructions"

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

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

S.F. No. 456: A bill for an act relating to taxation; making policy changes to property taxes; amending Minnesota Statutes 1996, sections 275.075; 287.08; 287.28; 287.37; 290A.04, subdivision 2h; 477A.05, subdivisions 1, 2, and 5; and 515B.1-105; Laws 1996, chapter 471, article 3, section 49.

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

Mr. Johnson, D.J. from the Committee on Taxes, to which was referred

H.F. No. 293: A bill for an act relating to taxation; making technical and administrative

changes and corrections; amending Minnesota Statutes 1996, sections 60A.15, subdivision 2a; 60E.04, subdivision 4; 69.021, subdivision 2; 270.07, subdivision 3; 272.02, subdivision 4; 272.04, subdivision 1; 273.032; 273.124, subdivisions 1 and 13; 273.1392; 273.1398, subdivision 1; 275.011, subdivision 1; 275.065, subdivision 3; 275.295, subdivision 3; 276A.01, subdivision 7; 277.21, subdivision 3; 287.22; 289A.01; 289A.08, subdivision 11; 289A.09, subdivision 2; 289A.10, subdivision 1; 289A.11, subdivision 1; 289A.18, subdivision 2; 289A.19, subdivisions 1, 2, 3, and 4; 289A.35; 289A.38, subdivision 7; 289A.65, subdivision 1; 290.01, subdivisions 2 and 4a; 290.06, subdivision 22; 290.17, subdivision 2; 290.92, subdivision 24; 290A.04, subdivision 6; 295.50, subdivisions 3, 4, 7, 13, and by adding a subdivision; 295.51, subdivision 1; 295.52, subdivision 1b; 295.53, subdivisions 1, 3, and 5; 295.54, subdivision 1; 295.582; 297A.01, subdivision 1; 297A.09; 297A.12; 297A.14, subdivision 4; 297A.22; 297A.23; 297A.25, subdivisions 1, 2, 3, 6, 8, 9, 11, 16, 17, 18, 19, 20, 21, 23, 26, 27, 28, 29, 30, 34, 35, 38, 39, 40, 41, 42, 43, 46, 49, 51, 52, 53, 57, and 61; 297A.256, subdivision 1; 297A.44, subdivision 1; 297B.03; 297B.035, subdivision 3; 297B.11; 299F.21, subdivision 2; 414.033, subdivisions 7 and 12; 469.177, subdivision 9; 473.388, subdivision 7; and 473F.02, subdivision 7.

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

Mr. Johnson, D.J. from the Committee on Taxes, to which was referred

S.F. No. 541: A bill for an act relating to taxation; requiring registration of third-party bulk filers; providing standards for registration; providing a civil penalty; amending Minnesota Statutes 1996, sections 270B.02, by adding a subdivision; and 290.92, by adding a subdivision.

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

Page 2, line 11, delete "purposes" and insert "client obligations"

Page 4, line 4, delete "five-day" and insert "ten-day"

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

Ms. Flynn from the Committee on Transportation, to which was referred

S.F. No. 484: A bill for an act relating to transportation; authorizing advance payment when required by federal government for transportation project; providing for payment for costs of certain culverts when abutting landowner is a road authority; removing and transferring jurisdiction of certain highways; requiring owners of certain bridges to inventory and regularly inspect their bridges; clarifying inspection requirement for toll and other bridges; providing for contingent appropriation to commissioner of transportation under certain circumstances; changing and repealing statutes regulating railroads to conform to federal law and federal preemption of certain regulated practices; transferring remaining duties and powers relating to regulating railroads from transportation regulation board to commissioner of transportation; providing that commissioner of transportation may provide assistance for municipalities' air transportation services, with costs paid from state airports fund; modifying contractor bond requirements for transportation projects costing less than \$75,000 or relating to the installation of certain capital equipment; extending procurement pilot project for department of transportation; authorizing conveyance of certain tax-forfeited and acquired land that borders public water or natural wetlands in Hennepin county; making technical changes; amending Minnesota Statutes 1996, sections 160.18, subdivision 1; 161.115, subdivisions 38, 56, and 87; 165.03; 174A.06; 218.031, subdivision 2; 218.041, subdivisions 4 and 6; 219.074, subdivision 2; 219.384, subdivision 2; 219.98; 360.015, by adding a subdivision; 360.017, subdivision 1; 360.305, by adding a subdivision; and 574.26, subdivision 1a; and Laws 1995, chapter 248, article 13, section 4, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 16B; and 174; repealing Minnesota Statutes 1996, sections 161.115, subdivision 57; 161.122; 218.021; 218.025; 218.031, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, and 10; 218.041, subdivisions 1, 2, 7, and 8; 219.383, subdivisions 1 and 2; 219.558; 219.559; 219.56; 219.681; 219.69; 219.691; 219.692; 219.695; 219.70; 219.71; 219.741; 219.743; 219.751; 219.755; 219.85; 219.97, subdivisions 6 and 7; and 222.633.

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

Delete everything after the enacting clause and insert:

"Section 1. [16B.171] [EXCEPTION FOR FEDERAL TRANSPORTATION CONTRACTS.]

Notwithstanding section 16B.17 or other law to the contrary, the commissioner of transportation may, when required by a federal agency entering into an intergovernmental contract, negotiate contract terms providing for full or partial prepayment to the federal agency before work is performed or services are provided.

Sec. 2. Minnesota Statutes 1996, section 161.115, subdivision 38, is amended to read:

Subd. 38. [ROUTE NO. 107.] Beginning at the terminus of Route No. 10 on the westerly limits on the city of Minneapolis, thence extending in an easterly direction to a point ~~on Route No. 104 as herein established~~ at or near Washington Avenue in the city of Minneapolis.

Sec. 3. Minnesota Statutes 1996, section 161.115, subdivision 87, is amended to read:

Subd. 87. [ROUTE NO. 156.] Beginning at a point on Route No. ~~394~~ 105 in the city of Minneapolis and extending in a northerly and westerly direction to a point on Route No. 62 ~~easterly of the Great Northern Railway~~ at or near the city of Coon Rapids.

Sec. 4. Minnesota Statutes 1996, section 165.03, is amended to read:

165.03 [STRENGTH OF BRIDGES; INSPECTIONS.]

Subdivision 1. [STANDARDS GENERALLY.] Each bridge, including a privately owned bridge, must conform to the strength, width, clearance, and safety standards imposed by the commissioner for the connecting highway or street. This subdivision applies to a bridge that is constructed after August 1, 1989, on any public highway or street. The bridge must have sufficient strength to support with safety the maximum vehicle weights allowed under section 169.825 and must have the minimum width specified in section 165.04, subdivision 3.

Subd. 2. [INSPECTION AND INVENTORY RESPONSIBILITIES; RULES; FORMS.] The commissioner of transportation shall adopt official inventory and bridge inspection report forms for use in making bridge inspections by the owners or highway authorities specified by this subdivision. Bridge inspections shall be made at regular intervals, not to exceed two years, by the following ~~officials~~ owner or official:

(a) The commissioner of transportation for all bridges located wholly or partially within or over the right-of-way of a state trunk highway.

(b) The county highway engineer for all bridges located wholly or partially within or over the right-of-way of any county or township road, or any street within a municipality which does not have a city engineer regularly employed.

(c) The city engineer for all bridges located wholly or partially within or over the right-of-way of any street located within or along municipal limits.

(d) The commissioner of transportation in case of a toll bridge that is used by the general public and that is ~~not inspected and certified under subdivision 6; provided, that the commissioner of transportation may assess the owner for the costs of such inspection.~~

(e) The owner of a bridge over a public highway or street or that carries a roadway designated for public use by a public authority, if not required to be inventoried and inspected under paragraph (a), (b), (c), or (d).

The commissioner of transportation shall prescribe the standards for bridge inspection and inventory by rules. The ~~specified owner or highway authorities~~ authority shall inspect and inventory in accordance with these standards and furnish the commissioner with such data as may be necessary to maintain a central inventory.

Subd. 3. [COUNTY INVENTORY AND INSPECTION RECORDS AND REPORTS.] The county engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (b), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals not to exceed two years. A report of the inspections shall be filed annually, on or before February 15 of each year, with the county auditor or township town clerk, or the governing body of the municipality. The report shall contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 4. [MUNICIPAL INVENTORY AND INSPECTION RECORDS AND REPORTS.] The city engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (c), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals not to exceed two years. A report of the inspections shall be filed annually, on or before February 15 of each year, with the governing body of the municipality. The report shall contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 5. [AGREEMENTS.] Agreements may be made among the various units of governments, or between governmental units and qualified engineering personnel to carry out the responsibilities for the bridge inspections and reports, as established by subdivision 2.

Subd. 6. [TOLL OTHER BRIDGES.] The owner of a toll bridge and the owner of a bridge described in subdivision 2, paragraph (e), shall certify to the commissioner, as prescribed by the commissioner, that inspections of the bridge have been made at regular intervals not to exceed two years. The certification shall be accompanied by a report of the inspection. The report shall contain recommendations for the correction of or legal posting of load limitations if the bridge is found to be understrength or unsafe.

Subd. 7. [DEPARTMENT OF NATURAL RESOURCES BRIDGES.] (a) Notwithstanding subdivision 2, the commissioners of transportation and natural resources shall negotiate a memorandum of understanding that governs the inspection of bridges owned, operated, or maintained by the commissioner of natural resources.

(b) The memorandum of understanding must provide for:

- (1) the inspection and inventory of bridges subject to federal law or regulations;
- (2) the frequency of inspection of bridges described in paragraph (a); and
- (3) who may perform inspections required under the memorandum of understanding.

Sec. 5. Minnesota Statutes 1996, section 174A.06, is amended to read:

174A.06 [CONTINUATION OF RULES.]

~~Orders and directives heretofore in force, issued, or promulgated by the public service commission, public utilities commission, or the department of transportation under authority of chapters 174A, 216A, 218, 219, and 221, and 222 remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the commissioner of transportation regulation board. To the extent allowed under federal law or regulation, rules adopted by the public service commission, public utilities commission or the department of transportation under authority of the following sections are transferred to the commissioner of transportation regulation board and continue in force and effect until repealed, modified, or superseded by duly authorized rules of the transportation regulation board commissioner:~~

(1) section 218.041 except rules related to the form and manner of filing railroad rates, railroad accounting rules, and safety rules;

(2) section 219.40;

(3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits or certificates of convenience and necessity under section 221.031, subdivision 1;

(4) rules relating to the sale, assignment, pledge, or other transfer of a stock interest in a corporation holding authority to operate as a permit carrier as prescribed in section 221.151, subdivision 1, or a local cartage carrier under section 221.296, subdivision 8;

(5) rules relating to rates, charges, and practices under section 221.161, subdivision 4; and

(6) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits under sections 221.121, 221.151, and 221.296 or certificates of convenience and necessity under section 221.071.

The ~~board~~ commissioner shall review the transferred rules, orders, and directives and, when appropriate, develop and adopt new rules, orders, or directives ~~within 18 months of July 1, 1985.~~

Sec. 6. Minnesota Statutes 1996, section 360.015, is amended by adding a subdivision to read:

Subd. 13a. [ASSISTANCE FOR MUNICIPALITY'S AIR TRANSPORTATION SERVICES.] The commissioner may render assistance to a municipality to initiate and enhance scheduled air service, including marketing surveys and promotions. The cost of this assistance must be paid out of the state airports fund and from legislative appropriations made for that purpose. Money may be spent for purposes of this section only with the approval and under the supervision of the commissioner.

Sec. 7. Minnesota Statutes 1996, section 360.017, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is hereby created a fund to be known as the state airports fund. The fund shall consist of all money appropriated to it, or directed to be paid into it, by the legislature. The state airports fund shall be paid out on authorization of the commissioner and shall be used:

(1) to acquire, construct, improve, maintain, and operate airports and other air navigation facilities ~~and;~~

(2) to assist municipalities in the acquisition, construction, improvement, and maintenance of airports and other air navigation facilities. ~~The fund may also be used;~~

(3) to assist municipalities to initiate, enhance, and market scheduled air service at their airports;

(4) to promote interest and safety in aeronautics through education and information; and

(5) to pay the salaries and expenses in of the department of transportation related to aeronautic planning, administration, and operation shall be paid from the state airports fund. All allotments of money from the state airports fund for salaries and expenses shall be approved by the commissioner of finance.

Sec. 8. Minnesota Statutes 1996, section 574.26, subdivision 1a, is amended to read:

Subd. 1a. ~~[EXEMPTION; EXEMPTIONS: CERTAIN MANUFACTURERS; COMMISSIONER OF TRANSPORTATION.]~~ (a) Sections 574.26 to 574.32 do not apply to a manufacturer of public transit buses that manufactures at least 100 public transit buses in a calendar year. For purposes of this section, "public transit bus" means a motor vehicle designed to transport people, with a design capacity for carrying more than 40 passengers, including the driver. The term "public transit bus" does not include a school bus, as defined in section 169.01, subdivision 6.

(b) At the discretion of the commissioner of transportation, sections 574.26 to 574.32 do not apply to any projects of the department of transportation (1) costing less than \$75,000, or (2) involving the permanent or semipermanent installation of heavy machinery, fixtures, or other capital equipment to be used primarily for maintenance or repair.

Sec. 9. Laws 1995, chapter 248, article 13, section 4, subdivision 2, is amended to read:

Subd. 2. [PILOT PROJECT.] Notwithstanding any law to the contrary, the ~~governor shall designate an executive agency that, during the biennium ending~~ department of transportation, until June 30, 1997 1998, is exempt from any law, rule, or administrative procedure that requires approval of the commissioner of administration before an agency enters into a contract. The agency selected in this subdivision must establish a process for obtaining goods and services that complies with the policies in subdivision 1. The process must include guidelines to prevent conflicts of interest for agency employees involved in developing bid specifications or proposals, evaluating bids or proposals, entering into contracts, or evaluating the performance of a contractor. The guidelines must attempt to ensure that such an employee:

- (1) does not have any financial interest in and does not personally benefit from the contract;
- (2) does not accept from a contractor or bidder any promise, obligation, contract for future reward, or gift, other than an item of nominal value; and
- (3) does not appear to have a conflict of interest because of a family or close personal relationship to a contractor or bidder, or because of a past employment or business relationship with a contractor or bidder.

Upon request of the agency, the department of administration shall provide the agency technical assistance in designing such a process.

Sec. 10. [SALE OF TAX-FORFEITED LAND; HENNEPIN COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Hennepin county may sell to the Minnesota department of transportation the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in the form approved by the attorney general.

(c) The land that may be conveyed is located in the city of Champlin, Hennepin county and is described as: That part of Lot 11, Block 5, Auditor's Subdivision No. 15, according to the plat thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, lying south of a line run parallel with and distant 43 feet north of the south line of Government Lot 3, Section 19, Township 120 North, Range 21 West and lying east of a line run parallel with and distant 36.5 feet east of the west line of said Government Lot 3;

together with all right of access, being the right of ingress to and egress from said Lot 11 to U.S. Highway No. 169 and Hayden Lake Road.

Subject to permanent easement for sanitary sewers granted to the metropolitan council on March 2, 1995, by the Hennepin county auditor. Subject to easements of record.

Sec. 11. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the terms "transportation regulation board," "board," "board's," "board or commissioner," "commissioner or board," "board or the commissioner," "commissioner or the board," "commissioner and the board," "commissioner and board," "board and the commissioner," "board and commissioner," "department and board," "board or department," and "board and the department," when referring to the transportation regulation board, to the term "commissioner," "commissioner's," or "commissioner of transportation," as appropriate, wherever those terms appear in Minnesota Statutes, chapters 218, 219, and 222.

Sec. 12. [TRUNK HIGHWAYS; EFFECTIVE DATES; INSTRUCTION TO REVISOR.]

Subdivision 1. [DESCRIPTION OF ROUTE NO. 107 CHANGED; EFFECTIVE DATE.] Section 2 is effective when an agreement to transfer jurisdiction of a portion of marked Route No. 52 has been signed by the commissioner of transportation and the chair of the Hennepin county board and filed in the office of the commissioner.

Subd. 2. [ROUTE NO. 126 DISCONTINUED; EFFECTIVE DATE.] Section 13 is effective when the transfer of jurisdiction of legislative Route No. 126 is agreed to by the commissioner of transportation and Ramsey county and a copy of the agreement, signed by the commissioner and the chair of the Ramsey county board, has been filed in the office of the commissioner.

Subd. 3. [DESCRIPTION OF ROUTE NO. 156 CHANGED; EFFECTIVE DATE.] Section 3 is effective when the transfer of jurisdiction of a portion of the old route is agreed to by the commissioner of transportation and Hennepin county and a copy of the agreement, signed by the commissioner and the chair of the Hennepin county board, has been filed in the office of the commissioner.

Subd. 4. [INSTRUCTION TO REVISOR.] The revisor of statutes shall delete the route identified in subdivision 2 and change the description of each route identified in subdivisions 1 and 3 in the next publication of Minnesota Statutes unless the commissioner of transportation informs the revisor that the conditions required to transfer a particular route were not satisfied.

Sec. 13. [REPEALER.]

Minnesota Statutes 1996, section 161.115, subdivision 57, is repealed.

Sec. 14. [EFFECTIVE DATES.]

Sections 1 and 9 are effective the day following final enactment. Sections 6 to 8 are effective July 1, 1997."

Delete the title and insert:

"A bill for an act relating to transportation; authorizing advance payment when required by federal government for transportation project; providing for payment for costs of certain culverts when abutting landowner is a road authority; removing and transferring jurisdiction of certain highways; requiring owners of certain bridges to inventory and regularly inspect their bridges; clarifying inspection requirement for toll and other bridges; transferring remaining duties and powers relating to regulating railroads from transportation regulation board to commissioner of transportation; providing that commissioner of transportation may provide assistance for municipalities' air transportation services, with costs paid from state airports fund; modifying contractor bond requirements for transportation projects costing less than \$75,000 or relating to the installation of certain capital equipment; extending procurement pilot project for department of transportation; authorizing conveyance of certain tax-forfeited and acquired land that borders public water or natural wetlands in Hennepin county; making technical changes; amending Minnesota Statutes 1996, sections 161.115, subdivisions 38 and 87; 165.03; 174A.06; 360.015, by adding a subdivision; 360.017, subdivision 1; and 574.26, subdivision 1a; Laws 1995, chapter 248, article 13, section 4, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1996, section 161.115, subdivision 57."

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

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

S.F. No. 428: A bill for an act relating to state government; establishing North Star as government on-line service and information initiative, with oversight provided by Minnesota office of technology; establishing the information and telecommunications technology community resource development initiative; implementing MNCARD projects for demonstrating and utilizing "smart card" technology and uses; providing for fees and accounts; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 237B.

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

Page 3, lines 2 and 3, delete "provide access through and"

Page 3, line 4, delete "is" and insert ", the legislature, the judiciary, and local units of government are"

Page 3, line 6, delete everything after the period

Page 3, line 7, delete everything before "Government" and delete "may be required"

Page 3, delete line 8

Page 3, line 9, delete "services, but"

Page 3, line 27, before the period, insert "except sections 16B.167, 16B.17, and 16B.175"

Page 9, line 2, after "each" insert "exclusive representative of" and delete "employee union" and insert "employees"

Page 9, line 3, delete "commissioner of employee relations" and insert "exclusive representatives"

Page 9, line 29, after the period, insert "Employee participation in the pilot project is optional and may not be required. A participating employee has the right to select which private data, if any, are shown on the employee's MNCARD."

Page 10, delete section 13 and insert:

"Sec. 13. [STUDY OF UNIVERSAL INTERNET AND E-MAIL ACCESS.]

The Minnesota office of technology shall study and conduct research on the feasibility, cost, advantage, desirability, and any other relevant factor or consequence of providing universal access to the Internet and Internet-based services, including electronic mail (E-mail), by the citizens of Minnesota. The office shall submit a report to the legislature by January 15, 1998, summarizing its research, making findings of fact, and making recommendations for action by the legislature and executive agencies."

Page 11, delete lines 9 to 12 and insert:

"(e) \$..... is appropriated from the general fund to the Minnesota office of technology for purposes of the study and report on universal access to the Internet and E-mail."

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

Mr. Sams from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 526: A bill for an act relating to agriculture; providing for food handler certification; proposing coding for new law in Minnesota Statutes, chapter 31.

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

Page 1, after line 16, insert:

"Sec. 2. [LEGISLATIVE REVIEW OF RULES.]

Before implementation of the rules required to establish a certification program for retail food handlers under section 1, and no later than January 15, 1998, the departments of agriculture and health must submit the rules and any public comments on the rules to the agriculture committees of the legislature. The rules may not be enforced before July 1, 1998."

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

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

H.F. No. 379 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
379	860				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 379 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 379 and insert the language after the enacting clause of S.F. No. 860, the first engrossment; further, delete the title of H.F. No. 379 and insert the title of S.F. No. 860, the first engrossment.

And when so amended H.F. No. 379 will be identical to S.F. No. 860, and further recommends that H.F. No. 379 be given its second reading and substituted for S.F. No. 860, and that the Senate File be indefinitely postponed.

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

Mr. Sams from the Committee on Agriculture and Rural Development, to which were referred the following appointments as reported in the Journal for February 20, 1997:

MINNESOTA RURAL FINANCE AUTHORITY

Christopher J. Skaalen
Patrick A. Thiry

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 900, 1071, 525, 647, 869, 156, 291, 240, 456, 484 and 526 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 538, 293 and 379 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Samuelson moved that his name be stricken as a co-author to S.F. No. 509. The motion prevailed.

Mr. Sams moved that his name be stricken as a co-author to S.F. No. 509. The motion prevailed.

Ms. Flynn moved that the name of Ms. Krentz be added as a co-author to S.F. No. 848. The motion prevailed.

Mr. Vickerman moved that his name be stricken as a co-author to S.F. No. 977. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Knutson be added as a co-author to S.F. No. 1014. The motion prevailed.

Mr. Janezich moved that the name of Ms. Higgins be added as a co-author to S.F. No. 1140. The motion prevailed.

Ms. Anderson moved that the name of Mr. Wiger be added as a co-author to S.F. No. 1206. The motion prevailed.

Mr. Janezich moved that the name of Mr. Price be added as a co-author to S.F. No. 1212. The motion prevailed.

Mr. Johnson, D.E. moved that the name of Mr. Langseth be added as a co-author to S.F. No. 1329. The motion prevailed.

Ms. Krentz moved that the name of Ms. Runbeck be added as a co-author to S.F. No. 1341. The motion prevailed.

Ms. Krentz moved that the name of Mr. Morse be added as a co-author to S.F. No. 1342. The motion prevailed.

Ms. Ranum moved that S.F. No. 421 be withdrawn from the Committee on Jobs, Energy and Community Development and re-referred to the Committee on Children, Families and Learning. The motion prevailed.

Mr. Beckman moved that S.F. No. 1031 be withdrawn from the Committee on Local and Metropolitan Government and re-referred to the Committee on Jobs, Energy and Community Development. The motion prevailed.

Ms. Krentz moved that S.F. No. 1164 be withdrawn from the Committee on Children, Families and Learning and re-referred to the Committee on Health and Family Security. The motion prevailed.

Ms. Pappas moved that S.F. No. 1168 be withdrawn from the Committee on Children, Families and Learning and re-referred to the Committee on Governmental Operations and Veterans. The motion prevailed.

Ms. Ranum moved that S.F. No. 1189 be withdrawn from the Committee on Children, Families and Learning and re-referred to the Committee on Health and Family Security. The motion prevailed.

Mr. Price moved that S.F. No. 647, on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Ms. Pappas moved that S.F. No. 525, on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Terwilliger introduced--

Senate Resolution No. 26: A Senate resolution congratulating the Edina High School boys hockey team on winning the 1997 State High School Class AA Boys Hockey championship.

Referred to the Committee on Rules and Administration.

Mr. Vickerman moved that S.F. No. 62, No. 20 on General Orders, be stricken and re-referred to the Committee on Local and Metropolitan Government. The motion prevailed.

CALENDAR

H.F. No. 473: A bill for an act relating to metropolitan government; permitting the metropolitan council to operate preventive health and employee recognition programs; amending Minnesota Statutes 1996, section 473.129, by adding a subdivision.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Ms. Pappas in the chair.

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

S.F. Nos. 413, 543, 120, 501 and H.F. Nos. 219, 266, which the committee recommends to pass.

S.F. Nos. 324 and 703, which the committee recommends to pass, after the following motions:

The question was taken on the recommendation to pass S.F. No. 324.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Betzold	Higgins	Marty	Spear
Berglin	Flynn			

The motion prevailed. So S.F. No. 324 was recommended to pass.

The question was taken on the recommendation to pass S.F. No. 703.

The roll was called, and there were yeas 38 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Langseth	Pappas	Solon
Beckman	Hottinger	Lourey	Piper	Stumpf
Berglin	Janezich	Marty	Pogemiller	Ten Eyck
Betzold	Johnson, D.H.	Metzen	Price	Vickerman
Cohen	Johnson, D.J.	Moe, R.D.	Ranum	Wiener
Day	Kelley, S.P.	Morse	Robertson	Wiger
Flynn	Kelly, R.C.	Murphy	Sams	
Foley	Krentz	Novak	Scheid	

Those who voted in the negative were:

Belanger	Johnson, D.E.	Larson	Olson	Scheevel
Berg	Junge	Lesewski	Ourada	Spear
Dille	Kiscaden	Lessard	Pariseau	Stevens
Fischbach	Kleis	Limmer	Robling	Terwilliger
Frederickson	Knutson	Neuville	Runbeck	
Hanson	Laidig	Oliver	Samuelson	

The motion prevailed. So S.F. No. 703 was recommended to pass.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Dille; Johnson, D.E. and Frederickson introduced--

S.F. No. 1357: A bill for an act relating to capital improvements; appropriating money for an addition to, and remodeling of, the Hutchinson technical college; authorizing the sale of state bonds.

Referred to the Committee on Children, Families and Learning.

Mr. Ourada, by request, introduced--

S.F. No. 1358: A bill for an act relating to highways; appropriating money for fencing along highway 169 in Elk River.

Referred to the Committee on Transportation.

Mr. Day introduced--

S.F. No. 1359: A bill for an act relating to natural resources; establishing the Stagecoach trail; amending Minnesota Statutes 1996, section 85.015, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Ms. Anderson introduced--

S.F. No. 1360: A bill for an act relating to community development; appropriating money for specified projects in the city of St. Paul; providing for a comprehensive planning process.

Referred to the Committee on Children, Families and Learning.

Ms. Anderson introduced--

S.F. No. 1361: A bill for an act relating to community development; providing for planning coordination for brownfields cleanup in certain areas of St. Paul; amending Minnesota Statutes 1996, section 116J.554, subdivision 1.

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

Ms. Anderson, Messrs. Janezich; Johnson, D.E.; Moe, R.D. and Johnson, D.J. introduced--

S.F. No. 1362: A resolution memorializing Congress to support legislative initiatives to discourage use of public resources for movement of professional sports franchises and to repeal antitrust exemptions for professional sports.

Referred to the Committee on Local and Metropolitan Government.

Messrs. Hottinger, Oliver, Novak, Janezich and Frederickson introduced--

S.F. No. 1363: A bill for an act relating to economic development; creating a commission to examine and make recommendations on state subsidy programs and tax laws related to economic development.

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

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

S.F. No. 1364: A bill for an act relating to taxation; providing for education funding; providing property tax classification reform; changing and providing state aids to local government; reducing the sales and use tax rate and authorizing city general sales and use taxes; providing for property tax deferral for senior citizens; reducing the franchise tax rate and providing a business activity tax; increasing property tax refunds, and providing a separate refund for farm homesteads; appropriating money; amending Minnesota Statutes 1996, sections 124.17, subdivision 1d; 124A.03, subdivisions 1f and 3c; 124A.22, subdivisions 1 and 2, as amended; 124A.23, subdivision 1; 270B.12, by adding a subdivision; 273.13, subdivisions 23, 24, 25, and by adding a subdivision; 273.1398, subdivision 6; 275.065, subdivision 3; 275.08, subdivision 1b; 276.04, subdivision 2; 290.06, subdivision 1; 290A.03, subdivisions 6, 13, and by adding a subdivision; 290A.04, subdivisions 1, 2, 2a, 6, and by adding a subdivision; 297A.02, subdivision 1; 473F.08, subdivision 3; 477A.011, subdivision 34, and by adding subdivisions; 477A.013, subdivisions 1, 8, and 9; and 477A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 124A; 290; 297A; and 477A; proposing coding for new as Minnesota Statutes, chapter 290B; repealing Minnesota Statutes 1996, sections 124A.22, subdivisions 4a, 4b, 13d, and 13e; 124A.23, subdivisions 2, 3, 4, and 5; 273.13, subdivision 32; 273.1398, subdivisions 1a, 2, 2c, 2d, 3, and 3a; 273.166; 290.0921; 290.0922; and 477A.011, subdivisions 35, 36, and 37; Laws 1995, chapter 264, article 4, as amended.

Referred to the Committee on Local and Metropolitan Government.

Mr. Kleis, Mrs. Fischbach, Mr. Stevens, Ms. Hanson and Mr. Sams introduced--

S.F. No. 1365: A bill for an act relating to public employees; prohibiting coverage of elective abortion; amending Minnesota Statutes 1996, sections 43A.23, subdivision 2; 471.61, by adding a subdivision; and 471.617, subdivision 1.

Referred to the Committee on Health and Family Security.

Messrs. Belanger and Johnson, D.J. introduced--

S.F. No. 1366: A bill for an act relating to taxation; limiting the exemption from the sales tax on motor vehicles to ambulances owned by public or nonprofit entities; amending Minnesota Statutes 1996, section 297B.03.

Referred to the Committee on Taxes.

Ms. Runbeck and Mr. Wiger introduced--

S.F. No. 1367: A bill for an act relating to highways; requiring the commissioner of transportation to take appropriate action to substantially increase pedestrian safety at an intersection in North Oaks.

Referred to the Committee on Transportation.

Mr. Price introduced--

S.F. No. 1368: A bill for an act relating to consumer protection; providing for maximum permitted charges by pawnbrokers; prohibiting the pledge or sale of property to a pawnbroker by a person under 21 years of age; amending Minnesota Statutes 1996, sections 325J.07; and 325J.08.

Referred to the Committee on Commerce.

Messrs. Spear, Novak, Beckman and Day introduced--

S.F. No. 1369: A bill for an act relating to capital improvements; providing for completion of the Minneapolis convention center; authorizing state bonds; providing for debt service; authorizing the city to expand the convention center; repealing expenditure limit on original construction; appropriating money; amending Laws 1986, chapter 396, section 2, subdivision 1, as amended; repealing Laws 1986, chapter 396, section 2, subdivision 2.

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

Messrs. Pogemiller, Janezich, Mses. Pappas, Robertson and Mr. Knutson introduced--

S.F. No. 1370: A bill for an act relating to education; allowing certification through the national board for professional teaching standards to satisfy licensure renewal requirements; establishing a grant program to promote professional teaching standards; appropriating money; amending Minnesota Statutes 1996, section 125.05, subdivision 2.

Referred to the Committee on Children, Families and Learning.

Mrs. Fischbach, Mr. Scheevel and Ms. Lesewski introduced--

S.F. No. 1371: A bill for an act relating to agriculture; clarifying the employment status of certain farm crisis assistance personnel; amending Minnesota Statutes 1996, section 17.03, subdivision 9.

Referred to the Committee on Agriculture and Rural Development.

Ms. Hanson, Mr. Pogemiller, Ms. Krentz and Mr. Janezich introduced--

S.F. No. 1372: A bill for an act relating to education; providing for summer food service replacement aid; providing for school breakfast outreach programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Children, Families and Learning.

Mr. Vickerman, Mrs. Pariseau, Messrs. Knutson, Neuville and Ms. Hanson introduced--

S.F. No. 1373: A bill for an act relating to health; modifying provisions for reporting abortion data; providing criminal penalties; amending Minnesota Statutes 1996, section 145.411, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Family Security.

Mr. Samuelson introduced--

S.F. No. 1374: A bill for an act relating to crime; providing criminal penalties for possession or sale of a small amount of marijuana; amending Minnesota Statutes 1996, section 152.027, subdivision 4.

Referred to the Committee on Crime Prevention.

Messrs. Beckman, Larson and Lessard introduced--

S.F. No. 1375: A bill for an act relating to game and fish; allowing subagents to retain a commission on the sale of sporting licenses; amending Minnesota Statutes 1996, section 97A.485, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Janezich, Mses. Robertson, Ranum, Piper and Mr. Pogemiller introduced--

S.F. No. 1376: A bill for an act relating to education; permitting advertising on school buses; adjusting pupil weightings; providing employer-paid insurance benefits; appropriating money; amending Minnesota Statutes 1996, sections 124.17, subdivision 1; 124.2615, subdivision 2; and 124A.225, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 123.

Referred to the Committee on Children, Families and Learning.

Mr. Betzold introduced--

S.F. No. 1377: A bill for an act relating to administrative procedures; extending the legal status of existing exempt rules; amending Minnesota Statutes 1996, section 14.387.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Betzold introduced--

S.F. No. 1378: A bill for an act relating to privacy; providing for the classification of and access to government data; modifying provisions governing data practices; amending Minnesota Statutes 1996, sections 13.33; 13.43, subdivision 2; 13.82, by adding a subdivision; 13.85, subdivision 2; 171.12, subdivision 1; and 260.161, subdivisions 1 and 1a.

Referred to the Committee on Judiciary.

Mr. Lessard introduced--

S.F. No. 1379: A bill for an act relating to the Floodwood joint recreation board; regulating its tax levies.

Referred to the Committee on Local and Metropolitan Government.

Mr. Marty introduced--

S.F. No. 1380: A bill for an act relating to education; establishing an adult basic education program for adults with disabilities; appropriating money; amending Minnesota Statutes 1996, sections 124.26, by adding a subdivision; and 124.2601, by adding a subdivision.

Referred to the Committee on Children, Families and Learning.

Mr. Lessard introduced--

S.F. No. 1381: A bill for an act relating to children; appropriating money for the Greenway Readiness Program for early childhood family education and early childhood special education.

Referred to the Committee on Children, Families and Learning.

Messrs. Sams, Dille, Morse, Lessard and Larson introduced--

S.F. No. 1382: A bill for an act relating to agriculture; providing a grant for expanded research on potato blight; appropriating money.

Referred to the Committee on Agriculture and Rural Development.

Mr. Belanger, Ms. Junge, Mrs. Pariseau and Mr. Metzen introduced--

S.F. No. 1383: A bill for an act relating to the legislature; increasing membership on the legislative audit commission; prescribing procedures for rotation of the chair; amending Minnesota Statutes 1996, section 3.97, subdivision 2.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Terwilliger and Ms. Junge introduced--

S.F. No. 1384: A bill for an act relating to children; appropriating money for Project Protect.

Referred to the Committee on Children, Families and Learning.

Mr. Terwilliger, Ms. Kiscaden, Messrs. Dille, Samuelson and Ms. Piper introduced--

S.F. No. 1385: A bill for an act relating to health; exempting residential hospices from certain food preparation rules; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Family Security.

Messrs. Terwilliger, Oliver and Ms. Kiscaden introduced--

S.F. No. 1386: A bill for an act relating to human services; extending the physician surcharge waiver request to a physician whose license is issued or renewed on or after April 1, 1992; amending Minnesota Statutes 1996, section 256.9657, subdivision 1b.

Referred to the Committee on Health and Family Security.

Messrs. Wiger; Kelly, R.C.; Novak; Kelley, S.P. and Ms. Higgins introduced--

S.F. No. 1387: A bill for an act relating to education; modifying the health and safety revenue program to include indoor air quality management; requiring additional information for new school construction projects; creating a task force; appropriating money; amending Minnesota Statutes 1996, sections 121.15, by adding subdivisions; and 124.83, subdivisions 1 and 2.

Referred to the Committee on Children, Families and Learning.

Ms. Junge and Mr. Marty introduced--

S.F. No. 1388: A bill for an act proposing an amendment to the Minnesota Constitution; providing for a unicameral legislature; changing article IV; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a legislature of 112 members; amending Minnesota Statutes 1996, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Election Laws.

Messrs. Johnson, D.H.; Moe, R.D.; Novak; Beckman and Larson introduced--

S.F. No. 1389: A bill for an act relating to economic development; creating the hire education loan program revolving fund for job training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116L.

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

Mr. Janezich introduced--

S.F. No. 1390: A bill for an act relating to the town of White; providing for the extension of the duration of certain tax increment financing districts of the joint east range economic development authority; providing for the expansion of a district or establishment of an additional district; exempting the districts from certain restrictions.

Referred to the Committee on Local and Metropolitan Government.

Mr. Janezich introduced--

S.F. No. 1391: A bill for an act relating to local government; authorizing certain cities, towns, and the county for certain unorganized townships to create the Virginia area ambulance district; authorizing a tax levy; requiring local approval.

Referred to the Committee on Local and Metropolitan Government.

Ms. Runbeck, Messrs. Frederickson, Beckman, Limmer and Johnson, D.J. introduced--

S.F. No. 1392: A bill for an act relating to commerce; providing for economic impact statements on bills that regulate the activities of businesses in this state; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Commerce.

Messrs. Limmer, Spear, Neuville, Foley and Kelly, R.C. introduced--

S.F. No. 1393: A bill for an act relating to corrections; authorizing state correctional officers to carry firearms in the performance of official duties when authorized by the commissioner of corrections; proposing coding for new law in Minnesota Statutes, chapter 243.

Referred to the Committee on Crime Prevention.

Messrs. Limmer and Spear introduced--

S.F. No. 1394: A bill for an act relating to civil actions; establishing two-year limitation in action against health care provider for transmission of the HIV virus; amending Minnesota Statutes 1996, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 541.

Referred to the Committee on Judiciary.

Mr. Cohen introduced--

S.F. No. 1395: A bill for an act relating to professions; authorizing the attorney general to take action against unlicensed private detectives and protective agents; amending Minnesota Statutes 1996, section 326.339.

Referred to the Committee on Crime Prevention.

Messrs. Janezich, Pogemiller, Ms. Krentz and Mr. Neuville introduced--

S.F. No. 1396: A bill for an act relating to education; extending the Options Plus pilot program; appropriating money; amending Laws 1995, First Special Session chapter 3, article 3, section 11, subdivisions 1, 2, and 5.

Referred to the Committee on Children, Families and Learning.

Mr. Vickerman, Ms. Flynn, Mr. Johnson, D.H. and Ms. Robertson introduced--

S.F. No. 1397: A bill for an act relating to county government; extending the sunset on county capital improvement bonds; amending Minnesota Statutes 1996, section 373.40, subdivision 7.

Referred to the Committee on Local and Metropolitan Government.

Ms. Junge introduced--

S.F. No. 1398: A bill for an act relating to education; authorizing learning year revenue for half-day kindergarten pupils; amending Minnesota Statutes 1996, section 124.17, subdivision 4.

Referred to the Committee on Children, Families and Learning.

Mses. Johnson, J.B.; Krentz; Messrs. Price, Wiger and Laidig introduced--

S.F. No. 1399: A bill for an act relating to local government; authorizing abandonment of a ditch; appropriating money.

Referred to the Committee on Local and Metropolitan Government.

Ms. Krentz, Mrs. Scheid, Messrs. Wiger, Beckman and Scheevel introduced--

S.F. No. 1400: A bill for an act relating to education; establishing the lifework learning center; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 121.

Referred to the Committee on Children, Families and Learning.

Mses. Ranum, Junge, Messrs. Kelly, R.C. and Knutson introduced--

S.F. No. 1401: A bill for an act relating to domestic abuse; establishing a pilot program regulating domestic abuse perpetrated by minors; amending Minnesota Statutes 1996, sections 260.015, subdivision 2a; 260.165, subdivision 1; 260.171, subdivision 2; and 609.748, subdivision 1.

Referred to the Committee on Judiciary.

Mses. Berglin, Pappas, Ranum, Messrs. Terwilliger and Spear introduced--

S.F. No. 1402: A bill for an act relating to crime; providing additional penalty enhancements for certain crimes motivated by bias; amending Minnesota Statutes 1996, sections 609.595, subdivisions 2 and 3; and 609.749, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1996, sections 609.224, subdivision 4; and 609.595, subdivision 1a.

Referred to the Committee on Crime Prevention.

Ms. Hanson, Messrs. Vickerman and Johnson, D.E. introduced--

S.F. No. 1403: A bill for an act relating to tourism; appropriating money for the design and planning of an upper Minnesota valley regional visitors center.

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

Mrs. Robling, Mr. Day, Ms. Hanson, Messrs. Ourada and Johnson, D.E. introduced--

S.F. No. 1404: A bill for an act relating to motor vehicles; requiring vehicle buyer to notify registrar of motor vehicles of vehicle transfer within ten days; imposing fees and penalties; amending Minnesota Statutes 1996, sections 168.101, subdivision 2; and 168.15, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 168; repealing Minnesota Statutes 1996, section 168A.10, subdivision 6.

Referred to the Committee on Transportation.

Messrs. Spear; Kelly, R.C.; Johnson, D.H.; Ms. Higgins and Mr. Limmer introduced--

S.F. No. 1405: A bill for an act relating to public safety; appropriating money for grants to Hennepin county sheriff's office and the Minneapolis police department for operation of the FBI Drugfire computer system.

Referred to the Committee on Crime Prevention.

Ms. Krentz, Messrs. Wiger, Price, Janezich and Knutson introduced--

S.F. No. 1406: A bill for an act relating to education; modifying referendum allowance reduction and equalization revenue; appropriating money; amending Minnesota Statutes 1996, section 124A.03, subdivisions 1f and 3c.

Referred to the Committee on Children, Families and Learning.

Ms. Higgins introduced--

S.F. No. 1407: A bill for an act relating to warrants; providing for inspection warrants; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Mses. Higgins, Berglin, Flynn, Ranum and Mr. Spear introduced--

S.F. No. 1408: A bill for an act relating to public safety; requiring the superintendent of the bureau of criminal apprehension to establish a drugfire ballistic tracking system; authorizing the city of Minneapolis to require firearm dealers to supply spent bullets for new weapons; authorizing the city of Minneapolis to disallow issuance of firearm permits to transfer or to carry for a period of time after conviction of a weapons offense; proposing coding for new law in Minnesota Statutes, chapter 299C.

Referred to the Committee on Crime Prevention.

Messrs. Neuville, Kleis, Limmer and Belanger introduced--

S.F. No. 1409: A bill for an act relating to crime; providing that certain proposed sentencing guidelines modifications regarding increases in durations at severity levels I through VI shall not take effect; amending Laws 1996, chapter 408, article 3, section 39.

Referred to the Committee on Crime Prevention.

Messrs. Vickerman, Lessard, Ms. Johnson, J.B. and Mr. Frederickson introduced--

S.F. No. 1410: A bill for an act relating to windbreaks; appropriating money for cost-share grants for windbreaks.

Referred to the Committee on Environment and Natural Resources.

Messrs. Vickerman, Lessard, Ms. Johnson, J.B. and Mr. Frederickson introduced--

S.F. No. 1411: A bill for an act relating to highways; appropriating money for natural snow fencing.

Referred to the Committee on Transportation.

Mr. Lessard introduced--

S.F. No. 1412: A bill for an act relating to education; appropriating money for the gateway to the world grant.

Referred to the Committee on Children, Families and Learning.

Mr. Solon introduced--

S.F. No. 1413: A bill for an act relating to waste management; providing authority for the western Lake Superior sanitary district to collect solid waste management service charges; amending Minnesota Statutes 1996, section 115A.554; proposing coding for new law in Minnesota Statutes, chapter 458D.

Referred to the Committee on Environment and Natural Resources.

Mrs. Scheid introduced--

S.F. No. 1414: A bill for an act relating to game and fish; permitting taking of fish without a license for persons age 65 or over; amending Minnesota Statutes 1996, sections 97A.451, subdivision 2; and 97A.475, subdivision 6; repealing Minnesota Statutes 1996, section 97A.451, subdivision 7.

Referred to the Committee on Environment and Natural Resources.

Mr. Murphy introduced--

S.F. No. 1415: A bill for an act relating to insurance; requiring certain insurers to provide certain water or steam damage coverage; proposing coding for new law in Minnesota Statutes, chapter 65A.

Referred to the Committee on Commerce.

Mr. Murphy, Ms. Wiener and Mr. Novak introduced--

S.F. No. 1416: A bill for an act relating to taxation; property; providing that certain property owners residing in a nursing home retain homestead status; amending Minnesota Statutes 1996, section 273.124, subdivision 1.

Referred to the Committee on Local and Metropolitan Government.

Messrs. Wiger, Betzold, Stevens and Metzen introduced--

S.F. No. 1417: A bill for an act relating to taxation; individual income; allowing a subtraction for military pay; amending Minnesota Statutes 1996, section 290.01, subdivision 19b.

Referred to the Committee on Taxes.

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

S.F. No. 1418: A bill for an act relating to crime prevention; ending the state's operation of the Minnesota correctional facility-Sauk Centre; requiring the commissioner of administration to issue a request for proposals and select a vendor to operate the facility; requiring the commissioner of corrections to charge counties for juveniles placed at the Minnesota correctional facility-Red Wing and to develop admissions criteria for the facility; striking the requirement that the Minnesota correctional facility-Red Wing accept all juveniles; requiring a report to the legislature; establishing a state policy discouraging the out-of-state placement of juveniles; appropriating money; amending Minnesota Statutes 1996, sections 242.19, subdivision 2; 242.55; and 401.13; proposing coding for new law in Minnesota Statutes, chapter 242; repealing Minnesota Statutes 1996, section 242.51.

Referred to the Committee on Crime Prevention.

Messrs. Johnson, D.E.; Moe, R.D.; Larson; Vickerman and Novak introduced--

S.F. No. 1419: A bill for an act relating to utilities; authorizing municipal and cooperative utilities to form joint ventures for the provision of utility services; proposing coding for new law as Minnesota Statutes, chapter 453B; repealing Laws 1996, chapter 300, section 1.

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

Messrs. Laidig, Terwilliger and Mrs. Fischbach introduced--

S.F. No. 1420: A bill for an act relating to health; exempting dental goods and services from the MinnesotaCare provider tax; reducing the MinnesotaCare provider tax; amending Minnesota Statutes 1996, sections 295.50, subdivision 4; 295.52; 295.53, subdivisions 3, 4, and by adding a subdivision; 295.54, subdivision 2; and 295.582.

Referred to the Committee on Health and Family Security.

Mr. Betzold introduced--

S.F. No. 1421: A bill for an act relating to the military; establishing a program of tuition and textbook reimbursement grants for members of federal armed forces reserve components; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 192.

Referred to the Committee on Governmental Operations and Veterans.

Mses. Robertson and Runbeck introduced--

S.F. No. 1422: A bill for an act relating to public employment; adopting a policy for all public employees; excepting employees found to have engaged in sexual harassment from standard discharge procedure; amending Minnesota Statutes 1996, section 179A.20, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 179A.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Janezich and Solon introduced--

S.F. No. 1423: A bill for an act relating to St. Louis county; adding court bailiffs to the unclassified service; amending Minnesota Statutes 1996, section 383C.035.

Referred to the Committee on Local and Metropolitan Government.

Messrs. Novak, Oliver, Sams and Metzen introduced--

S.F. No. 1424: A bill for an act relating to insurance; adopting insurance-related recommendations of the arson task force; amending Minnesota Statutes 1996, sections 65A.296,

subdivision 1; 65A.50, subdivision 13; 72A.20, subdivision 12; 72A.201, subdivision 8; 299F.053, subdivision 2; and 299F.054, subdivision 4.

Referred to the Committee on Commerce.

Ms. Anderson introduced--

S.F. No. 1425: A bill for an act relating to community development; appropriating money for a project in the city of St. Paul; providing for a comprehensive planning process.

Referred to the Committee on Governmental Operations and Veterans.

Ms. Anderson introduced--

S.F. No. 1426: A bill for an act relating to smoking; requiring a landlord to prevent smoke from a residential rental unit from entering the rental apartment building's common areas; amending Minnesota Statutes 1996, section 144.416.

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

Mses. Hanson, Krentz, Mr. Kleis, Mrs. Scheid and Mr. Foley introduced--

S.F. No. 1427: A bill for an act relating to education; increasing the general education formula allowance; creating an equalized discretionary levy; increasing funding for special education programs; limiting the referendum revenue program; repealing supplemental revenue; limiting the variation in general education revenue; broadening the uses of class size reduction revenue; appropriating money; amending Minnesota Statutes 1996, sections 124.3201, subdivision 1; 124A.03, subdivision 1f; 124A.22, subdivisions 1 and 2, as amended; 124A.225, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Minnesota Statutes 1996, section 124A.22, subdivisions 8, 8a, 8b, and 9.

Referred to the Committee on Children, Families and Learning.

Mr. Pogemiller introduced--

S.F. No. 1428: A bill for an act relating to retirement; exempting certain persons from reemployed annuitant provisions governing the Minnesota state retirement system; providing certain health insurance benefits.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Kleis, Ms. Kiscaden, Messrs. Larson, Ten Eyck and Stumpf introduced--

S.F. No. 1429: A bill for an act relating to education; expanding eligible institutions for purposes of the child care grant program; amending Minnesota Statutes 1996, section 136A.125, subdivision 3.

Referred to the Committee on Children, Families and Learning.

Mr. Oliver introduced--

S.F. No. 1430: A bill for an act relating to occupations; amending provisions governing the practice of professional engineering; amending Minnesota Statutes 1996, sections 326.02, subdivisions 1, 3, 5, and by adding subdivisions; 326.03, subdivisions 1 and 2; 326.04; 326.05; 326.07; 326.08; 326.09; 326.10, subdivision 1; 326.111, subdivisions 1, 6, and by adding a subdivision; 326.12, by adding subdivisions; and 326.14.

Referred to the Committee on Commerce.

Ms. Anderson introduced--

S.F. No. 1431: A bill for an act relating to crime; adding an exception to the crime of female genital mutilation for certified nurse midwives acting within the legal scope of their practice; amending Minnesota Statutes 1996, section 609.2245, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Foley, Mrs. Lourey, Mses. Kiscaden and Piper introduced--

S.F. No. 1432: A bill for an act relating to legal noncitizens; requiring that a sponsor's income be deemed, provided the sponsor signed an affidavit of support as defined in the 1996 federal welfare act; amending Minnesota Statutes 1996, sections 256.9354, by adding a subdivision; 256D.03, subdivision 3; and 256D.05, subdivision 8.

Referred to the Committee on Health and Family Security.

Mr. Vickerman introduced--

S.F. No. 1433: A bill for an act relating to retirement; public employees retirement association; providing for certain refunds as a result of the privatization of the Jackson medical center and the Tracy municipal hospital and clinic.

Referred to the Committee on Governmental Operations and Veterans.

Ms. Kiscaden and Mr. Knutson introduced--

S.F. No. 1434: A bill for an act relating to the maltreatment of minors; establishing an advisory committee to review the current law and rules governing the operation of the child protection system; requiring a report.

Referred to the Committee on Children, Families and Learning.

Mr. Kleis introduced--

S.F. No. 1435: A bill for an act relating to retirement; public employees police and fire fund; providing for an administrative hearing on the question of alleged incorrect tax documentation on a disability benefit; appropriating money.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Cohen and Price introduced--

S.F. No. 1436: A bill for an act relating to state government; mandating the inclusion of certain information in the budget the governor submits to the legislature; amending Minnesota Statutes 1996, section 16A.11, subdivision 3.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Hottinger and Morse introduced--

S.F. No. 1437: A bill for an act relating to government operations; providing for continued employment of certain distinguished service professors in the Minnesota state colleges and universities system.

Referred to the Committee on Children, Families and Learning.

Messrs. Hottinger; Kleis; Ten Eyck; Kelly, R.C. and Langseth introduced--

S.F. No. 1438: A bill for an act relating to labor relations; providing special arbitration provisions for a certain bargaining unit; amending Minnesota Statutes 1996, section 179A.16, by adding a subdivision.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Betzold introduced--

S.F. No. 1439: A bill for an act relating to state government; requiring state agencies, educational institutions, and businesses to include a multiracial classification on all forms requesting information on racial identification; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Veterans.

Ms. Ranum, Mr. Spear, Ms. Kiscaden, Messrs. Limmer and Foley introduced--

S.F. No. 1440: A bill for an act relating to appellate courts; providing for questions of law certified between the appellate courts of this state and other states and nations; enacting the 1997 Uniform Certification of Questions of Law Act; proposing coding for new law in Minnesota Statutes, chapter 480; repealing Minnesota Statutes 1996, section 480.061.

Referred to the Committee on Judiciary.

Messrs. Stevens; Johnson, D.J.; Belanger; Vickerman and Day introduced--

S.F. No. 1441: A bill for an act relating to local government; requiring county assessors to be county residents; amending Minnesota Statutes 1996, section 273.061, subdivision 1.

Referred to the Committee on Local and Metropolitan Government.

Messrs. Beckman, Janezich, Murphy and Ourada introduced--

S.F. No. 1442: A bill for an act relating to taxation; providing an income tax credit for contributions by an employer for employee housing; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

Mr. Berg introduced--

S.F. No. 1443: A bill for an act relating to education; providing for an adult farm management levy for independent school district No. 378, Dawson-Boyd.

Referred to the Committee on Children, Families and Learning.

Mr. Berg introduced--

S.F. No. 1444: A bill for an act relating to education; restoration of revenue lost to the fund balance reduction for independent school district No. 264, Herman-Norcross.

Referred to the Committee on Children, Families and Learning.

Mr. Berg introduced--

S.F. No. 1445: A bill for an act relating to agriculture; modifying the definition of family farm partnership; amending Minnesota Statutes 1996, section 500.24, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Berg introduced--

S.F. No. 1446: A bill for an act relating to retirement; removing the requirement of an actuarial valuation for certain volunteer firefighter relief associations; proposing coding for new law in Minnesota Statutes, chapter 69.

Referred to the Committee on Governmental Operations and Veterans.

Mses. Anderson, Ranum, Messrs. Betzold; Kelly, R.C. and Ms. Junge introduced--

S.F. No. 1447: A bill for an act relating to crime prevention; appropriating money for a joint use police storefront and youth activity center.

Referred to the Committee on Crime Prevention.

Mr. Johnson, D.H. introduced--

S.F. No. 1448: A bill for an act relating to economic development; promoting foreign trade zones; appropriating money.

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

Messrs. Johnson, D.J.; Kelly, R.C.; Langseth; Morse and Solon introduced--

S.F. No. 1449: A bill for an act relating to higher education; limiting the administrative costs of the Minnesota state colleges and universities system.

Referred to the Committee on Children, Families and Learning.

Messrs. Frederickson, Laidig and Johnson, D.E. introduced--

S.F. No. 1450: A bill for an act relating to the Minnesota historical society; appropriating money for a grant-in-aid program for county and local historical societies.

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

Messrs. Johnson, D.E.; Larson; Vickerman; Hottinger and Samuelson introduced--

S.F. No. 1451: A bill for an act relating to transportation; directing the commissioner of transportation to establish an air service marketing program; proposing coding for new law in Minnesota Statutes, chapter 360.

Referred to the Committee on Transportation.

Mr. Ourada introduced--

S.F. No. 1452: A bill for an act relating to government officials; limiting certain promotional activities; amending Minnesota Statutes 1996, section 16B.52, by adding a subdivision.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Ourada introduced--

S.F. No. 1453: A bill for an act relating to state government; reducing the size of the legislature; amending Minnesota Statutes 1996, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Election Laws.

Messrs. Beckman, Janezich, Murphy, Ourada and Novak introduced--

S.F. No. 1454: A bill for an act relating to housing; providing matching funds for rural Minnesota housing initiatives; appropriating money.

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

Messrs. Beckman, Janezich, Murphy and Novak introduced--

S.F. No. 1455: A bill for an act relating to housing; providing funding for the affordable rental investment fund program; appropriating money.

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

Ms. Junge and Mr. Kelly, R.C. introduced--

S.F. No. 1456: A bill for an act relating to crime prevention; authorizing the board of government innovation and cooperation to award grants for cooperative crime prevention programs; establishing an advisory committee; proposing coding for new law in Minnesota Statutes, chapter 465.

Referred to the Committee on Crime Prevention.

Mr. Terwilliger, Mses. Berglin, Piper, Kiscaden and Mrs. Robling introduced--

S.F. No. 1457: A bill for an act relating to liquor; modifying the definition of chemically dependent person; modifying the definition of neglect; changing certain reporting requirements; providing civil penalties for failure to post certain warnings; requiring the commissioner of public safety to submit a study and report to the legislature; amending Minnesota Statutes 1996, sections 253B.02, subdivision 2; 340A.415; 626.556, subdivision 2; and 626.5561, subdivisions 1, 2, and by adding a subdivision.

Referred to the Committee on Judiciary.

Ms. Hanson and Mr. Sams introduced--

S.F. No. 1458: A bill for an act relating to agriculture; limiting liability for application of agricultural chemicals; proposing coding for new law in Minnesota Statutes, chapter 561.

Referred to the Committee on Agriculture and Rural Development.

Mrs. Lourey introduced--

S.F. No. 1459: A bill for an act relating to local government; providing a maximum rate for municipal water sales to another municipality; proposing coding for new law in Minnesota Statutes, chapter 444.

Referred to the Committee on Local and Metropolitan Government.

Mr. Beckman and Ms. Johnson, J.B. introduced--

S.F. No. 1460: A bill for an act relating to housing; appropriating money for the affordable rental investment fund program.

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

Ms. Berglin introduced--

S.F. No. 1461: A bill for an act relating to crime; authorizing sentences to restorative justice programs; increasing penalties for certain repeat misdemeanor violations; increasing the power of peace officers to make custodial arrests for these crimes; requiring law enforcement agencies to make reasonable efforts to notify complaining witnesses of the disposition of these cases; appropriating money for restorative justice program grants; amending Minnesota Statutes 1996, sections 609.10; 609.125; and 609.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Johnson, D.H.; Ms. Anderson, Mr. Novak and Ms. Kiscaden introduced--

S.F. No. 1462: A bill for an act relating to vocational rehabilitation; authorizing additional funding for employment support services for persons with mental illness; appropriating money.

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

Mrs. Robling, Ms. Olson, Mr. Frederickson and Ms. Hanson introduced--

S.F. No. 1463: A bill for an act relating to transportation; allowing population of city to be determined by estimate of metropolitan council or state demographer for purpose of qualifying for municipal state-aid street fund apportionment; amending Minnesota Statutes 1996, section 162.09, subdivision 4.

Referred to the Committee on Transportation.

Mses. Anderson, Pappas, Messrs. Cohen; Moe, R.D. and Ms. Runbeck introduced--

S.F. No. 1464: A resolution memorializing the President and Congress to enact legislation waiving the English-language and residency requirements for American citizenship for Hmong and other Laotian veterans of American-recruited and -trained special guerrilla units fighting in Laos from 1961 to 1975.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Beckman, Sams, Vickerman and Dille introduced--

S.F. No. 1465: A bill for an act relating to tax increment financing; exempting small cities from certain rules; amending Minnesota Statutes, sections 273.1399, by adding a subdivision; 469.174, by adding a subdivision; 469.176, subdivisions 4c, 4j, and 5; and 469.1763, by adding a subdivision.

Referred to the Committee on Local and Metropolitan Government.

Ms. Anderson, Messrs. Frederickson, Pogemiller, Ms. Higgins and Mr. Novak introduced--

S.F. No. 1466: A bill for an act relating to the environment; regulating emissions from certain electric generating power plants; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Mses. Higgins, Flynn and Mr. Pogemiller introduced--

S.F. No. 1467: A bill for an act relating to tax increment financing; authorizing the city of Minneapolis to establish a housing transition district and providing the conditions thereof.

Referred to the Committee on Local and Metropolitan Government.

Ms. Berglin introduced--

S.F. No. 1468: A bill for an act relating to human services; requiring case management services for mental illness to be reimbursed at the same rate as case management services for mental retardation; amending Minnesota Statutes 1996, section 256B.0625, subdivision 20.

Referred to the Committee on Health and Family Security.

Ms. Berglin introduced--

S.F. No. 1469: A bill for an act relating to human services; changing reimbursement to counties for transportation services provided for transporting persons to detoxification programs or shelters; amending Minnesota Statutes 1996, section 254A.17, subdivision 3.

Referred to the Committee on Health and Family Security.

Ms. Berglin introduced--

S.F. No. 1470: A bill for an act relating to cities of the first class; modifying provisions concerning neighborhood revitalization programs; amending Minnesota Statutes 1996, section 469.1831.

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

Messrs. Novak, Metzen, Ms. Runbeck and Mr. Beckman introduced--

S.F. No. 1471: A bill for an act relating to state government; requiring the commissioner of economic security to administer certain programs.

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

Messrs. Novak; Johnson, D.H.; Metzen; Ms. Higgins and Runbeck introduced--

S.F. No. 1472: A bill for an act relating to housing; appropriating money for home equity conversion counseling.

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

Mr. Stumpf introduced--

S.F. No. 1473: A bill for an act relating to natural resources; providing for reimbursement to counties for certain road costs; appropriating money; amending Minnesota Statutes 1996, section 84A.32, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced--

S.F. No. 1474: A bill for an act relating to human services; allowing optional bidding for vendors of senior meals; amending Minnesota Statutes 1996, section 256.9752, by adding a subdivision.

Referred to the Committee on Health and Family Security.

Mr. Stumpf introduced--

S.F. No. 1475: A bill for an act relating to agriculture; appropriating money for spring wheat research.

Referred to the Committee on Agriculture and Rural Development.

Mr. Janezich introduced--

S.F. No. 1476: A bill for an act relating to transportation; establishing polymer bridge wrap research program; appropriating money.

Referred to the Committee on Transportation.

Ms. Junge and Mr. Belanger introduced--

S.F. No. 1477: A bill for an act relating to health; modifying provisions governing advance health care directives; combining laws governing living wills and durable power of attorney for health care; amending Minnesota Statutes 1996, sections 14.03, subdivision 3; 14.386; 145B.13; 145C.01, subdivisions 2, 3, 4, 8, and by adding subdivisions; 145C.02; 145C.03; 145C.04; 145C.05, subdivision 2, and by adding a subdivision; 145C.06; 145C.07; 145C.08; 145C.09; 145C.10; 145C.11; 145C.12; and 145C.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 145B; and 145C; repealing Minnesota Statutes 1996, sections 145C.05, subdivision 1; and 145C.15.

Referred to the Committee on Health and Family Security.

Mses. Higgins and Anderson introduced--

S.F. No. 1478: A bill for an act relating to the environment; preserving prairies; limiting the application of pesticides; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 18B.

Referred to the Committee on Environment and Natural Resources.

Ms. Higgins, Messrs. Pogemiller and Stumpf introduced--

S.F. No. 1479: A bill for an act relating to education; removing compensatory revenue caps; appropriating money for Head Start; amending Minnesota Statutes 1996, sections 124.17, subdivision 1d; and 124A.22, subdivision 3; repealing Minnesota Statutes 1996, sections 124.17, subdivision 1e; and 124.175.

Referred to the Committee on Children, Families and Learning.

Mr. Cohen introduced--

S.F. No. 1480: A bill for an act relating to evidence; fixing the conditions for the disclosure of certain information subject to the Minnesota Free Flow of Information Act; amending Minnesota Statutes 1996, sections 595.023; and 595.024, subdivision 2.

Referred to the Committee on Judiciary.

Ms. Anderson, Messrs. Foley, Belanger, Oliver and Ms. Ranum introduced--

S.F. No. 1481: A bill for an act relating to crime prevention; regulating transfers or purchases of pistols or semiautomatic military-style assault weapons within a 30-day period; prohibiting the transporting of pistols and semiautomatic military-style assault weapons into the state with the intent to transfer them to persons who are ineligible to possess them; prohibiting certain convicted felons from possessing pistols or semiautomatic military-style assault weapons for the remainder of the person's life; increasing the mandatory prison sentence for convicted felons who possess

firearms; requiring the reporting of lost or stolen pistols or semiautomatic military-style assault weapons; increasing the criminal penalty for certain transfers of pistols and semiautomatic military-style assault weapons; requiring the commissioner of public safety to establish a computerized central reporting system and to maintain certain databases related to firearms; imposing criminal penalties; appropriating money; amending Minnesota Statutes 1996, sections 609.11, subdivision 5; 609.165, subdivision 1a; 624.713, subdivision 1; 624.7132, subdivision 9; and 624.7141, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 299A and 624.

Referred to the Committee on Crime Prevention.

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

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S.F. No. 500: A bill for an act relating to family support enforcement; adopting changes to the uniform interstate family support act; amending Minnesota Statutes 1996, sections 518C.101; 518C.205; 518C.207; 518C.304; 518C.305; 518C.306; 518C.307; 518C.501; 518C.605; 518C.606; 518C.611; 518C.612; and 518C.701; proposing coding for new law in Minnesota Statutes, chapter 518C.

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

Page 3, line 9, strike everything after "(n)"

Page 3, strike line 10

Page 3, line 11, strike "(o)"

Page 3, line 13, strike "(p)" and insert "(o)"

Page 3, line 15, strike "(q)" and insert "(p)"

Page 3, line 17, after "law" insert "or procedure"

Page 3, line 27, strike "the Commonwealth of" and after the second comma, insert "the United States Virgin Islands,"

Page 4, line 26, strike "each individual party has" and insert "all of the parties who are individuals have" and strike "consent" and insert "consents"

Page 5, line 13, after "to" insert "this chapter or"

Page 6, line 19, strike "may" and insert "having jurisdiction over the parties shall"

Page 6, line 20, after "which" insert "is controlling and"

Page 6, line 27, delete everything after the period

Page 6, delete lines 28 and 29 and insert "The requesting party shall give notice of the request to each party whose rights may be affected by the determination."

Page 7, delete lines 8 to 12 and insert "A party who obtains the order and fails to file a certified copy is subject to appropriate sanctions by a tribunal in which the issue of failure to file arises. The failure to file does not affect the validity or enforceability of the controlling order."

Page 11, line 1, delete the first "the" and insert "an income-withholding"

Page 12, line 1, delete "shall be deemed to have satisfied" and insert "satisfies"

Page 12, line 2, after "if" insert "the employer complies with"

Page 12, line 5, delete "is complied with"

Page 12, after line 31, insert:

"Sec. 14. Minnesota Statutes 1996, section 518C.603, is amended to read:

518C.603 [EFFECT OF REGISTRATION FOR ENFORCEMENT.]

(a) A support order or income-withholding order issued in another state is registered when the order is filed in the registering tribunal of this state.

(b) A registered order issued in another state is enforceable in the same manner and is subject to the same procedures as an order issued by a tribunal of this state.

(c) Except as otherwise provided in ~~sections 518C.601 to 518C.612~~ this chapter, a tribunal of this state shall recognize and enforce, but may not modify, a registered order if the issuing tribunal had jurisdiction."

Page 14, line 11, delete the new language

Page 14, line 13, after "if" insert "section 518C.613 does not apply and"

Page 14, line 21, strike "an individual party or" and after "child" insert "or a party who is an individual"

Page 14, line 22, after "tribunal" insert "of this state" and strike "individual"

Page 14, line 23, after "parties" insert "who are individuals"

Page 14, line 24, strike "providing that" and insert "for" and strike "may" and insert "to"

Page 14, line 27, after "enacted" insert "a law or established procedures substantially similar to" and delete the second "the" and insert "an"

Page 14, line 28, delete "party"

Page 15, line 34, delete "individual" and after "parties" insert "who are individuals"

Page 16, line 13, delete "which" and insert "that"

Page 16, line 15, delete "that" and insert "the"

Page 16, line 16, delete everything after the period

Page 16, delete lines 17 to 21 and insert "A party who obtains the order and fails to file a certified copy is subject to appropriate sanctions by a tribunal in which the issue of failure to file arises. The failure to file does not affect the validity or enforceability of the modified order of the new tribunal having continuing, exclusive jurisdiction."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "518C.501;" insert "518C.603;"

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

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

S.F. No. 53: A bill for an act relating to civil commitment; clarifying and reorganizing portions of the commitment act; allowing the designated agency to consent to voluntary treatment for certain incompetent persons; creating a new standard for court-ordered early intervention to provide less intrusive treatment; modifying standards and procedures for the administration of neuroleptic medications; providing for access to records; amending the provisional discharge procedures; requiring medical documentation of a patient's refusal to be examined and allowing determination of need for treatment based on other information; prohibiting prepetition screeners from filing commitment petitions; limiting use of prepetition screening reports in unrelated proceedings; requiring distribution to specified parties; increasing time for return after provisional discharge; modifying provisions governing special review boards; increasing time for hearing appeals; amending Minnesota Statutes 1996, sections 13.42, subdivisions 2 and 3; 246B.01, subdivisions 3 and 4; 253B.01; 253B.02, subdivisions 2, 4, 4a, 7, 9, 13, 14, 15, 18, 18a, 18b, and by adding subdivisions; 253B.03, subdivisions 1, 2, 3, 4, 5, 6, 6b, 7, 8, and by adding a subdivision; 253B.04; 253B.05, subdivisions 1, 2, 3, 4, and by adding a subdivision; 253B.06; 253B.07, subdivisions 1, 2, 2a, 3, 4, 5, 7, and by adding subdivisions; 253B.08, subdivisions 1, 2, 3, 5, and by adding subdivisions; 253B.09, subdivisions 1, 2, 3, 5, and by adding a subdivision; 253B.095; 253B.10; 253B.11, subdivision 2; 253B.12, subdivisions 1, 3, 4, and by adding a subdivision; 253B.13, subdivisions 1 and 2; 253B.14; 253B.15, subdivisions 1, 1a, 2, 3, 5, 10, and by adding subdivisions; 253B.16, subdivision 1; 253B.17, subdivisions 1 and 3; 253B.18, subdivisions 1, 2, 3, 4, 4a, 4b, 5, 6, 7, 9, 12, 14, 15, and by adding a subdivision; 253B.185, subdivision 4; 253B.19, subdivisions 1, 2, 3, and 5; 253B.20, subdivisions 1, 3, 4, 6, and 7; 253B.21, subdivision 4; 253B.22, subdivision 1; 253B.23, subdivisions 1, 4, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 253B; repealing Minnesota Statutes 1996, sections 253B.03, subdivisions 6c and 9; 253B.05, subdivisions 2a and 5; 253B.07, subdivision 6; 253B.08, subdivisions 4 and 6; 253B.091; 253B.12, subdivisions 5 and 8; 253B.13, subdivision 3; 253B.15, subdivisions 4 and 6; 253B.18, subdivision 4; 253B.21, subdivision 5; and 253B.23, subdivision 1a.

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

Page 6, line 20, after the second "person" insert a colon and reinstate the stricken "(a)" and delete ": (a)"

Page 27, line 31, delete "without" and strike "the petition, a"

Page 27, strike line 32

Page 27, line 33, strike "examination"

Page 28, line 1, after "report" insert ", the petition,"

Page 45, after line 17, insert:

"Sec. 65. Minnesota Statutes 1996, section 253B.11, is amended by adding a subdivision to read:

Subd. 2a. [COST OF CARE.] Notwithstanding subdivision 2, a county shall be responsible for the cost of care as specified under section 246.54 for persons hospitalized at a regional treatment center in accordance with section 253B.09 and the person's legal status has been changed to a court hold under section 253B.07, subdivision 6, pending a judicial determination regarding continued commitment pursuant to sections 253B.12 and 253B.13."

Page 71, line 15, after "hear" insert "and act upon"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 32, delete "2;" and insert "and by adding a subdivision;"

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

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

S.F. No. 92: A bill for an act relating to taxation; providing for disclosure or inspection of certain data or return information; limiting disclosure of certain data under subpoena; providing criminal penalties; amending Minnesota Statutes 1996, sections 270.66, subdivision 3; 270B.01, subdivision 8; 270B.03, subdivisions 1, 3, and 4; 270B.08, subdivision 1; 270B.085, subdivision 1; 270B.09; 270B.12, subdivision 7; 270B.14, subdivision 1, and by adding a subdivision; 270B.16; and 287.34; proposing coding for new law in Minnesota Statutes, chapter 270B.

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

Page 2, line 18, before the first comma, insert "(except taxes imposed under sections 115B.21 to 115B.24)"

Page 3, line 23, strike "heir at law, next of kin, or"

Page 3, line 26, before the semicolon, insert "as shown on the federal estate tax return"

Page 3, line 31, before the semicolon, insert "as shown in the trust instrument"

Page 5, line 33, after "STATE" insert "OR POLITICAL SUBDIVISION"

Page 8, after line 2, insert:

"Sec. 13. Minnesota Statutes 1996, section 270B.14, is amended by adding a subdivision to read:

Subd. 16. [DISCLOSURE TO LAW ENFORCEMENT AUTHORITIES.] Under circumstances involving threat of death or physical injury to any individual, the commissioner may disclose return information to the extent necessary to apprise appropriate federal, state, or local law enforcement authorities of those circumstances. Section 13.82 applies to the data that are received by a law enforcement authority under this subdivision."

Page 8, delete lines 21 to 24 and insert:

"Sections 1 to 14 are effective the day following final enactment. Section 15 is effective for deeds executed and delivered, and mortgages submitted for recording, on or after July 1, 1997."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete "a subdivision" and insert "subdivisions"

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

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

S.F. No. 813: A bill for an act relating to children; modifying the definition of family under the MinnesotaCare program; providing for transfer of custody of a child to a relative by a consent decree; authorizing communication or contact agreements between adoptive parents and birth parents; providing for a relative conference and relative care agreement following a report of child abuse or neglect; creating a pilot project; appropriating money; amending Minnesota Statutes 1996, sections 119B.01, subdivision 10; 256.9366, subdivision 3; 257.02; 259.59 by adding a subdivision; 260.191, subdivision 3b; 260.241, subdivision 1; and 518.158; proposing coding for new law in Minnesota Statutes, chapters 257; 259; and 626.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 257.02, is amended to read:

257.02 [SURRENDER OF PARENTAL RIGHTS.]

No person other than the parents or relatives may assume the permanent care and custody of a child under 14 years of age unless authorized so to do by an order or decree of court. However, if a parent of a child who is being cared for by a relative dies, or if the parent is not or cannot fulfill parental duties with respect to the child, the relative may bring a petition under section 260.131. Except in proceedings for adoption or by a consent decree entered under section 257.0215, no parent may assign or otherwise transfer to another parental rights or duties with respect to the permanent care and custody of a child under 14 years of age. Any such transfer shall be void.

Sec. 2. [257.0215] [CUSTODY CONSENT DECREE.]

A parent may transfer legal and physical custody of a child to a relative by a consent decree entered under this section. The court may approve a proposed consent decree if the custody arrangement is in the best interests of the child and all parties to the decree agree to it after being fully informed of its contents. A consent decree under this section must:

(1) transfer legal and physical custody of the child to a named relative and state that this includes the ability to determine the child's residence; make decisions regarding the child's education, religious training, and health care; and obtain information and public services on behalf of the child in the same manner as a parent;

(2) indicate whether the transfer of custody is temporary or permanent; and

(3) include an order for child support in the guidelines amount and an allocation of child care costs as provided by section 518.551, subject to wage withholding under sections 518.611 and 518.613, and including an order for medical support under section 518.171.

Either a parent or a relative who is party to a consent decree under this section may file a motion to modify or terminate the consent decree at any time. A party who has custody of a child under this section must seek modification of the consent decree before transferring physical or legal custody of the child to anyone.

For purposes of this section, "relative" means an adult who is a stepparent, grandparent, brother, sister, uncle, aunt, or other extended family member of a minor by blood, marriage, or adoption.

Sec. 3. [259.58] [COMMUNICATION OR CONTACT AGREEMENTS.]

If an adoptee has resided with a birth relative before being adopted, adoptive parents and that birth relative may enter an agreement under this section regarding communication with or contact between a minor adoptee, adoptive parents, and the birth relative. For purposes of this section, "birth relative" means a parent, stepparent, grandparent, brother, sister, uncle, or aunt of a minor adoptee. This relationship may be by blood or marriage. For an Indian child, birth relative includes members of the extended family as defined by the law or custom of the Indian child's tribe or, in the absence of laws or custom, nieces, nephews, or first or second cousins, as provided in the Indian Child Welfare Act, United States Code, title 25, section 1903.

(a) An agreement regarding communication with or contact between minor adoptees, adoptive parents, and a birth relative is not legally enforceable unless the terms of the agreement are contained in a written court order entered in accordance with this section. An order must be sought at the same time a petition for adoption is filed. The court shall not enter a proposed order unless the terms of the order have been approved in writing by the prospective adoptive parents, a birth relative who desires to be a party to the agreement, and, if the child is in the custody or under the guardianship of an agency, a representative of the agency. An agreement under this section need

not disclose the identity of the parties to be legally enforceable. The court shall not enter a proposed order unless the court finds that the communication or contact between the minor adoptee, the adoptive parents, and a birth relative as agreed upon and contained in the proposed order would be in the minor adoptee's best interests.

(b) Failure to comply with the terms of an agreed order regarding communication or contact that has been entered by the court under this section is not grounds for:

- (1) setting aside an adoption decree; or
- (2) revocation of a written consent to an adoption after that consent has become irrevocable.

(c) An agreed order entered under this section may be enforced or modified by filing a petition or motion with the family court that includes a certified copy of the order granting the communication, contact, or visitation, but only if the petition or motion is accompanied by an affidavit that the parties have mediated or attempted to mediate any dispute under the agreement or that the parties agree to a proposed modification. The prevailing party may be awarded reasonable attorney's fees and costs. The court shall not modify an agreed order under this section unless it finds that the modification is necessary to serve the best interests of the minor adoptee, and:

- (1) the modification is agreed to by the adoptive parent and the birth relative; or
- (2) exceptional circumstances have arisen since the agreed order was entered that justify modification of the order.

Sec. 4. Minnesota Statutes 1996, section 259.59, is amended by adding a subdivision to read:

Subd. 3. This section does not prohibit birth relatives and adoptive parents from entering a communication or contact agreement under section 259.58.

Sec. 5. Minnesota Statutes 1996, section 260.191, subdivision 3b, is amended to read:

Subd. 3b. [REVIEW OF COURT ORDERED PLACEMENTS; PERMANENT PLACEMENT DETERMINATION.] (a) If the court places a child in a residential facility, as defined in section 257.071, subdivision 1, the court shall conduct a hearing to determine the permanent status of the child not later than 12 months after the child was placed out of the home of the parent. Not later than ten days prior to this hearing, the responsible social service agency shall file pleadings to establish the basis for the permanent placement determination. Notice of the hearing and copies of the pleadings must be provided pursuant to section 260.141. If a termination of parental rights petition is filed before the date required for the permanency planning determination, no hearing need be conducted under this section. The court shall determine whether the child is to be returned home or, if not, what permanent placement is consistent with the child's best interests. The "best interests of the child" means all relevant factors to be considered and evaluated.

If the child is not returned to the home, the dispositions available for permanent placement determination are:

(1) permanent legal and physical custody to a relative pursuant to the standards and procedures applicable under chapter 257 or 518. The social service agency may petition on behalf of the proposed custodian;

(2) termination of parental rights and adoption; the social service agency shall file a petition for termination of parental rights under section 260.231 and all the requirements of sections 260.221 to 260.245 remain applicable. An adoption ordered under this subdivision may include an agreement for communication or contact under section 259.58; or

(3) long-term foster care; transfer of legal custody and adoption are preferred permanency options for a child who cannot return home. The court may order a child into long-term foster care only if it finds that neither an award of legal and physical custody to a relative, nor termination of parental rights nor adoption is in the child's best interests. Further, the court may only order long-term foster care for the child under this section if it finds the following:

(i) the child has reached age 12 and reasonable efforts by the responsible social service agency have failed to locate an adoptive family for the child; or

(ii) the child is a sibling of a child described in clause (i) and the siblings have a significant positive relationship and are ordered into the same long-term foster care home.

(b) The court may extend the time period for determination of permanent placement to 18 months after the child was placed in a residential facility if:

(1) there is a substantial probability that the child will be returned home within the next six months;

(2) the agency has not made reasonable, or, in the case of an Indian child, active efforts, to correct the conditions that form the basis of the out-of-home placement; or

(3) extraordinary circumstances exist precluding a permanent placement determination, in which case the court shall make written findings documenting the extraordinary circumstances and order one subsequent review after six months to determine permanent placement. A court finding that extraordinary circumstances exist precluding a permanent placement determination must be supported by detailed factual findings regarding those circumstances.

(c) In ordering a permanent placement of a child, the court must be governed by the best interests of the child, including a review of the relationship between the child and relatives and the child and other important persons with whom the child has resided or had significant contact.

(d) Once a permanent placement determination has been made and permanent placement has been established, further reviews are only necessary if otherwise required by federal law, an adoption has not yet been finalized, or there is a disruption of the permanent or long-term placement. If required, reviews must take place no less frequently than every six months.

(e) An order under this subdivision must include the following detailed findings:

(1) how the child's best interests are served by the order;

(2) the nature and extent of the responsible social service agency's reasonable efforts, or, in the case of an Indian child, active efforts, to reunify the child with the parent or parents;

(3) the parent's or parents' efforts and ability to use services to correct the conditions which led to the out-of-home placement;

(4) whether the conditions which led to the out-of-home placement have been corrected so that the child can return home; and

(5) if the child cannot be returned home, whether there is a substantial probability of the child being able to return home in the next six months.

(f) An order for permanent legal and physical custody of a child may be modified under sections 518.18 and 518.185. The social service agency is a party to the proceeding and must receive notice. An order for long-term foster care is reviewable upon motion and a showing by the parent of a substantial change in the parent's circumstances such that the parent could provide appropriate care for the child and that removal of the child from the child's permanent placement and the return to the parent's care would be in the best interest of the child.

Sec. 6. Minnesota Statutes 1996, section 260.241, subdivision 1, is amended to read:

Subdivision 1. If, after a hearing, the court finds by clear and convincing evidence that one or more of the conditions set out in section 260.221 exist, it may terminate parental rights. Upon the termination of parental rights all rights, powers, privileges, immunities, duties, and obligations, including any rights to custody, control, visitation, or support existing between the child and parent shall be severed and terminated and the parent shall have no standing to appear at any further legal proceeding concerning the child. Provided, however, that a parent whose parental rights are terminated:

(1) shall remain liable for the unpaid balance of any support obligation owed under a court order upon the effective date of the order terminating parental rights; and

(2) may be a party to a communication or contact agreement under section 259.58.

Sec. 7. Minnesota Statutes 1996, section 518.158, is amended to read:

518.158 [GRANDPARENT RELATIVE EX PARTE TEMPORARY CUSTODY ORDER.]

Subdivision 1. [FACTORS.] It is presumed to be in the best interests of the child for the court to grant temporary custody to a grandparent relative under subdivision 2 if a minor child has resided with the grandparent relative for a period of 12 months or more and the following circumstances exist without good cause:

(1) the parent has had no contact with the child on a regular basis and no demonstrated, consistent participation in the child's well-being for six months; or

(2) the parent, during the time the child resided with the grandparent relative, has refused or neglected to comply with the duties imposed upon the parent by the parent and child relationship, including but not limited to providing the child necessary food, clothing, shelter, health care, education, and other care and control necessary for the child's physical, mental, or emotional health and development.

Subd. 2. [EMERGENCY CUSTODY HEARING.] If the parent seeks to remove the child from the home of the grandparent relative and the factors in subdivision 1 exist, the grandparent relative may apply for an ex parte temporary order for custody of the child. The court shall grant temporary custody if it finds, based on the application, that the factors in subdivision 1 exist. If it finds that the factors in subdivision 1 do not exist, the court shall order that the child be returned to the parent. An ex parte temporary custody order under this subdivision is good effective for a fixed period not to exceed 14 days. A temporary custody hearing under this chapter must be set for not later than seven days after issuance of the ex parte temporary custody order. The parent must be promptly served with a copy of the ex parte order and the petition and notice of the date for the hearing.

Subd. 3. [FURTHER PROCEEDINGS.] If the court orders temporary physical custody to the grandparent relative under subdivision 2 and the grandparent relative or parent seeks to pursue further temporary or permanent custody of the child, the custody issues must be determined pursuant to a petition under this chapter and the other standards and procedures of this chapter apply. This section does not affect any rights or remedies available under other law.

Subd. 4. [RETURN TO PARENT.] If the court orders permanent custody to a grandparent relative under this section, the court shall set conditions the parent must meet in order to obtain custody. The court may notify the parent that the parent may request assistance from the local social service agency in order to meet the conditions set by the court.

Subd. 5. [DEFINITION.] For purposes of this section, "relative" means an adult who is a stepparent, grandparent, brother, sister, uncle, aunt, or other extended family member of the minor by blood, marriage, or adoption.

For an Indian child, "relative" includes members of the extended family as defined by the law or custom of the Indian child's tribe or, in the absence of law or custom, nieces, nephews, or first or second cousins, as provided in the Indian Child Welfare Act of 1978, United States Code, title 25, section 1903.

Sec. 8. [626.5565] [RELATIVE CARE AGREEMENT.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, "relative" means an adult who is a stepparent, grandparent, brother, sister, uncle, aunt, or other extended family member of the minor by blood, marriage, or adoption.

For an Indian child, "relative" includes members of the extended family as defined by the law

or custom of the Indian child's tribe or, in the absence of law or custom, nieces, nephews, or first or second cousins, as provided in the Indian Child Welfare Act of 1978, United States Code, title 25, section 1903.

(b) For purposes of this section, "relative care" means one or more of the following: respite care, a monitoring agreement, a designated parent agreement under chapter 257A, access to information about a child, the right to make decisions about a child's residence, education, religious training, or health care, a custody consent decree under section 257.0215, or joint or sole legal or physical custody of a child.

(c) For purposes of this section, "relative care agreement" means an agreement regarding the care of a child that has been reached by the parents and interested relatives of the child after the parents and interested relatives have participated in a facilitated relative care conference under this section.

Subd. 2. [RELATIVE CARE CONFERENCE.] If, upon assessment of a report of neglect or physical or sexual abuse under section 626.556, a local social service agency determines that child protective services are needed, the local social service agency may proceed under this section if it appears from the circumstances of the individual case that a relative care agreement may be in the best interests of the child. The local social service agency may select a facilitator to convene a relative care conference. A facilitator must be certified under chapter 494.

Written notice of the conference must be provided to the parents and to all relatives who have expressed an interest in participating or have been identified by other relatives. The notice must state that the purpose of the conference is to provide an opportunity for the parents and relatives to reach an agreement regarding the care of the child and explain the forms of relative care listed in subdivision 1. The notice must also inform the parents and relatives of the potential consequences and range of options if they do not enter into a relative care agreement that is in the best interests of the child and that the local service agency may intervene with protective services or determine that the child should be placed out of the home.

The local social service agency shall participate in a relative care conference for the purposes of protecting the child's best interests but may not be a party to a relative care agreement reached by the parents and any participating relatives. A relative care agreement remains in effect unless it expires by its own terms or a parent or a relative who is a party to the agreement seeks to modify or end the agreement. If a relative care agreement results in a transfer of physical custody under section 257.0215 or chapter 518, a parent who seeks to have the child returned to the home of the parent without the consent of the relative with whom the child is staying has the burden of establishing that:

- (1) the conditions that led to the child's placement out of the home have been corrected; and
- (2) the parent has demonstrated the ability to care for and provide a stable home for the child.

Sec. 9. [626.5566] [RELATIVE CARE CONFERENCE PILOT PROGRAM.]

Subdivision 1. [PILOT PROGRAM.] The commissioner of human services shall establish a pilot grant program in four counties to encourage counties to use a facilitated relative care conference to assist relatives in reaching a relative care agreement under section 626.5565 regarding the care of a child for whom:

- (1) the county agency has made an assessment of a report of neglect or physical or sexual abuse under section 626.556 and has made a determination that child protective services are needed; and
- (2) it appears to the county agency that a relative care agreement may be in the best interests of the child.

Subd. 2. [PILOT SITES.] Interested county agencies shall submit an application to the commissioner to be included in the pilot program. Participating counties must use the technical assistance provided by the commissioner to train individuals as conference facilitators. Grant funds must be targeted to an urban county, a suburban county, a rural county, and a county that contains a city that is a regional center.

Subd. 3. [USES OF GRANT FUNDS.] A county must use its grant funds to support the implementation of a relative care conference program in the county, including, but not limited to:

(1) training individuals as relative care conference facilitators;

(2) providing, up to the limit of available grant funds, services or supports that were identified and agreed upon by the conference participants as needed to assist the parents and relatives in achieving the terms of a relative care agreement.

Subd. 4. [REPORT ON PILOT PROGRAM.] The commissioner shall report to the chairs of the house of representatives and senate judiciary committees on the participating counties' experiences with the pilot program. The report must include, at a minimum, information on the number of families served, the characteristics of the relatives who were involved in the relative care conferences and agreements, the triggering events in the families that brought them to a relative care conference, and whether the children were kept out of foster care placements after a relative care agreement was obtained.

Sec. 10. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1999, for the purposes of the relative care conference pilot program under Minnesota Statutes, section 626.5566.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective July 1, 1997."

Delete the title and insert:

"A bill for an act relating to children; providing for transfer of custody of a child to a relative by a consent decree; authorizing communication or contact agreements between adoptive parents and birth relatives; providing for a relative conference and relative care agreement following a report of child abuse or neglect; creating a pilot project; appropriating money; amending Minnesota Statutes 1996, sections 257.02; 259.59 by adding a subdivision; 260.191, subdivision 3b; 260.241, subdivision 1; and 518.158; proposing coding for new law in Minnesota Statutes, chapters 257; 259; and 626."

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

Ms. Flynn from the Committee on Transportation, to which was referred

S.F. No. 155: A bill for an act relating to transportation; extending life of Mississippi river parkway commission to June 30, 2001; amending Minnesota Statutes 1996, section 161.1419, subdivision 8.

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

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

S.F. No. 747: A bill for an act relating to children; child protection; providing a uniform process for children in need of protection or services petitions; providing certain notice in voluntary placements; providing for access to certain data on children; providing open hearings and court records in child protection matters; modifying the reasonable efforts requirement when a child has been placed outside the home; clarifying and modifying time requirements for permanency planning; providing earlier notice to relatives of permanency planning for a child; modifying grounds for termination of parental rights; providing a putative father registry; providing for individualized placement decisions for each child; providing administrative review of child abuse determinations; amending Minnesota Statutes 1996, sections 256.045, subdivisions

3, 3b, 4, 5, and 8; 256E.03, subdivision 2; 257.071, subdivisions 1a, 3, 7, and by adding subdivisions; 257.072, subdivisions 1, 2, 3, 4, 7, and 9; 259.21, by adding a subdivision; 259.29; 259.41; 259.49, subdivision 1; 259.57, subdivision 2; 259.67, subdivision 2; 259.77; 260.012; 260.015, subdivisions 2a and 29; 260.131, subdivisions 1 and 2; 260.155, subdivisions 1, 1a, 2, 3, 4, and 8; 260.161, subdivision 2, and by adding a subdivision; 260.165, subdivision 3; 260.181, subdivision 3; 260.191, subdivisions 1a, 3a, 3b, and 4; 260.192; 260.221, subdivisions 1, 5, and by adding a subdivision; and 260.241, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 257; and 259; repealing Minnesota Statutes 1996, sections 259.33; and 259.51.

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

Page 1, delete line 34

Page 4, lines 13 and 14, delete "at public expense"

Page 4, lines 15 and 32, before the semicolon, insert ", and that counsel will be appointed at public expense if they are unable to afford counsel"

Page 4, line 30, delete "at public expense"

Page 4, line 33, after "(6)" insert "the timelines and procedures for review of voluntary placements under section 257.071, subdivision 3, and"

Page 5, line 2, before "Within" insert "(a)"

Page 5, after line 14, insert:

"(b) When the agency determines that it is necessary to prepare for the permanent placement determination hearing or in anticipation of filing a termination of parental rights petition, the agency shall send notice to the relatives, any adult with whom the child is currently residing, any adult with whom the child has resided for one year or longer in the past, and any adults who have maintained a relationship or exercised visitation with the child as identified in the agency case plan. The notice must state that a permanent home is sought for the child and that the individuals receiving the notice may indicate to the agency their interest in providing a permanent home. The notice must contain an advisory that if the relative chooses not to be a placement resource at the beginning of the case, this may affect the relative's rights to have the child placed with that relative permanently later on."

Page 5, line 25, delete "when" and insert "where"

Page 6, line 7, delete "at public expense" and before the period, insert "and the court shall appoint counsel at public expense if they are unable to afford counsel"

Page 6, after line 11, insert:

"Sec. 7. Minnesota Statutes 1996, section 257.071, subdivision 4, is amended to read:

Subd. 4. [REVIEW OF DEVELOPMENTALLY DISABLED AND EMOTIONALLY HANDICAPPED CHILD PLACEMENTS.] If a developmentally disabled child, as that term is defined in United States Code, title 42, section 6001 (7), as amended through December 31, 1979, or a child diagnosed with an emotional handicap as defined in section 252.27, subdivision 1a, has been placed in a residential facility pursuant to a voluntary release by the child's parent or parents because of the child's handicapping conditions or need for long-term residential treatment or supervision, the social service agency responsible for the placement shall bring a petition for review of the child's foster care status, pursuant to section 260.131, subdivision 1a, rather than a petition as required by ~~subdivision 3, clause (b)~~ section 260.191, subdivision 3b, after the child has been in foster care for ~~18~~ six months or, in the case of a child with an emotional handicap, after the child has been in a residential facility for six months. Whenever a petition for review is brought pursuant to this subdivision, a guardian ad litem shall be appointed for the child."

Page 6, line 32, strike "appropriate" and insert "special"

Pages 7 and 8, delete section 8

Page 10, after line 5, insert:

"Sec. 10. [259.58] [COMMUNICATION OR CONTACT AGREEMENTS.]

If an adoptee has resided with a birth relative before being adopted, adoptive parents and that birth relative may enter an agreement under this section regarding communication with or contact between a minor adoptee, adoptive parents, and the birth relative. For purposes of this section, "birth relative" means a parent, stepparent, grandparent, brother, sister, uncle, or aunt of a minor adoptee. This relationship may be by blood or marriage. For an Indian child, birth relative includes members of the extended family as defined by the law or custom of the Indian child's tribe or, in the absence of laws or custom, nieces, nephews, or first or second cousins, as provided in the Indian Child Welfare Act, United States Code, title 25, section 1903.

(a) An agreement regarding communication with or contact between minor adoptees, adoptive parents, and a birth relative is not legally enforceable unless the terms of the agreement are contained in a written court order entered in accordance with this section. An order must be sought at the same time a petition for adoption is filed. The court shall not enter a proposed order unless the terms of the order have been approved in writing by the prospective adoptive parents, a birth relative who desires to be a party to the agreement, and, if the child is in the custody or under the guardianship of an agency, a representative of the agency. An agreement under this section need not disclose the identity of the parties to be legally enforceable. The court shall not enter a proposed order unless the court finds that the communication or contact between the minor adoptee, the adoptive parents, and a birth relative as agreed upon and contained in the proposed order would be in the minor adoptee's best interests.

(b) Failure to comply with the terms of an agreed order regarding communication or contact that has been entered by the court under this section is not grounds for:

(1) setting aside an adoption decree; or

(2) revocation of a written consent to an adoption after that consent has become irrevocable.

(c) An agreed order entered under this section may be enforced or modified by filing a petition or motion with the family court that includes a certified copy of the order granting the communication, contact, or visitation, but only if the petition or motion is accompanied by an affidavit that the parties have mediated or attempted to mediate any dispute under the agreement or that the parties agree to a proposed modification. The prevailing party may be awarded reasonable attorney's fees and costs. The court shall not modify an agreed order under this section unless it finds that the modification is necessary to serve the best interests of the minor adoptee, and:

(1) the modification is agreed to by the adoptive parent and the birth relative; or

(2) exceptional circumstances have arisen since the agreed order was entered that justify modification of the order.

Sec. 11. Minnesota Statutes 1996, section 259.59, is amended by adding a subdivision to read:

Subd. 3. [COMMUNICATION OR CONTACT AGREEMENTS.] This section does not prohibit birth parents and adoptive parents from entering a communication or contact agreement under section 259.58."

Page 11, line 14, delete "; unless" and insert ". The court may, upon motion and hearing, order the cessation of reasonable efforts if"

Page 11, line 15, delete "determines" and insert "finds"

Page 16, line 15, delete everything after "facts"

Page 16, line 16, delete "believe" and insert "that would establish, if proven,"

Page 16, line 18, delete "possible"

Page 16, line 19, delete "maltreatment" and insert "the circumstances underlying the petition"

Page 16, line 20, delete "and"

Page 16, line 23, before the period, insert "; and

(4) a statement of the relationship of the petitioner to the child and any other parties"

Page 16, after line 23, insert:

"The court may not allow a petition to proceed under this paragraph if it appears that the sole purpose of the petition is to modify custody between the parents."

Pages 16 to 18, delete section 16

Page 19, line 9, delete "appointed at public expense"

Page 19, line 10, before the period, insert "and the court shall appoint counsel at public expense if they are unable to afford counsel"

Page 19, line 32, before the period, insert ", if the child is 12 years of age or older, or if the child is under age 12 and the court determines the child is of sufficient maturity to participate in the proceedings"

Page 20, line 2, delete everything after "(d)"

Page 20, delete lines 3 and 4

Page 20, line 5, delete "any expressed interests."

Page 20, line 6, delete "The same attorney shall"

Page 20, delete line 7 and insert:

"(e) In any proceeding where the subject of a petition for a child in need of protection or services is not represented by an attorney, the court shall determine the child's preferences regarding the proceedings, if the child is of suitable age to express a preference."

Page 20, line 12, delete everything after the period

Page 20, delete lines 13 to 18

Page 20, line 19, delete "these obligations."

Pages 22 and 23, delete section 22

Page 23, line 36, after the period, insert "An attorney does not have access under this subdivision to the identity of a person who made a report under section 626.556."

Page 25, line 14, delete "guardianship" and insert "custody"

Page 27, line 7, before the semicolon, insert ". An adoption ordered under this subdivision may include an agreement for communication or contact under section 259.58"

Page 34, after line 32, insert:

"Sec. 31. Minnesota Statutes 1996, section 260.241, subdivision 1, is amended to read:

Subdivision 1. If, after a hearing, the court finds by clear and convincing evidence that one or more of the conditions set out in section 260.221 exist, it may terminate parental rights. Upon the termination of parental rights all rights, powers, privileges, immunities, duties, and obligations, including any rights to custody, control, visitation, or support existing between the child and

parent shall be severed and terminated and the parent shall have no standing to appear at any further legal proceeding concerning the child. Provided, however, that a parent whose parental rights are terminated:

(1) shall remain liable for the unpaid balance of any support obligation owed under a court order upon the effective date of the order terminating parental rights; and

(2) may be a party to a communication or contact agreement under section 259.58."

Pages 35 and 36, delete sections 33 to 35

Page 36, line 9, before "to" insert "and other laws relating to child protection and child welfare services"

Page 36, line 22, delete "A task force is created" and insert "The commissioner of human services shall create a task force"

Page 36, line 25, after the third comma, insert "one representative each from the council on black Minnesotans, Indian affairs council, council on affairs of Chicano/Latino people, and council on Asian-Pacific Minnesotans,"

Page 36, line 28, after the second comma, insert "two adults who were in the foster or adoptive care systems as children,"

Pages 37 and 38, delete sections 40 and 41

Page 38, delete lines 20 to 25

Page 38, line 28, delete "DATES" and insert "DATE"

Page 38, delete lines 29 and 30

Pages 38 to 72, delete articles 2 to 4

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to children; child protection; providing a uniform process for children in need of protection or services petitions; providing certain notice in voluntary placements; providing for access to certain data on children; providing for contact and communication agreements in adoption; modifying the reasonable efforts requirement when a child has been placed outside the home; clarifying and modifying time requirements for permanency planning; providing earlier notice to relatives of permanency planning for a child; modifying grounds for termination of parental rights; appropriating money; amending Minnesota Statutes 1996, sections 256E.03, subdivision 2; 257.071, subdivisions 3, 4, and by adding subdivisions; 257.072, subdivision 1; 259.41; 259.59, by adding a subdivision; 259.67, subdivision 2; 260.012; 260.015, subdivisions 2a and 29; 260.131, subdivisions 1 and 2; 260.155, subdivisions 1a, 2, 3, 4, and 8; 260.161, by adding a subdivision; 260.165, subdivision 3; 260.191, subdivisions 3a, 3b, and 4; 260.192; 260.221, subdivisions 1 and 5; and 260.241, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 257; and 259; repealing Minnesota Statutes 1996, section 259.33."

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

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

S.F. No. 122: A bill for an act relating to human services; requiring notification of placement or adoption of a child to the other birth parent; requiring background checks for adoption; requiring affidavits for an emergency order requiring updates to adoption study; defining content of

postplacement assessment and report; permitting court-ordered grandparent visitation with an adopted child; recognition of adoption which occurred in a foreign country; defining when adoption records shall become public records; amending Minnesota Statutes 1996, sections 245A.04, subdivision 10; 257.022, subdivision 2, and by adding a subdivision; 259.20, subdivision 2; 259.22, subdivision 4; 259.24, subdivision 2a; 259.41; 259.47, subdivisions 3, 6, 7, 8, and 10; 259.53, subdivision 2; 259.55, subdivision 1; 259.59, subdivision 1; 259.67, subdivision 7; 259.79, subdivision 3; 259.83, subdivision 3; and 259.89, subdivisions 1, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 259; repealing Minnesota Statutes 1996, section 259.47, subdivision 9.

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

Page 3, after line 31, insert:

"Sec. 5. Minnesota Statutes 1996, section 259.22, subdivision 2, is amended to read:

Subd. 2. No petition for adoption shall be filed unless the child sought to be adopted has been placed by the commissioner of human services, the commissioner's agent, or a licensed child-placing agency. The provisions of this subdivision shall not apply if

(a) the child is over 14 years of age;

(b) ~~the child is sought to be adopted by a stepparent;~~

(~~e~~) the child is sought to be adopted by a ~~relative related by blood or marriage within the third degree~~ an individual who is related to the child, as defined by section 245A.02, subdivision 13;

(~~d~~) (~~c~~) the child has been lawfully placed under the laws of another state while the child and petitioner resided in that other state;

(~~e~~) (~~d~~) the court waives the requirement of this subdivision in the best interests of the child or petitioners, provided that the adoption does not involve a placement as defined in section 259.21, subdivision 8; or

(~~f~~) (~~e~~) the child has been lawfully placed under section 259.47."

Page 4, line 24, after "CONSENT" insert "NOTICE OF INTENT TO CONSENT TO ADOPTION"

Page 4, line 28, after "(b)" insert "Unless all birth parents from whom consent is required under this section are involved in making the adoptive placement and intend to consent to the adoption,"

Page 4, line 29, delete "adopt the child" and insert "an adoption" and before "other" insert "child's"

Page 4, line 30, delete "adopt" and insert "the adoption"

Page 5, line 2, delete "Notice" and insert "When notice is required under this subdivision, it"

Page 5, line 26, before the period, insert ", except as required by section 259.53, subdivision 2, paragraph (c)"

Page 8, line 27, after the period, insert "In the event that an agency is unable to complete any of the records checks required by paragraph (b), the agency shall submit with the petition to adopt an affidavit documenting the agency's efforts to complete the checks."

Page 15, after line 27, insert:

"Sec. 14. Minnesota Statutes 1996, section 259.53, subdivision 1, is amended to read:

Subdivision 1. [NOTICE TO COMMISSIONER; COUNTY DUTIES REFERRAL FOR POSTPLACEMENT ASSESSMENT.] (a) Upon the filing of a petition for adoption of a child the court administrator shall immediately transmit a copy of the petition to the commissioner of

human services and the local social services agency of the county in which the prospective adoptive parent lives. Except as provided in subdivision 2, the local social services agency shall verify the allegations of the petition, investigate the conditions and antecedents of the child for the purpose of ascertaining whether the child is a proper subject for adoption, whether the proposed adoptive home and the child are suited to each other and whether the proposed adoption meets the preferences described in section 259.57, subdivision 2. The report of the local social services agency shall be confidential, and the records of the local social services agency or the contents of them shall not be disclosed either directly or indirectly to any person other than the commissioner of human services or a judge of the court having jurisdiction of the matter. Within 90 days after the receipt of the copy of the petition the local social services agency shall submit to the court and the commissioner a full report in writing with recommendations as to the granting of the petition. If the report is not returned within the 90 days, without fault of petitioner, the court may hear the petition upon giving the local social services agency five days notice by mail of the time and place of the hearing. If the report disapproves of the adoption of the child, the local social services agency may recommend that the court dismiss the petition.

(b) The court shall immediately refer the petition to the agency specified below for completion of a postplacement assessment and report as required by subdivision 2:

(1) if the child to be adopted has been committed to the guardianship of the commissioner or an agency under section 260.241 or an agency has been given authority to place the child under section 259.25, the court shall refer the petition to that agency, unless another agency is supervising the placement, in which case the court shall refer the petition to the supervising agency;

(2) if the child to be adopted has been placed in the petitioner's home by a direct adoptive placement, the court shall refer the petition to the agency supervising the placement under section 259.47, subdivision 3, paragraph (a), clause (6); or

(3) if the child is to be adopted by an individual who is related to the child as defined by section 245A.02, subdivision 13, and in all other instances not described in clause (1) or clause (2), the court shall refer the petition to the local social services agency of the county in which the prospective adoptive parent lives."

Page 15, line 31, delete "(a)" and strike "Notwithstanding the provisions of subdivision 1, if"

Page 15, lines 32 to 36, delete the new language and strike the old language

Page 16, lines 1 to 4, delete the new language and strike the old language

Page 16, line 5, delete "(b)" and insert "(a)" and strike "or local social services agency, within 90"

Page 16, strike line 6

Page 16, line 7, before "shall" insert "to which the petition has been referred under subdivision 1"

Page 16, line 8, before the period, insert "within 90 days of receipt of a copy of the adoption petition. The agency shall send a copy of the report to the commissioner at the time it files the report with the court"

Page 16, line 9, delete "address" and insert "evaluate"

Page 16, line 11, strike "the home of" and insert "placement with"

Page 16, line 12, strike "preferences" and insert "needs of the child as" and after the period, insert "The report must include a recommendation to the court as to whether the petition should be granted."

Page 16, line 13, delete "(c) At a minimum" and insert "In making the above evaluations and recommendation"

Page 16, line 14, after "must" insert ", at a minimum,"

Page 16, delete lines 26 to 32

Page 16, line 33, delete the new language and strike the old language

Page 16, strike lines 34 and 35

Page 17, line 3, after the stricken language, insert "(b)"

Page 17, line 4, delete "after" and insert "following"

Page 17, after line 4, insert:

"(c) If the petitioner is an individual who is related to the child, as defined by section 245A.02, subdivision 13, the agency, as part of its postplacement assessment and report under paragraph (a), shall conduct a background check meeting the requirements of section 259.41, subdivision 3, paragraph (b). The prospective adoptive parent shall cooperate in the completion of the background check by supplying the information and authorizations described in section 259.41, subdivision 3, paragraph (a).

(d) If the report recommends that the court not grant the petition to adopt the child, the provisions of this paragraph apply. Unless the assessment and report were completed by the local social services agency, the agency completing the report, at the time it files the report with the court under paragraph (a), must provide a copy of the report to the local social services agency in the county where the prospective adoptive parent lives. The agency or local social services agency may recommend that the court dismiss the petition. If the local social services agency determines that continued placement in the home endangers the child's physical or emotional health, the agency shall seek a court order to remove the child from the home.

(e) If, through no fault of the petitioner, the agency to whom the petition was referred under subdivision 1, paragraph (b), fails to complete the assessment and file the report within 90 days of the date it received a copy of the adoption petition, the court may hear the petition upon giving the agency and the local social services agency, if different, five days' notice by mail of the time and place of the hearing."

Page 17, line 26, reinstate the stricken language

Page 17, line 27, reinstate the stricken language and before the semicolon, insert ", unless the court determines within the six-week period that the birth mother is unable to be employed due to physical limitations relating to the birth of the child"

Page 19, after line 12, insert:

"Sec. 19. Minnesota Statutes 1996, section 259.61, is amended to read:

259.61 [HEARINGS, CONFIDENTIAL.]

All hearings held in proceedings under sections 259.21 to 259.63 shall be confidential and shall be held in closed court without admittance of any persons other than the petitioners, their witnesses, the commissioner of human services or an agency, or their authorized representatives, attorneys, and persons entitled to notice by sections 259.21 to 259.63, except by order of the court. The files and records of the court in adoption proceedings shall not be open to inspection by any person except the commissioner of human services or the commissioner's representatives, an agency acting under section 259.47, subdivision 10, or upon an order of the court expressly so permitting pursuant to a petition setting forth the reasons therefor. In a stepparent adoption, upon receiving a written request from a parent whose parental rights would be or have been severed by the adoption under section 259.59, the court or the commissioner may confirm in writing whether or not an adoption decree has been granted and, if so, the date of the adoption decree."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete the second "subdivision" and insert "subdivisions 2 and"

Page 1, line 16, delete the first "subdivision" and insert "subdivisions 1 and"

Page 1, line 17, after the second semicolon, insert "259.61;"

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

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

S.F. No. 819: A bill for an act relating to insurance; creating a statewide health care consumer assistance program; prohibiting contracts that restrict communication between providers and their patients; requiring disclosure of health care provider financial incentives; requiring health plan companies to provide continuity of care and access to specialty care for certain enrollees; prohibiting certain exclusive arrangements; appropriating money; amending Minnesota Statutes 1996, section 181.932, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62J; and 62Q; repealing Minnesota Statutes 1996, sections 62Q.105, subdivisions 2, 3, 4, and 8; and 62Q.11.

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

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.]

It is the intent of the legislature in the Patient Protection Act to establish additional state consumer protections and assistance relating to the coverage for and delivery of health care treatment and services that will supplement and complement existing laws and regulations and further ensure that no patient receiving services or treatment within Minnesota will be harmed by inappropriate health care practices or treatment, and to provide improved assistance to consumers and patients who have questions or problems relating to their health care coverage or treatment.

Sec. 2. [62J.695] [CITATION.]

Sections 62J.70 to 62J.72 may be cited as the "Patient Protection Act."

Sec. 3. [62J.70] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For purposes of sections 62J.70 to 62J.72, the terms defined in this subdivision have the meanings given them.

Subd. 2. [HEALTH CARE PROVIDER OR PROVIDER.] "Health care provider" or "provider" means:

(1) a physician, nurse, or other provider as defined under section 62J.03;

(2) a hospital as defined under section 144.696, subdivision 3;

(3) an individual or entity that provides health care services under the medical assistance, general assistance medical care, MinnesotaCare, or state employee group insurance program; and

(4) an association, partnership, corporation, limited liability corporation, or other organization of persons or entities described in clause (1) or (2) organized for the purposes of providing, arranging, or administering health care services or treatment.

This section does not apply to trade associations, membership associations of health care professionals, or other organizations that do not directly provide, arrange, or administer health care services or treatment.

Subd. 3. [HEALTH PLAN COMPANY.] "Health plan company" means a health plan company as defined under section 62Q.01, subdivision 4.

Subd. 4. [ENROLLEE.] "Enrollee" means an individual covered by a health plan company, health insurance or health coverage plan and includes an insured, policyholder, subscriber, contract holder, member, covered person, or certificate holder.

Sec. 4. [62J.71] [DISCLOSURE OF HEALTH CARE PROVIDER INFORMATION.]

Subdivision 1. [WRITTEN DISCLOSURE.] A health plan company, a health care network cooperative as defined under section 62R.04, subdivision 3, and a health care provider as defined under section 62J.70, subdivision 2, shall, upon enrollment, and annually thereafter, provide enrollees with a description of the general nature of the reimbursement methodologies used by the health plan company, health insurance or health coverage plan to pay providers. This description may be incorporated into the member handbook, subscriber contract, or certificate of coverage. Upon request, a health plan company or provider must provide an enrollee or patient with specific information regarding the reimbursement methodology, including, but not limited to, the following information:

(1) a concise written description of any provider payment plan, including any incentive plan applicable to the enrollee;

(2) a written description of any incentive available to the provider relating to the provision of health care services to patients, including any compensation arrangement that is dependent on the amount of health coverage or health care services provided to a patient, or the number of referrals to or utilization of specialists; and

(3) a written description of any incentive plan that involves the transfer of financial risk to a health care provider.

Nothing in this subdivision prohibits a contract provision that requires any contracting party to keep confidential or to not disclose proprietary information of a specific health plan company, health insurance or health coverage plan.

Subd. 2. [INFORMATION ON PATIENTS' MEDICAL BILLS.] A health plan company and health care provider shall provide patients and enrollees with a copy of an itemized and intelligible bill whenever the patient or enrollee is sent a bill and is responsible for paying any portion of that bill. The bills must contain descriptive language sufficient to be understood by the average patient or enrollee. This subdivision does not apply to a flat co-pay amount paid by the patient at the time the service is required.

Subd. 3. [NONAPPLICABILITY.] Health care providers as defined in section 62J.70, subdivision 2, clause (1), need not individually provide information required under this section if it has been provided by another entity that is subject to this section.

Sec. 5. [62J.72] [HEALTH CARE CONSUMER ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioners of health and commerce, in consultation with the commissioner of human services, shall establish a statewide program to provide assistance to consumers, patients, or enrollees with complaints or problems relating to their health care or health coverage plan. The program shall include a statewide toll-free telephone number.

Subd. 2. [SELECTION CRITERIA.] The commissioner of administration shall contract with an agency, organization, or consortium of organizations to operate the health care consumer assistance program. The commissioner shall not contract with an agency, organization, or consortium that:

(1) has a direct involvement in the licensing, certification, or accreditation of a health care facility, health plan company, or health care provider;

(2) has a direct ownership or financial interest in a health care facility, health plan company, or in providing, arranging, or administering health care services or treatment; or

(3) is employed by or is under contract to provide management services to a health care facility, health plan company, or an entity that provides, arranges, or administers health care services or treatment.

Subd. 3. [FUNCTIONS.] The health care consumer assistance program shall provide assistance to all health care consumers:

(1) by informing consumers about their health care program or health coverage plan;

(2) in obtaining appropriate referrals and information to enable consumers to assert their rights as patients;

(3) in obtaining information and outcomes data on health plan company and health care provider performances;

(4) by identifying and monitoring trends in patient complaints about health care coverage and services;

(5) by providing patients referrals to another state consumer assistance, ombudsman, or advocacy service whenever possible; and

(6) by assisting patients in understanding their contractual and legal rights, including the rights under the dispute resolution process. This assistance can include advocacy for patients in administrative proceedings or other formal dispute resolution processes, where appropriate.

Subd. 4. [CONSUMER ADVISORY BOARD.] (a) The consumer advisory board shall advise on the design of the request for proposal described in subdivision 2 of this section; make recommendations on the implementation and oversight of the health care consumer assistance program, including future funding levels and mechanisms; and report annually to the legislature on the level of consumer protections contained in self-insured plans and the trends in patient complaints and resolution of those complaints.

(b) The board shall consist of 16 consumers as specified in this subdivision. All members of the board must be public, consumer members who:

(1) do not have and never had a material interest in either the provision of health care services or in an activity directly related to the provision of health care services, such as health insurance sales or health plan administration;

(2) are not currently responsible for or directly involved in the purchasing of health insurance for a business or organization; and

(3) are not registered lobbyists.

The governor, the speaker of the house, and the senate majority leader shall each appoint two members. The council on Asian Pacific Minnesotans, council on Black Minnesotans, Spanish-speaking affairs council, and mid-Minnesota legal assistance shall each appoint one member. The health care campaign of Minnesota, Minnesotans for affordable health care, and consortium for citizens with disabilities shall each appoint two members.

Subd. 5. [IMMUNITY.] Employees, or persons employed by an entity contracting with the health care consumer assistance program are immune from liability to the same extent as an ombudsman under section 245.96.

Sec. 6. Minnesota Statutes 1996, section 62Q.105, is amended to read:

62Q.105 [HEALTH PLAN COMPANY COMPLAINT PROCEDURE.]

Subdivision 1. [ESTABLISHMENT.] Each health plan company shall establish and make

available to enrollees, by July 1, 1997, an informal complaint resolution process that meets the requirements of this section. A health plan company must make reasonable efforts to resolve enrollee complaints, and must inform complainants in writing of the company's decision and the reasons for it within 30 days of receiving the complaint. The complaint resolution process must treat the complaint and information related to it as required under sections 72A.49 to 72A.505.

Subd. 2. [MEDICALLY URGENT COMPLAINTS.] A medically urgent complaint involves medically necessary care which does not meet the definition of emergency care but is needed as soon as possible, usually within 24 hours, to protect the health of the enrollee. Health plan companies shall make reasonable efforts to promptly resolve medically urgent enrollee complaints within 72 hours and promptly notify the enrollee and the commissioner of their decisions, but in no case later than three business days of receiving the complaint.

Subd. 3. [APPEALS PROCESS.] Health plan companies shall establish and make available to enrollees an impartial internal appeals process. If a decision by a health plan company regarding a complaint is partially or wholly adverse to the complainant, the health plan company shall advise the complainant of the right to additional appeal through the impartial appeals process or to the commissioner, mechanisms under this section. The person or persons conducting the appeal must have the authority to resolve or recommend the resolution of the complaint and must not be solely the person or persons who decided the enrollee's original complaint. A health plan company must inform the enrollee of the outcome of an internal appeal in writing, and the reasons for it, within 45 days of receiving the appeal. A health plan company must explain Medicare appeal procedures to its Medicare enrollees. For persons enrolled in health care programs established under section 256.9363, 256B.69, or 256D.03, a health plan company must explain how to contact the managed care ombudsman at the department of human services.

Subd. 4. [ALTERNATIVE DISPUTE RESOLUTION.] Health plan companies shall make available to enrollees an alternative dispute resolution process according to subdivision 10 to appeal health plan company internal appeal decisions, and shall participate in that alternative dispute resolution at the request of an enrollee, as required under section 62Q.11. A health plan company must respond within 14 days of receiving the enrollee's request for alternative dispute resolution and inform the enrollee of the options available. A health plan company may meet the requirements of subdivision 3 by providing an alternative dispute resolution process. If the health plan company chooses to provide alternative dispute resolution to meet the requirements of subdivision 3, the process shall be provided at no cost to the enrollee.

Subd. 5. [REQUIREMENTS FOR MANAGED CARE ORGANIZATIONS.] Each managed care organization shall submit all health care quality related complaints to its quality review board or quality review organization for evaluation and possible action. The complaint resolution process for managed care organizations must clearly indicate the entity responsible for resolving complaints made by enrollees against hospitals, other health care facilities, and health care providers, that are owned by or under contract with the managed care organization.

Subd. 6. [RECORDKEEPING.] Health plan companies shall maintain records of all enrollee complaints and their resolutions. These records must be retained for five years, and must be made available to the appropriate commissioner upon request.

Subd. 7. [REPORTING.] Each health plan company shall submit to the appropriate commissioner, as part of the company's annual filing, data on the number and type of complaints that are not resolved within 30 days. A health plan company shall also make this information available to the public upon request.

Subd. 8. [NOTICE TO ENROLLEES.] Health plan companies shall provide a clear and complete description of their complaint resolution procedures to enrollees as part of their evidence of coverage or contract. The description must specifically inform enrollees:

- (1) how to file a complaint with the health plan company;
- (2) how to request an impartial internal appeal;

(3) how to appeal to or file a complaint with the commissioner and that they have the right to request the use of alternative methods of dispute resolution following an internal appeal; and

(4) that they have the right to litigate.

Subd. 9. [PROCEDURE.] (a) When an enrollee files a complaint with the health plan company and receives the written response to the complaint, the enrollee may appeal through the health plan company's internal appeal process.

(b) When an enrollee files a complaint with the commissioner, the commissioner shall investigate the complaint and inform the enrollee and the health plan company of the commissioner's decision. An enrollee who receives the commissioner's decision may appeal through the health plan company's internal appeal process.

(c) An enrollee may appeal the result of the health plan company's internal appeal process to the commissioner or to alternative dispute resolution.

(d) Procedures under this section are stayed when an enrollee files suit, including suit in conciliation court, against a health plan company, or when the enrollee makes the health plan company a party to the enrollee's suit against another party concerning the facts giving rise to the enrollee's complaint. Upon a decision on the merits, the enrollee shall be deemed to have waived the remedies under this section. If an enrollee's case is dismissed for reasons other than on the merits or if the enrollee and health plan company agree, an enrollee may access the procedures under this section.

Subd. 10. [ENROLLEE DISPUTE RESOLUTION.] (a) For purposes of this section and chapter 62D, "alternative dispute resolution" means the methods listed and defined in Minnesota General Rules of Practice, rule 114.

(b) Alternative dispute resolution is binding, unless the parties mutually agree in advance in writing that alternative dispute resolution is not binding.

(c) Enrollee complaints regarding employer initiated actions, agent misrepresentation, or premiums are not subject to alternative dispute resolution. A medical malpractice damage claim is not subject to alternative dispute resolution unless agreed to by all parties subsequent to the event giving rise to the claim.

(d) A health plan company shall inform and educate its enrollees about alternative dispute resolution and its benefits.

(e) The enrollee and the health plan company shall mutually agree to the alternative dispute method to resolve the enrollee's appeal within 14 days of the enrollee's receipt of alternative dispute resolution options. Mediation-arbitration shall be used if the enrollee and the health plan company cannot agree. The alternative dispute resolution must be scheduled as soon as possible after the parties agree to a method. A health plan company must inform the enrollee of the outcome of an alternative dispute resolution in writing, and the reasons for it, within ten calendar days of receiving the outcome from the alternative dispute resolution provider.

Subd. 11. [PROVIDER DISPUTE RESOLUTION.] When a health care provider under a contract has a dispute with a health plan company that is governed neither by the federal Health Care Quality Improvement Act of 1986, United States Code, title 42, sections 11101 to 11152, nor by a contract between the provider and the health plan company, the provider may request an alternative dispute resolution process. The health plan company must participate. The health care provider and the health plan company shall mutually agree to one of the alternative dispute resolution methods listed in subdivision 10 within 30 calendar days of the health plan company receiving the request for alternative dispute resolution. If the provider and the health plan company cannot agree on the alternative dispute resolution method, mediation-arbitration shall be used. Alternative dispute resolution under this subdivision is binding unless the parties mutually agree in advance in writing that alternative dispute resolution is not binding.

Sec. 7. Minnesota Statutes 1996, section 62Q.106, is amended to read:

62Q.106 ~~[DISPUTE RESOLUTION BY COMMISSIONER~~ COMMISSIONER'S RESPONSIBILITY TO INVESTIGATE ENROLLEE COMPLAINTS.]

A complainant may at any time prior to binding alternative dispute resolution or a judicial decision on the merits, submit a complaint to the appropriate commissioner to investigate. The commissioner may investigate an enrollee complaint or enrollee appeal of the health plan company's internal appeal decision. When the complaint concerns the health plan company's decision to not cover a service, the appropriate commissioner may review the complaint and any information, including testimony, necessary to resolve the complaint. After investigating a complaint, or reviewing a company's decision, the appropriate commissioner may order a remedy as authorized under section 62N.04, 62Q.30, chapter 45, 60A, or 62D.

Sec. 8. Minnesota Statutes 1996, section 62Q.30, is amended to read:

62Q.30 [EXPEDITED FACT FINDING AND DISPUTE RESOLUTION PROCESS.]

(a) The commissioner shall establish an expedited fact finding and dispute resolution process to assist enrollees of health plan companies with contested medically urgent treatment, coverage, and service issues to be in effect July 1, 1997. "Medically urgent" has the meaning given in section 62Q.105, subdivision 2.

(b) The commissioner may order an integrated service network or an all-payer insurer a health plan company to provide or pay for a service that is within the standard health coverage either required to be provided by law or covered under the enrollee's evidence of coverage. The commissioner shall take steps including, but not limited to, fining, suspending, or revoking the license of a health plan company that is the subject of repeated orders by the commissioner that suggest a pattern of inappropriate underutilization.

(c) If the disputed issue relates to whether a service is appropriate and necessary, the commissioner shall issue an order only after consulting with appropriate experts knowledgeable, trained, and practicing in the area in dispute, reviewing pertinent literature, and considering the availability of satisfactory alternatives. The commissioner shall take steps including but not limited to fining, suspending, or revoking the license of a health plan company that is the subject of repeated orders by the commissioner that suggests a pattern of inappropriate underutilization.

(d) Procedures under this section are stayed when an enrollee files suit, including suit in conciliation court, against a health plan company or when the enrollee makes the health plan company a party to the enrollee's suit against another party concerning the facts giving rise to the enrollee's complaint. Upon a decision on the merits, the enrollee shall be deemed to have waived the remedies under this section. If an enrollee's case is dismissed for reasons other than on the merits or if the enrollee and the health plan company agree, an enrollee may access the procedures under this section.

Sec. 9. [62Q.53] [EMERGENCY SERVICES.]

(a) Enrollees have the right to available and accessible services, including emergency services, 24 hours a day and seven days a week. The health plan company shall inform its enrollees how to obtain emergency care and shall make available a toll-free number, which is answered 24 hours a day, to answer questions about emergency services and to receive reports and provide authorizations, where appropriate, for treatment of emergency medical conditions. Emergency services shall be covered whether provided by participating or nonparticipating providers and whether provided within or outside the health plan company's service area. In determining whether care is reimbursable as an emergency medical condition, the health plan company shall take the following factors into consideration:

(1) a reasonable layperson's belief that the circumstances required immediate medical care that could not wait until the next working day or next available clinic appointment;

(2) the time of day and day of the week the care was provided;

(3) the presenting symptoms, including, but not limited to, severe pain, to ensure that the decision to reimburse the emergency care is not made solely on the basis of the actual diagnosis;

(4) the enrollee's efforts to follow the health plan company's established procedures for obtaining emergency care; and

(5) any circumstances that precluded use of the health plan company's established procedures for obtaining emergency care.

(b) The health plan company may require enrollees to notify the health plan company of nonreferred emergency care as soon as possible, but not less than 48 hours, after the emergency care is initially provided. However, emergency care which would have been provided under the contract had notice been provided within the set time frame must be covered.

(c) Notwithstanding paragraphs (a) and (b), a health plan company, health insurance, or health coverage plan that is in compliance with the rules regarding accessibility of services adopted under section 62D.20 is in compliance with this section.

Sec. 10. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of administration to contract for the operation of the health care consumer assistance program described in section 5. The appropriation is available until expended.

Sec. 11. [REPEALER.]

Minnesota Statutes 1996, section 62Q.11, is repealed."

Delete the title and insert:

"A bill for an act relating to insurance; creating a statewide health care consumer assistance program; modifying the complaint process for health plan companies; requiring disclosure of health care provider financial incentives; appropriating money; amending Minnesota Statutes 1996, sections 62Q.105; 62Q.106; and 62Q.30; proposing coding for new law in Minnesota Statutes, chapters 62J; and 62Q; repealing Minnesota Statutes 1996, section 62Q.11."

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

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

S.F. No. 320: A bill for an act relating to health care; establishing protections for health care patients and consumers; creating a statewide health care consumer assistance office; prohibiting contracts that restrict communication between providers and their patients; requiring disclosure of health care provider financial incentives; creating a tax offset for the Minnesota comprehensive health association assessment to reduce the premium tax burden on certain purchasers of health insurance; establishing a process for reviewing proposed state-mandated health plan benefits; expanding eligibility for the MinnesotaCare program; authorizing public information projects to inform uninsured persons about the availability of health coverage; encouraging health plans to collaborate with public health agencies; providing alternative funding for local public health activities and county social services; strengthening and enforcing the pass-through provision of the health care provider tax; reducing duplicative inspections and regulatory compliance requirements for health plan companies; authorizing emergency medical services pilot projects; appropriating money; amending Minnesota Statutes 1996, sections 62D.04, by adding a subdivision; 62E.11, by adding a subdivision; 62Q.075, subdivision 2; 256.9354, subdivision 5, and by adding a subdivision; 295.58; 295.582; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62A; and 144.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

HEALTH CARE CONSUMER PROTECTION AND ASSISTANCE

Section 1. [62Q.52] [COVERAGE OF INPATIENT MASTECTOMY REQUIRED.]

(a) A health plan company as defined under section 62Q.01, subdivision 4, shall not deny coverage of a mastectomy performed on an inpatient hospital basis, if the mastectomy would otherwise be covered if performed on an outpatient basis or in any other health care setting.

(b) Paragraph (a) shall be reviewed under the assessment process established in section 62A.310. The commissioner of health shall submit a written report on the results of the assessment to the legislature in compliance with section 3.195, no later than January 1, 1999.

Sec. 2. [REPORT.]

The commissioner of health, in consultation with affected state agencies, offices, and ombudsman programs, shall submit a report to the legislature regarding the feasibility and desirability of: consolidating and improving coordination of some or all existing state consumer assistance activities; and the establishment of the statewide consumer assistance office to help consumers locate these services. The report must include a budget that does not exceed the combined base level funding of existing programs.

Sec. 3. [EFFECTIVE DATE.]

Section 1, paragraph (a), is effective upon completion of the assessment process required by section 1, paragraph (b).

ARTICLE 2

AFFORDABILITY OF HEALTH COVERAGE

Section 1. Minnesota Statutes 1996, section 62A.045, is amended to read:

62A.045 [PAYMENTS ON BEHALF OF WELFARE RECIPIENTS.]

(a) No health plan issued or renewed to provide coverage to a Minnesota resident shall contain any provision denying or reducing benefits because services are rendered to a person who is eligible for or receiving medical benefits pursuant to title XIX of the Social Security Act (Medicaid) in this or any other state; chapter 256; 256B; or 256D or services pursuant to section 252.27; 256.9351 to 256.9361; 260.251, subdivision 1a; or 393.07, subdivision 1 or 2. No health carrier providing benefits under plans covered by this section shall use eligibility for medical programs named in this section as an underwriting guideline or reason for nonacceptance of the risk.

(b) If payment for covered expenses has been made under state medical programs for health care items or services provided to an individual, and a third party has a legal liability to make payments, the rights of payment and appeal of an adverse coverage decision for the individual, or in the case of a child their responsible relative or caretaker, will be subrogated to the state and/or its authorized agent.

(c) Notwithstanding any law to the contrary, when a person covered by a health plan receives medical benefits according to any statute listed in this section, payment for covered services or notice of denial for services billed by the provider must be issued directly to the provider. If a person was receiving medical benefits through the department of human services at the time a service was provided, the provider must indicate this benefit coverage on any claim forms submitted by the provider to the health carrier for those services. If the commissioner of human services notifies the health carrier that the commissioner has made payments to the provider, payment for benefits or notices of denials issued by the health carrier must be issued directly to the commissioner. Submission by the department to the health carrier of the claim on a department of human services claim form is proper notice and shall be considered proof of payment of the claim to the provider and supersedes any contract requirements of the health carrier relating to the form of submission. Liability to the insured for coverage is satisfied to the extent that payments for those benefits are made by the health carrier to the provider or the commissioner as required by this section.

(d) When a state agency has acquired the rights of an individual eligible for medical programs named in this section and has health benefits coverage through a health carrier, the health carrier shall not impose requirements that are different from requirements applicable to an agent or assignee of any other individual covered.

(e) For the purpose of this section, health plan includes coverage offered by integrated service networks, community integrated service networks, any plan governed under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, sections 1001 to 1461, and coverage offered under the exclusions listed in section 62A.011, subdivision 3, clauses (2), (6), (9), (10), and (12). This section does not apply to coverage issued by the Minnesota comprehensive health association under chapter 62E.

Sec. 2. [62A.310] [ASSESSMENT OF PROPOSED HEALTH COVERAGE MANDATES.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given:

(1) "mandated health benefit proposal" means a proposal that would statutorily require a health plan to do the following:

(i) provide coverage or increase the amount of coverage for the treatment of a particular disease, condition, or other health care need; or

(ii) provide coverage or increase the amount of coverage of a particular type of health care treatment or service or of equipment, supplies, or drugs used in connection with a health care treatment or service.

"Mandated benefit proposal" does not include health benefit proposals amending the scope of practice of a licensed health care professional;

(2) "commissioner" means the commissioner of health; and

(3) "health plan" means a health plan as defined in section 62A.011, subdivision 3, but includes coverage listed in clauses (7) and (10), of that definition.

Subd. 2. [HEALTH COVERAGE MANDATE ASSESSMENT PROCESS.] The commissioners of health and commerce, in consultation with the commissioners of human services and employee relations, shall establish and administer a process for the review, assessment, and analysis of mandated health benefit proposals. The purpose of the assessment is to provide the legislature with a complete and timely analysis of all ramifications of any mandated health benefit proposal. The assessment must include, in addition to any other relevant information, the following:

(1) scientific and medical information on the proposed health benefit, on the potential for harm or benefit to the patient, and on the comparative benefit or harm from alternative forms of treatment; and

(2) public health, economic, fiscal, and consumer information on the impact of the proposed mandate on persons receiving health services in Minnesota, on the relative cost effectiveness of the benefit, and on the health care system in general.

The commissioners of health and commerce shall summarize the nature and quality of available information in these areas, and, if possible, shall provide any preliminary information to the public as part of the public hearing process required in subdivision 5. The commissioners may conduct research into these issues, or may certify existing research as sufficient to meet the informational needs of the legislature.

Subd. 3. [REQUESTS FOR ASSESSMENT.] Whenever a legislative measure containing a mandated health benefit proposal is introduced as a bill or offered as an amendment to a bill or is likely to be introduced or offered as an amendment, the chairs of the standing committees having jurisdiction over the proposal shall request that the commissioner complete an assessment of the

proposal in order to facilitate any committee action by either house of the legislature. Any person or organization may also request that the commissioner complete an assessment. If multiple requests are received, the commissioner shall consult with the chairs of the standing legislative committees having jurisdiction over mandated health benefit proposals to prioritize the requests.

Subd. 4. [ASSESSMENT OF PROPOSED MANDATES; REPORT TO THE LEGISLATURE.] The commissioners of health and commerce shall conduct an assessment of each mandated health benefit proposal selected for assessment and submit a report to the legislature no later than 180 days after the request. The commissioners shall, in consultation with the chairs of the standing committees having jurisdiction over the proposal, develop a reporting date for each proposal to be assessed. If the commissioners of health and commerce determine that the assessment of a particular mandated health benefit proposal should be completed entirely or in part by one of the two commissioners, the commissioners may agree to have the appropriate commissioner complete the assessment and submit the report to the legislature. The commissioner responsible for completing an assessment may seek the assistance and advice of consultants, contractors, researchers, community leaders, or other persons or organizations with relevant expertise. The commissioner may certify existing research as sufficient to meet the informational needs of the legislature. Prior to completion of an assessment report, the commissioners must gather the information required under subdivision 2, and must complete the public hearings required in subdivision 5.

Subd. 5. [PUBLIC HEARINGS.] The commissioner shall solicit comments and recommendations on a mandated health benefit proposal from any interested persons and organizations and shall schedule one or more public hearings. The commissioner shall also seek the comments and recommendations of representatives of health care consumers and employers. The commissioner shall summarize the various comments and recommendations received in the commissioner's report to the legislature.

Subd. 6. [ADVICE AND RECOMMENDATIONS.] The commissioner may appoint an ad hoc advisory panel of providers, consumer groups, health plan companies, community leaders, economists, actuaries, and other expert persons to assist the commissioner in completing a mandate review.

Subd. 7. [REPORT.] The commissioners shall provide a summary report of their findings and recommendations to the relevant committee chairs, to the author of the proposed benefit mandate, or the entity which requested the assessment.

Sec. 3. Minnesota Statutes 1996, section 62E.02, subdivision 13, is amended to read:

Subd. 13. [ELIGIBLE PERSON.] (a) "Eligible person" means an individual who:

(1) is currently and has been a resident of Minnesota for the six months immediately preceding the date of receipt by the association or its writing carrier of a completed certificate of eligibility and;

(2) who meets the enrollment requirements of section 62E.14; and

(3) is not otherwise ineligible under this subdivision.

(b) Except as provided in paragraph (c), no individual is eligible for coverage under a qualified or a Medicare supplement plan issued by the association for whom a premium, deductible, coinsurance, or copayment amount is paid or reimbursed by a federal, state, or local agency as of the first day of any term for which a premium amount is paid or reimbursed and as of the day after the last day of any term during which deductible, coinsurance, or copayment is paid or reimbursed.

(c) Individuals who were both enrolled in medical assistance under chapter 256B or 256D and covered under a qualified or Medicare supplement plan issued by the association: (1) on June 30, 1997; or (2) for whom a premium is not paid or reimbursed by a federal, state, or local agency, remain eligible for a fiscal year if the commissioner of finance, upon consultation with the association, has determined by June 15 of the preceding fiscal year that the legislature has appropriated sufficient funds to the association to cover the individuals' total administrative and claims costs, net of premiums paid, for the upcoming fiscal year.

Sec. 4. Minnesota Statutes 1996, section 62E.02, subdivision 18, is amended to read:

Subd. 18. [WRITING CARRIER.] "Writing carrier" means the insurer or insurers, health maintenance organization or organizations, integrated service network or networks, and community integrated service network or networks, or other entity selected by the association and approved by the commissioner to administer the comprehensive health insurance plan.

Sec. 5. Minnesota Statutes 1996, section 62E.04, subdivision 8, is amended to read:

Subd. 8. [REDUCTION OF BENEFITS BECAUSE OF OTHER SERVICES.] No policy of accident and health insurance shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving benefits pursuant to chapters 256B and 256D, or sections 252.27; 260.251, subdivision 1a; 393.07, subdivision 1 or 2. This subdivision does not apply to coverage issued by the Minnesota comprehensive health association under this chapter.

Sec. 6. Minnesota Statutes 1996, section 62E.11, is amended by adding a subdivision to read:

Subd. 8a. [TAX OFFSET.] Beginning January 1, 1997, an annual fiscal year-end or interim assessment paid by a contributing member under this chapter may be offset against the premium tax payable by that contributing member under section 60A.15 for the year in which the annual fiscal year-end or interim assessment is paid. In no event may a contributing member's total offset in any given year exceed one percent of its premiums as defined in section 60A.15, subdivision 1, paragraph (b), for that same year.

Sec. 7. Minnesota Statutes 1996, section 62E.11, is amended by adding a subdivision to read:

Subd. 13. The commissioner shall report to the legislature annually on the costs incurred by the association in providing coverage to individuals enrolled in medical assistance under chapter 256B or 256D. The report shall be provided to the chairs of the house committee on health and human services and the senate committee on health and family security no later than January 15 of each year. The report's contents shall be determined by the commissioner, in consultation with the department of human services and the association. At a minimum, the report shall provide a breakdown of: (1) the administrative costs; (2) claims costs; (3) premiums paid; (4) deductibles, coinsurance, and copayments paid; (5) state payments to providers satisfying deductibles, coinsurance, or copayments required to be paid under a qualified or Medicare supplement plan issued by the association; (6) the number of individuals; (7) losses; and (8) appropriated state funds; for the association in aggregate and for each category of individual enrolled in medical assistance under chapter 256B or 256D. The department of human services, the association, and the writing carrier, shall cooperate with the commissioner and provide any and all information which the commissioner determines is necessary to prepare this report.

Sec. 8. Minnesota Statutes 1996, section 62E.13, subdivision 2, is amended to read:

Subd. 2. The association may select policies and contracts, or parts thereof, submitted by a member or members of the association, or by the association or others, to develop specifications for bids from any ~~members~~ entity which ~~wish~~ wishes to be selected as a writing carrier to administer the state plan. The selection of the writing carrier shall be based upon criteria including established by the board of directors of the association and approved by the commissioner. The criteria shall outline specific qualifications that an entity must satisfy in order to be selected and, at a minimum, shall include the member's entity's proven ability to handle large group accident and health insurance cases, efficient claim paying capacity, and the estimate of total charges for administering the plan. The association may select separate writing carriers for the two types of qualified plans, the qualified medicare supplement plan, and the health maintenance organization contract.

Sec. 9. Minnesota Statutes 1996, section 256.9357, subdivision 3, is amended to read:

Subd. 3. [PERIOD UNINSURED.] To be eligible for subsidized premium payments based on a sliding scale, families and individuals initially enrolled in the MinnesotaCare program under section 256.9354, subdivisions 4 and 5, must have had no health coverage for at least four months

prior to application. The commissioner may change this eligibility criterion for sliding scale premiums without complying with rulemaking requirements in order to remain within the limits of available appropriations. The requirement of at least four months of no health coverage prior to application for the MinnesotaCare program does not apply to:

(1) families, children, and individuals who want to apply for the MinnesotaCare program upon termination from the medical assistance program, general assistance medical care program, or coverage under a regional demonstration project for the uninsured funded under section 256B.73, the Hennepin county assured care program, or the Group Health, Inc., community health plan;

(2) families and individuals initially enrolled under section 256.9354, subdivisions 1, paragraph (a), and 2;

(3) children enrolled pursuant to Laws 1992, chapter 549, article 4, section 17; or

(4) individuals currently serving or who have served in the military reserves, and dependents of these individuals, if these individuals: (i) reapply for MinnesotaCare coverage after a period of active military service during which they had been covered by the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); (ii) were covered under MinnesotaCare immediately prior to obtaining coverage under CHAMPUS; and (iii) have maintained continuous coverage; or

(5) individuals and families whose only health coverage during the four months prior to application was a qualified or Medicare supplement plan issued by the Minnesota comprehensive health association under chapter 62E.

Sec. 10. Minnesota Statutes 1996, section 256B.056, subdivision 8, is amended to read:

Subd. 8. [COOPERATION.] To be eligible for medical assistance, applicants and recipients must cooperate with the state and local agency to identify potentially liable third-party payers and assist the state in obtaining third party payments, unless good cause for noncooperation is determined according to Code of Federal Regulations, title 42, part 433.147. "Cooperation" includes identifying any third party who may be liable for care and services provided under this chapter to the applicant, recipient, or any other family member for whom application is made and providing relevant information to assist the state in pursuing a potentially liable third party. Cooperation also includes providing information about a group health plan for which the person may be eligible and if the plan is determined cost-effective by the state agency and premiums are paid by the local agency or there is no cost to the recipient, they must enroll or remain enrolled with the group. For purposes of this subdivision, coverage provided by the Minnesota comprehensive health association under chapter 62E shall not be considered group health plan coverage or cost-effective by the state and local agency, nor shall the association be considered a potentially liable third party by the state or local agency. Cost-effective insurance premiums approved for payment by the state agency and paid by the local agency are eligible for reimbursement according to section 256B.19.

Sec. 11. Minnesota Statutes 1996, section 256B.0625, subdivision 15, is amended to read:

Subd. 15. [HEALTH PLAN PREMIUMS AND COPAYMENTS.] (a) Medical assistance covers health care prepayment plan premiums, insurance premiums, and copayments if determined to be cost-effective by the commissioner. For purposes of obtaining Medicare part A and part B, and copayments, expenditures may be made even if federal funding is not available.

(b) The state and local agency shall not pay premiums that a recipient is required to pay under a qualified or Medicare supplement plan issued by the Minnesota comprehensive health association.

(c) Paragraph (b) shall not apply in a fiscal year to recipients covered under a qualified or Medicare supplement plan issued by the Minnesota comprehensive health association on June 30, 1997, and enrolled in medical assistance on this date, if the commissioner of finance, upon consultation with the association, has determined by June 15 of the preceding fiscal year that the legislature has appropriated sufficient funds to the association to cover all such recipients' total administrative and claims costs, net of premiums paid, for the upcoming fiscal year.

Sec. 12. Minnesota Statutes 1996, section 256D.03, subdivision 3b, is amended to read:

Subd. 3b. [COOPERATION.] (a) General assistance or general assistance medical care applicants and recipients must cooperate with the state and local agency to identify potentially liable third-party payors and assist the state in obtaining third-party payments. Cooperation includes identifying any third party who may be liable for care and services provided under this chapter to the applicant, recipient, or any other family member for whom application is made and providing relevant information to assist the state in pursuing a potentially liable third party. General assistance medical care applicants and recipients must cooperate by providing information about any group health plan in which they may be eligible to enroll. They must cooperate with the state and local agency in determining if the plan is cost-effective. For purposes of this subdivision, coverage provided by the Minnesota comprehensive health association under chapter 62E shall not be considered group health plan coverage or cost-effective by the state and local agency, nor shall the association be considered a potentially liable third party by the state or local agency. If the plan is determined cost-effective and the premium will be paid by the state or local agency or is available at no cost to the person, they must enroll or remain enrolled in the group health plan. Cost-effective insurance premiums approved for payment by the state agency and paid by the local agency are eligible for reimbursement according to subdivision 6.

(b) The state and local agency shall not pay premiums that a recipient is required to pay under a qualified or Medicare supplement plan issued by the Minnesota comprehensive health association.

(c) Paragraph (b) shall not apply in a fiscal year to recipients covered under a qualified or Medicare supplement plan issued by the Minnesota comprehensive health association on June 30, 1997, and enrolled in medical assistance on this date, if the commissioner of finance, upon consultation with the association, has determined by June 15 of the preceding fiscal year that the legislature has appropriated sufficient funds to the association to cover all such recipients' total administrative and claims costs, net of premiums paid, for the upcoming fiscal year.

Sec. 13. Minnesota Statutes 1996, section 295.58, is amended to read:

295.58 [DEPOSIT OF REVENUES AND PAYMENT OF REFUNDS.]

The commissioner shall deposit all revenues, including penalties and interest, derived from the taxes imposed by sections 295.50 to 295.57 ~~and from the insurance premiums tax on health maintenance organizations, community integrated service networks, integrated service networks, and nonprofit health service plan corporations~~ and five cents per pack of the tobacco tax generated under section 297.02 in the health care access fund in the state treasury. Refunds of overpayments must be paid from the health care access fund in the state treasury. There is annually appropriated from the health care access fund to the commissioner of revenue the amount necessary to make any refunds required under section 295.54.

Sec. 14. Minnesota Statutes 1996, section 297.13, subdivision 1, is amended to read:

Subdivision 1. [CIGARETTE TAX APPORTIONMENT.] Revenues received from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue in the state treasury and credited as follows:

(a) first to the general obligation special tax bond debt service account in each fiscal year the amount required to increase the balance on hand in the account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from the proceeds of the tax to and including the second following July 1; and

(b) after the requirements of paragraph (a) have been met:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota future resources fund;

(2) the revenue produced by 2.5 mills of the tax on cigarettes weighing not more than three pounds a thousand must be credited to the health care access fund in the state treasury; and

(3) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

Sec. 15. [STUDY.]

The commissioners of health, commerce, and revenue shall jointly submit a written report to the legislature that includes options and recommendations for alternative funding methods to replace existing financing mechanisms, including provider taxes and health plan premium taxes. The recommendations must include a dedicated fund that preserves adequate funding for uninsured persons served by the MinnesotaCare program. The report must be submitted to the legislature by January 1, 1998, in compliance with Minnesota Statutes, section 3.195.

Sec. 16. [APPROPRIATION.]

\$...... is appropriated in fiscal year 1998 and \$...... is appropriated in fiscal year 1999 from the general fund to the board of directors of the Minnesota comprehensive health association to cover the total administrative and claims costs, net of premiums paid, associated with those individuals who are covered by a qualified or Medicare supplement plan issued by the association and who are enrolled in medical assistance under Minnesota Statutes, chapter 256B or 256D.

Sec. 17. [EFFECTIVE DATE.]

Sections 1 and 4 to 12 are effective the day following final enactment.

ARTICLE 3

IMPROVING ACCESS TO HEALTH COVERAGE

Section 1. Minnesota Statutes 1996, section 256.9354, subdivision 5, is amended to read:

Subd. 5. [ADDITION OF SINGLE ADULTS AND HOUSEHOLDS WITH NO CHILDREN.]

(a) Beginning October 1, 1994, the definition of "eligible persons" is expanded to include all individuals and households with no children who have gross family incomes that are equal to or less than 125 percent of the federal poverty guidelines and who are not eligible for medical assistance without a spenddown under chapter 256B.

~~(b) After October 1, 1995, the commissioner of human services may expand the definition of "eligible persons" to include all individuals and households with no children who have gross family incomes that are equal to or less than 135 percent of federal poverty guidelines and are not eligible for medical assistance without a spenddown under chapter 256B. This expansion may occur only if the financial management requirements of section 256.9352, subdivision 3, can be met.~~

~~(c) The commissioners of health and human services, in consultation with the legislative commission on health care access, shall make preliminary recommendations to the legislature by October 1, 1995, and final recommendations to the legislature by February 1, 1996, on whether a further expansion of the definition of "eligible persons" to include all individuals and households with no children who have gross family incomes that are equal to or less than 150 percent of federal poverty guidelines and are not eligible for medical assistance without a spenddown under chapter 256B would be allowed under the financial management constraints outlined in section 256.9352, subdivision 3.~~

(d) Beginning October 1, 1997, the definition of eligible persons is expanded to include all individuals and households with no children who have gross family incomes that are equal to or less than 175 percent of the federal poverty guidelines and who are not eligible for medical assistance without a spenddown under chapter 256B.

(c) All eligible persons under paragraphs (a) and (b) are eligible for coverage through the

MinnesotaCare program but must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the MinnesotaCare program.

Sec. 2. Minnesota Statutes 1996, section 256.9354, is amended by adding a subdivision to read:

Subd. 8. [MINNESOTACARE OUTREACH.] The commissioner of human services shall, within the limits of available appropriations and financial resources, engage in activities to inform uninsured persons of the importance of maintaining insurance coverage and provide information on the various options for obtaining coverage, including the MinnesotaCare health plan and other state health care programs, Minnesota comprehensive health association coverage, and private health coverage options. The commissioner may accept grants or contributions from individuals and organizations to support public information activities and may undertake joint public information projects with other public or private organizations.

Sec. 3. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of human services for public information projects to inform uninsured persons about their options for obtaining health coverage. The appropriation is available until spent.

ARTICLE 4

COMMUNITY HEALTH IMPROVEMENT

Section 1. Minnesota Statutes 1996, section 62Q.075, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENT.] (a) Beginning October 31, 1997, all managed care organizations shall file biennially with the action plans required under section 62Q.07 a plan describing the actions the managed care organization has taken and those it intends to take to contribute to achieving public health goals for each service area in which an enrollee of the managed care organization resides. This plan must be jointly developed in collaboration with the local public health units, appropriate regional coordinating boards, and other community organizations providing health services within the same service area as the managed care organization. Local government units with responsibilities and authority defined under chapters 145A and 256E may designate individuals to participate in the collaborative planning with the managed care organization to provide expertise and represent community needs and goals as identified under chapters 145A and 256E.

(b) Local public health agencies may ask managed care organizations that are not required to collaborate to collaborate voluntarily. A managed care organization that is not required to comply with this section may voluntarily file a collaboration plan describing the actions the managed care organization has taken and those it intends to take to contribute to achieving public health goals.

Sec. 2. [APPROPRIATION FOR LOCAL PUBLIC HEALTH AND SOCIAL SERVICE ACTIVITIES.]

\$...... is appropriated from the general fund to the commissioner of health to provide grants to all community health services boards to support core public health functions. The grants shall be made to ensure adequate base level funding to support core public health activities and to fund public health activities and services. The appropriation is available until spent.

ARTICLE 5

HEALTH CARE PROVIDERS

Section 1. Minnesota Statutes 1996, section 295.582, is amended to read:

295.582 [AUTHORITY.]

(a) A hospital, surgical center, pharmacy, or health care provider that is subject to a tax under section 295.52, or a pharmacy that has paid additional expense transferred under this section by a wholesale drug distributor, may transfer additional expense generated by section 295.52

obligations on to all third-party contracts for the purchase of health care services on behalf of a patient or consumer. The additional expense transferred to the third-party purchaser must not exceed two percent of the gross revenues received under the third-party contract, and two percent of copayments and deductibles paid by the individual patient or consumer. The expense must not be generated on revenues derived from payments that are excluded from the tax under section 295.53. All third-party purchasers of health care services including, but not limited to, third-party purchasers regulated under chapter 60A, 62A, 62C, 62D, 62H, 62N, 64B, 65A, 65B, 79, or 79A, or under section 471.61 or 471.617, must pay the transferred expense in addition to any payments due under existing contracts with the hospital, surgical center, pharmacy, or health care provider, to the extent allowed under federal law. A third-party purchaser of health care services includes, but is not limited to, a health carrier, integrated service network, or community integrated service network that pays for health care services on behalf of patients or that reimburses, indemnifies, compensates, or otherwise insures patients for health care services. A third-party purchaser shall comply with this section regardless of whether the third-party purchaser is a for-profit, not-for-profit, or nonprofit entity. A wholesale drug distributor may transfer additional expense generated by section 295.52 obligations to entities that purchase from the wholesaler, and the entities must pay the additional expense. Nothing in this section limits the ability of a hospital, surgical center, pharmacy, wholesale drug distributor, or health care provider to recover all or part of the section 295.52 obligation by other methods, including increasing fees or charges.

(b) Each third-party purchaser regulated under any chapter cited in paragraph (a) shall include with its annual renewal for certification of authority or licensure documentation indicating compliance with paragraph (a). If the commissioner responsible for regulating the third-party purchaser finds at any time that the third-party purchaser has not complied with paragraph (a), the commissioner may by order fine or censure the third-party purchaser or revoke or suspend the certificate of authority or license of the third-party purchaser to do business in this state. The third-party purchaser may appeal the commissioner's order through a contested case hearing in accordance with chapter 14.

(c) The commissioners of health and commerce are authorized to enforce the pass-through as provided in this section for those health plan companies they regulate. A hospital, surgical center, pharmacy, or health care provider that is subject to a tax under section 295.52 may file a complaint with the commissioner responsible for regulating the third-party purchaser if at any time the third-party purchaser does not comply with paragraph (a). The commissioners of health and commerce may take enforcement action against a regulated health plan company which is subject to their regulatory jurisdiction and which does not allow a provider to pass through the tax. The commissioners of health and commerce may fine or censure a health plan company, or revoke or suspend the certificate of authority or license of the health plan company to do business in this state, if the commissioner finds that the health plan company has not complied with this section.

ARTICLE 6

HEALTH PLAN REGULATION

Section 1. Minnesota Statutes 1996, section 62D.04, is amended by adding a subdivision to read:

Subd. 6. [DUPLICATIVE INSPECTIONS AND REGULATORY REQUIREMENTS.] (a) Beginning July 1, 1997, the commissioner of health shall treat accreditation of a health maintenance organization or community integrated service network by a national accreditation organization to be satisfactory evidence of compliance with and fulfillment of any state statutory or regulatory requirements established under this chapter that are substantially the same as or similar to requirements that are established and verified by a national accreditation organization or that relate to a general topic or factor that is the subject of national accreditation standards. The commissioner shall coordinate state regulatory compliance activities, inspections, and reporting requirements with national accreditation activities in order to reduce the administrative costs and burdens incurred by health maintenance organizations, community integrated service networks, and nonprofit health service plan corporations to comply with multiple, duplicative inspections, reports, and compliance requirements imposed by various regulatory agencies and accreditation organizations.

(b) For purposes of this subdivision, "national accreditation organization" includes the joint commission on the accreditation of health care organizations, the national committee on quality assurance, and the utilization review and accreditation commission."

Delete the title and insert:

"A bill for an act relating to health care; prohibiting health plan companies from denying coverage of a mastectomy performed on an inpatient hospital basis; clarifying the status of the comprehensive health association under medical assistance and general assistance medical care; opening the process for selecting a writing carrier; permitting contributing members to offset assessments against premium taxes; eliminating the four-month waiting period under MinnesotaCare for association enrollees; establishing a process for reviewing proposed state-mandated health plan benefits; expanding eligibility for the MinnesotaCare program; authorizing public information projects to inform uninsured persons about the availability of health coverage; encouraging health plans to collaborate with public health agencies; providing alternative funding for local public health activities and county social services; strengthening and enforcing the pass-through provision of the health care provider tax; reducing duplicative inspections and regulatory compliance requirements for health plan companies; appropriating money; amending Minnesota Statutes 1996, sections 62A.045; 62D.04, by adding a subdivision; 62E.02, subdivisions 13 and 18; 62E.04, subdivision 8; 62E.11, by adding subdivisions; 62E.13, subdivision 2; 62Q.075, subdivision 2; 256.9354, subdivision 5, and by adding a subdivision; 256.9357, subdivision 3; 256B.056, subdivision 8; 256B.0625, subdivision 15; 256D.03, subdivision 3b; 295.58; 295.582; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62A; and 62Q."

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 399: A bill for an act relating to economic security; providing for the administration of certain employment and training services; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Page 3, lines 20 and 21, after "federations" insert ", organizations,"

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

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

S.F. No. 960: A bill for an act relating to health care; creating a statewide health care consumer assistance program; prohibiting contracts that restrict communication between providers and their patients; requiring disclosure of health care provider financial incentives; requiring health plan companies to provide continuity of care and access to specialty care for certain enrollees; prohibiting certain exclusive arrangements; appropriating money; amending Minnesota Statutes 1996, sections 62Q.01, by adding subdivisions; 62Q.105; 62Q.106; 62Q.30; 181.932, subdivision 1; and 214.16, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 62J; 62Q; and 144; repealing Minnesota Statutes 1996, section 62Q.11.

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

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.]

It is the intent of the legislature in the Patient Protection Act to establish additional state

consumer protections and assistance relating to the coverage for and delivery of health care treatment and services that will supplement and complement existing laws and regulations and further ensure that no patient receiving services or treatment within Minnesota will be harmed by inappropriate health care practices or treatment, and to provide improved assistance to consumers and patients who have questions or problems relating to their health care coverage or treatment.

Sec. 2. [62J.695] [CITATION.]

Sections 62J.70 to 62J.75 may be cited as the "Patient Protection Act."

Sec. 3. [62J.70] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For purposes of sections 62J.70 to 62J.75, the terms defined in this section have the meanings given them.

Subd. 2. [HEALTH CARE PROVIDER OR PROVIDER.] "Health care provider" or "provider" means:

(1) a physician, nurse, or other provider as defined under section 62J.03;

(2) a hospital as defined under section 144.696, subdivision 3;

(3) an individual or entity that provides health care services under the medical assistance, general assistance medical care, MinnesotaCare, or state employee group insurance program; and

(4) an association, partnership, corporation, limited liability corporation, or other organization of persons or entities described in clause (1) or (2) organized for the purposes of providing, arranging, or administering health care services or treatment.

This section does not apply to trade associations, membership associations of health care professionals, or other organizations that do not directly provide, arrange, or administer health care services or treatment.

Subd. 3. [HEALTH PLAN COMPANY.] "Health plan company" means health plan company as defined in section 62Q.01, subdivision 4.

Subd. 4. [ENROLLEE.] "Enrollee" means an individual covered by a health plan company or health insurance or health coverage plan and includes an insured policyholder, subscriber, contract holder, member, covered person, or certificate holder.

Sec. 4. [62J.71] [PROHIBITED PROVIDER CONTRACTS.]

Subdivision 1. [AGREEMENTS PROHIBITED.] The following types of agreements are contrary to state public policy, are prohibited under this section, and are null and void:

(1) any agreement that prohibits a health care provider from communicating with a patient with respect to the patient's health status, health care, or treatment options, if the health care provider is acting in good faith and within the provider's scope of practice as defined by law;

(2) any agreement that prohibits a health care provider from disclosing accurate information about whether services or treatment will be paid for by a patient's health plan company or health insurance or health coverage plan; and

(3) any agreement that prohibits a health care provider from informing a patient about the nature of the reimbursement methodology used by a patient's health insurance or health coverage plan to pay the provider.

Subd. 2. [PERSONS AND ENTITIES AFFECTED.] The following persons and entities shall not enter into any agreement that is prohibited under this section:

(1) a health plan company;

(2) a health care network cooperative as defined under section 62R.04, subdivision 3; or

(3) a health care provider as defined in section 62J.70, subdivision 2.

Subd. 3. [RETALIATION PROHIBITED.] No person, health plan company, or other organization may take retaliatory action against a health care provider solely on the grounds that the provider:

(1) refused to enter into an agreement or provide services or information in a manner that is prohibited under this section;

(2) disclosed accurate information about whether a health care service or treatment is covered by a patient's health insurance or health coverage plan; or

(3) expressed personal disagreement with a decision made by a person, organization, or health care provider regarding treatment or coverage provided to a patient of the provider, or assisted the patient in seeking reconsideration of such a decision, provided the health care provider makes it clear that the provider is acting in a personal capacity and not as a representative of or on behalf of the entity that made the decision.

Subd. 4. [EXCLUSION.] (a) Nothing in this section prevents any person or organization from taking actions, which may adversely affect a provider whose actions the person or organization reasonably believes to be illegal, to constitute medical malpractice, or to be contrary to accepted medical practices.

(b) Nothing in this section prohibits a contract provision that requires any contracting party to keep confidential or to not use or disclose the specific amounts paid to a provider, provider fee schedules, provider salaries, and other proprietary information of a specific health plan.

Sec. 5. [62J.72] [DISCLOSURE OF HEALTH CARE PROVIDER INFORMATION.]

Subdivision 1. [WRITTEN DISCLOSURE.] A health plan company, as defined under section 62J.70, subdivision 4, a health care network cooperative as defined under section 62R.04, subdivision 3, and a health care provider as defined under section 62J.70, subdivision 2, shall, upon enrollment and annually thereafter, provide enrollees with a description of the general nature of the reimbursement methodologies used by the health insurance or health coverage plan to pay providers. This description may be incorporated into the member handbook, subscriber contract, or certificate. Upon request, a health plan company or provider must provide an enrollee or patient with specific information regarding the reimbursement methodology, including, but not limited to, the following information:

(1) a concise written description of any provider payment plan, including any incentive plan applicable to the enrollee;

(2) a written description of any incentive to the provider relating to the provision of health care services to patients, including any compensation arrangement that is dependent on the amount of health coverage or health care services provided to a patient, or the number of referrals to or utilization of specialists; and

(3) a written description of any incentive plan that involves the transfer of financial risk to a health care provider.

This subdivision does not require disclosure of specific amounts paid to a provider, provider fee schedules, provider salaries, or other proprietary information of a specific health plan company or health insurance or health coverage plan or provider.

Subd. 2. [INFORMATION ON PATIENTS' MEDICAL BILLS.] A health plan company and health care provider shall provide patients and enrollees with a copy of an itemized and intelligible bill whenever the patient or enrollee is sent a bill and is responsible for paying any portion of that bill. The bills must contain descriptive language sufficient to be understood by the average patient or enrollee. This subdivision does not apply to a flat co-pay paid by the patient at the time the service is required.

Subd. 3. [NONAPPLICABILITY.] Health care providers as defined in section 62J.70, subdivision 2, clause (1), need not individually provide information required under this section if it has been provided by another entity that is subject to this section.

Sec. 6. [62J.73] [PROHIBITION ON EXCLUSIVE ARRANGEMENTS.]

Subdivision 1. [EXCLUSIVE ARRANGEMENT.] For purposes of this section, "exclusive arrangement" means any agreement or contract, including but not limited to, acquisition, purchase, affiliation, or consulting agreements with a health plan company or health care provider, which has the purpose or effect of:

(1) committing any person providing health care services to accept and treat as patients the enrollees of a health plan company to the exclusion of enrollees who have coverage through any other health plan company;

(2) providing reimbursement on sliding scales, capitation rates, payment schedules, or other payment arrangements as a financial incentive for persons providing health care services to restrict treatment to enrollees who have coverage through any other health plan company;

(3) providing reimbursement on sliding scales, capitation rates, payment schedules, or other payment arrangements that contain a financial penalty for failing to restrict treatment to enrollees who have coverage through any other health plan company;

(4) restricting any person's right to provide health services, goods, or procedures to another provider or health plan company; or

(5) preventing any person providing goods or health care services from contracting with any health plan company or provider.

Subd. 2. [PROHIBITION ON EXCLUSIVE ARRANGEMENTS.] No provider or health plan company shall enter into any new exclusive arrangement or renew an existing exclusive arrangement with any person, unless the person is an employee. No provider or health plan company shall maintain any existing exclusive arrangement with any person, unless that person is an employee.

Subd. 3. [ANTITRUST VIOLATIONS.] The attorney general's office shall investigate, as a possible violation of the Minnesota antitrust law, any arrangement in which a provider enters into or maintains an arrangement with a health plan company, which has the effect of limiting the provider to providing health care services to the enrollees of a health plan company to the exclusion of enrollees who have coverage through any other health plan company.

Sec. 7. [62J.74] [ENFORCEMENT.]

Subdivision 1. [AUTHORITY.] The commissioners of health and commerce shall each periodically review contracts and arrangements among health care providing entities and health plan companies they regulate to determine compliance with sections 62J.70 to 62J.73. Any person may submit a contract or arrangement to the relevant commissioner for review if the person believes sections 62J.70 to 62J.73 have been violated. Any provision of a contract or arrangement found by the relevant commissioner to violate this section is null and void, and the relevant commissioner may assess civil penalties against the health plan company in an amount not to exceed \$2,500 for each day the contract or arrangement is in effect, and may use the enforcement procedures otherwise available to the commissioner.

Subd. 2. [ASSISTANCE TO LICENSING BOARDS.] A health-related licensing board as defined under section 214.01, subdivision 2, shall submit a contract or arrangement to the relevant commissioner for review if the board believes sections 62J.70 to 62J.73 have been violated. If the commissioner determines that any provision of a contract or arrangement violates those sections, the board shall take disciplinary action against any person who is licensed or regulated by the board who entered into the contract arrangement.

Sec. 8. [62J.75] [NONPREEMPTION.]

Nothing in the Patient Protection Act preempts or replaces requirements related to patient protections that are more protective of patient rights than the requirements established by the Patient Protection Act.

Sec. 9. [62Q.56] [CONTINUITY OF CARE.]

Subdivision 1. [CHANGE IN HEALTH CARE PROVIDER.] (a) A health plan company and a health care network cooperative, as defined under section 62R.04, subdivision 3, shall prepare a written plan that provides for continuity of care in the event of contract termination between the health plan company or health care network cooperative and any of its contracted primary care providers or general hospital providers. The written plan must explain:

(1) how the health plan company or health care network cooperative will inform affected enrollees, insureds, or beneficiaries about termination at least 30 days before the termination is effective, if the health plan company or health care network cooperative has received at least 120 days' prior notice;

(2) how the health plan company or health care network cooperative will inform the affected enrollees about what other participating providers are available to assume care and how it will facilitate an orderly transfer of its enrollees, insureds, or beneficiaries from the terminating provider to the new provider to maintain continuity of care;

(3) the procedures by which enrollees, insureds, or beneficiaries will be transferred to other participating providers, when special medical needs, special risks, or other special circumstances, such as cultural or language barriers, require them to have a longer transition period or be transferred to nonparticipating providers;

(4) who will identify enrollees, insureds, or beneficiaries with special medical needs or at special risk and what criteria will be used for this determination; and

(5) how continuity of care will be provided for enrollees, insureds, or beneficiaries identified as having special needs or at special risk, and whether the health plan company or health care network cooperative has assigned this responsibility to its contracted primary care providers.

(b) If the contract termination was not for cause, enrollees can request a referral to the terminating provider for up to 120 days if they have special medical needs or have other special circumstances, such as cultural or language barriers. The health plan company or health care network cooperative can require medical records and other supporting documentation in support of the requested referral. Each request for referral to a terminating provider shall be considered by the health plan company or health care network cooperative on a case-by-case basis.

(c) If the contract termination was for cause, enrollees must be notified of the change and transferred to participating providers in a timely manner so that health care services remain available and accessible to the affected enrollees. The health plan company or health care network cooperative is not required to refer an enrollee, insured, or beneficiary back to the terminating provider if the termination was for cause.

Subd. 2. [CHANGE IN HEALTH PLANS.] (a) The health plan company or health care network cooperative shall prepare a written plan that provides a process for coverage determinations for continuity of care for new enrollees with special needs, special risks, or other special circumstances, such as cultural or language barriers, who request continuity of care with their former provider for up to 120 days. The written plan must explain the criteria that will be used for determining special needs cases, and how continuity of care will be provided.

(b) This subdivision applies only to group coverage and continuation and conversion coverage.

Subd. 3. [DISCLOSURES.] The written plans required under this section must be made available upon request to enrollees or prospective enrollees.

Sec. 10. [62Q.58] [ACCESS TO SPECIALTY CARE.]

Subdivision 1. [STANDING REFERRAL.] A health plan company shall establish a procedure by which an enrollee may apply for a standing referral to a health care provider who is a specialist. This procedure for a standing referral must specify the necessary criteria and conditions, which must be met in order for an enrollee to obtain a standing referral.

Subd. 2. [COORDINATION OF SERVICES.] A primary care provider or primary care group shall remain responsible for coordinating the care of an enrollee who has received a standing referral to a specialist. The specialist shall not make any secondary referrals related to primary care services without prior approval by the primary care provider or primary care group. However, an enrollee with a standing referral to a specialist may request primary care services from that specialist. The specialist, in agreement with the enrollee and primary care provider or primary care group, may elect to provide primary care services to that enrollee according to procedures established by the health plan company.

Subd. 3. [DISCLOSURE.] Information regarding standing referral procedures for requesting primary care services from a specialist must be included in member contracts or certificates of coverage and must be provided to an enrollee or prospective enrollee by a health plan company upon request.

Sec. 11. [144.6585] [IDENTIFICATION OF HEALTH CARE PROVIDERS.]

Any health care provider who is licensed, credentialed, or registered by a health-related licensing board as defined under section 214.01, subdivision 2, must wear a name tag that indicates by words, letters, abbreviations, or insignia the profession or occupation of the individual. The name tag must be worn whenever the health care provider is rendering health services to a patient, unless wearing the name tag would create a safety or health risk to the patient.

Sec. 12. Minnesota Statutes 1996, section 181.932, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTION.] An employer shall not discharge, discipline, threaten, otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

(a) the employee, or a person acting on behalf of an employee, in good faith, reports a violation or suspected violation of any federal or state law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;

(b) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry; or

(c) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason; or

(d) the employee, in good faith, reports a situation in which the quality of the health care services provided by a health care facility, organization, or health care provider places the public at risk of harm.

Sec. 13. Minnesota Statutes 1996, section 214.16, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them.

(a) "Board" means the boards of medical practice, chiropractic examiners, nursing, optometry, dentistry, pharmacy, psychology, social work, marriage and family therapy, and podiatry.

(b) "Regulated person" means a licensed physician, chiropractor, nurse, optometrist, dentist, pharmacist, or podiatrist.

Sec. 14. Minnesota Statutes 1996, section 214.16, subdivision 3, is amended to read:

Subd. 3. [GROUNDS FOR DISCIPLINARY ACTION.] The board shall take disciplinary action, which may include license revocation, against a regulated person for:

(1) intentional failure to provide the commissioner of health with the data required under chapter 62J;

(2) intentional failure to provide the commissioner of revenue with data on gross revenue and other information required for the commissioner to implement sections 295.50 to 295.58; and

(3) intentional failure to pay the health care provider tax required under section 295.52; and

(4) entering into a contract or arrangement that is prohibited under sections 62J.70 to 62J.73.

Sec. 15. [CONSOLIDATION AND COORDINATION OF CONSUMER ASSISTANCE AND ADVOCACY OFFICES.]

The commissioners of health and commerce, in consultation with the commissioners of human services and employee relations, shall study the feasibility and desirability of consolidating and improving coordination of some or all existing state consumer assistance, ombudsperson, and advocacy activities. The commissioners shall submit a report with recommendations, and draft legislation to the legislature by January 15, 1998."

Delete the title and insert:

"A bill for an act relating to health care; prohibiting contracts that restrict communication between providers and their patients; requiring disclosure of health care provider financial incentives; requiring health plan companies to provide continuity of care and access to specialty care for certain enrollees; prohibiting certain exclusive arrangements; amending Minnesota Statutes 1996, sections 181.932, subdivision 1; and 214.16, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 62J; 62Q; and 144."

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 575: A bill for an act relating to employment; modifying requirements for drug and alcohol testing; clarifying provisions on review of personnel records by employees; setting a limit for penalties on unpaid OSHA fines; creating a private right of action for violations of certain provisions regarding entertainment agencies; providing the criminal penalty of gross misdemeanor for an assault on an occupational safety and health investigator; amending Minnesota Statutes 1996, sections 181.953, subdivision 6; 181.961, subdivision 2; 182.666, subdivision 7; 184A.20; and 609.2231, subdivision 6.

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

Page 1, line 28, after the comma, insert "the employee must be given the right to explain the positive test and"

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 668: A bill for an act relating to occupations; enacting the Industrial Hygienist and Safety Professional Title Protection Act; providing title protection to the professions of industrial hygiene and safety; proposing coding for new law as Minnesota Statutes, chapter 182A.

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

Page 3, delete lines 6 to 31

Renumber the subdivisions in sequence

Page 5, line 28, delete the second "or"

Page 5, line 35, before the period, insert "; or

(5) a person practicing industrial hygiene or safety who is employed by the state of Minnesota"

Page 6, delete section 6

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

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

S.F. No. 389: A bill for an act relating to the environment; modifying requirements relating to individual sewage treatment systems; giving the commissioner of the pollution control agency certain interim authority; amending Minnesota Statutes 1996, section 115.55, subdivisions 2, 3, 5, and 6.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 115.55, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section and section 115.56.

(b) "Advisory committee" means the advisory committee on individual sewage treatment systems established under the individual sewage treatment system rules. The advisory committee must be appointed to ensure geographic representation of the state and include elected public officials.

(c) "Applicable requirements" means:

(1) local ordinances that comply with the individual sewage treatment system rules, as required in subdivision 2; or

(2) in areas not subject to the ordinances described in clause (1), the individual sewage treatment system rules.

(d) "City" means a statutory or home rule charter city.

(e) "Commissioner" means the commissioner of the pollution control agency.

(f) "Dwelling" means a building or place used or intended to be used by human occupants as a single-family or two-family unit.

(g) "Individual sewage treatment system" or "system" means a sewage treatment system, or part thereof, serving a dwelling, other establishment, or group thereof, that uses subsurface soil treatment and disposal.

(h) "Individual sewage treatment system professional" means an inspector, installer, site evaluator or designer, or pumper.

(i) "Individual sewage treatment system rules" means rules adopted by the agency that establish minimum standards and criteria for the design, location, installation, use, and maintenance of individual sewage treatment systems.

(j) "Inspector" means a person who inspects individual sewage treatment systems for compliance with the applicable requirements.

(k) "Installer" means a person who constructs or repairs individual sewage treatment systems.

(l) "Local unit of government" means a township, city, or county.

(m) "Pumper" means a person who maintains components of individual sewage treatment systems including, but not limited to, septic, aerobic, and holding tanks.

(n) "Seasonal dwelling" means a dwelling that is occupied or used for less than 180 days per year and less than 120 consecutive days.

(o) "Site evaluator or designer" means a person who:

(1) investigates soils and site characteristics to determine suitability, limitations, and sizing requirements; and

(2) designs individual sewage treatment systems.

Sec. 2. Minnesota Statutes 1996, section 115.55, subdivision 2, is amended to read:

Subd. 2. [LOCAL ORDINANCES.] (a) All counties and cities that did not adopt ordinances by May 7, 1994, or that do not have ordinances, must adopt ordinances that comply with individual sewage treatment system rules by January 1, 1999. County ordinances must apply to all areas of the county other than areas within home rule charter or statutory cities. Any ordinance adopted by a local unit of government before May 7, 1994, to regulate individual sewage treatment systems must be in compliance with the individual sewage treatment system rules by January 1, 1998.

(b) A copy of each ordinance adopted under this subdivision must be submitted to the commissioner upon adoption.

(c) A local unit of government must make available to the public upon request a written list of any differences between its ordinances and rules adopted under this section.

Sec. 3. Minnesota Statutes 1996, section 115.55, subdivision 3, is amended to read:

Subd. 3. [RULES.] (a) The agency shall adopt rules containing minimum standards and criteria for the design, location, installation, use, and maintenance of individual sewage treatment systems. The rules must include:

(1) how the agency will ensure compliance under subdivision 2;

(2) how local units of government shall enforce ordinances under subdivision 2, including requirements for permits and inspection programs;

(3) how the advisory committee will participate in review and implementation of the rules;

(4) provisions for alternative systems;

(5) provisions for handling and disposal of effluent;

(6) provisions for system abandonment;

~~(7) provisions allowing local units of government to adopt alternative standards and criteria, provided that:~~

~~(i) the alternative standards and criteria may not apply to new construction or replacement of systems, as defined by the agency; and~~

~~(ii) the commissioner must certify that the alternative standards and criteria adequately protect public health and the environment; and relating to the development of local ordinances under subdivision 7;~~

(8) procedures for inspectors to use in determining whether a system sufficiently protects groundwater, using vertical soil separation and other criteria, such as soil, groundwater flow, vegetation, and landscape;

(9) procedures for the commissioner to approve new individual sewage treatment system technologies which may include approving warranties on an individual basis for use as warrantied systems if the manufacturer or designer of the technology provides to the commissioner:

(i) circumstances under which the technology will be used as a warrantied system including use, installation instructions, and performance expectations;

(ii) evidence of the manufacturer's financial ability, or adequate financial assurance, to cover potential replacements and upgrades necessitated by the system failing to meet the performance expectations in item (i); and

(10) procedures for variances, including the consideration of variances based on cost and variances that take into account proximity of a system to other systems.

(b) The agency shall consult with the advisory committee before adopting rules under this subdivision.

Sec. 4. Minnesota Statutes 1996, section 115.55, subdivision 5, is amended to read:

Subd. 5. [INSPECTION.] (a) Except as provided in subdivision 5b, paragraph (e) (b), a local unit of government may not issue a building permit or variance for the addition of a bedroom on property served by a system unless the system is in compliance with the applicable requirements, as evidenced by a certificate of compliance issued by a licensed an inspector or site evaluator or designer. A certificate of compliance is valid for five years from the date of issuance, unless the local unit of government finds evidence of an imminent threat to public health or safety requiring removal and abatement under section 145A.04, subdivision 8. A local unit of government may temporarily waive the certificate of compliance requirement for a building permit or variance for which application is made during the period from November 1 to April 30, provided that an inspection of the system is performed by the following June 1 and the applicant submits a certificate of compliance by the following September 30. This paragraph does not apply if the local unit of government does not have an ordinance requiring a building permit to add a bedroom.

(b) A compliance inspection under this subdivision is may be required for all new construction or replacement of a system, as defined by agency rule. The frequency and means of compliance inspection may be determined by the applicable local ordinance.

(c) A licensed inspector who inspects an existing system may subsequently design and install a new system for that property, provided the inspector is licensed to install individual sewage treatment systems.

Subd. 5a. [INSPECTION CRITERIA.] (a) An inspection required by subdivision 5 must evaluate the criteria and specify the consequent actions in paragraphs (b) to (e).

(b) If the inspector finds one or more of the following conditions:

- (1) sewage discharge to surface water;
- (2) sewage discharge to ground surface;
- (3) sewage backup;
- (4) a cesspool; or

(5) any other situation with the potential to immediately and adversely affect or threaten public health or safety, then the system constitutes an imminent threat to public health or safety and if not repaired, must be upgraded, replaced, or its use discontinued within ten months of receipt of the notice described in subdivision 5b, or within a shorter period of time if required by local ordinance.

(c) If the local unit of government with jurisdiction over the system has adopted an ordinance containing local standards, the components listed in subdivision 7, must comply with the ordinance. If the system does not comply with the ordinance, it must be upgraded, replaced, or its use discontinued according to the ordinance.

(d) If a seepage pit, drywell, or leaching pit exists and the local unit of government with jurisdiction over the system has not adopted local standards to the contrary, the system is failing and must be upgraded, replaced, or its use discontinued within the time required by subdivision 3 or local ordinance.

(e) If the system fails to provide sufficient groundwater protection, then the inspector may order that the system be upgraded, replaced, or its use discontinued within the time required by subdivision 3 or the local ordinance.

(f) The authority to find a threat to public health under section 145A.04, subdivision 8, is in addition to the authority to make a finding under paragraph (b).

(g) Any existing system that does not have any of the conditions listed in this subdivision need not be upgraded, repaired, replaced, or its use discontinued.

(e) Subd. 5b. [COMPLIANCE NOTICE.] (a) If a system inspected under this subdivision 5 is not in compliance with the applicable requirements required to be upgraded, replaced, or its use discontinued under subdivision 5a, the inspector or site evaluator or designer must issue a notice of noncompliance to the property owner and must provide a copy of the notice to the local unit of government to which application for the building permit or variance was made with jurisdiction. The notice of noncompliance must specify why the system must be upgraded, replaced, or its use discontinued. If an upgrade is required, the notice must specify the time period required by law, rule, or local ordinance. A local unit of government must specify the upgrade time period in its ordinance.

(d) If the inspector or site evaluator or designer finds that the system presents an imminent threat to public health or safety, the inspector or site evaluator or designer must include a statement to this effect in the notice and the property owner must upgrade, replace, or discontinue use of the system within ten months of receipt of the notice.

(e) (b) Except as provided in subdivision 5a, paragraph (d) (b), if a system installed between May 27, 1989, and January 23, 1996, does not comply with applicable requirements, the property owner has five years from the date of the bedroom building permit to bring the system into compliance.

Sec. 5. Minnesota Statutes 1996, section 115.55, subdivision 6, is amended to read:

Subd. 6. [DISCLOSURE OF INDIVIDUAL SEWAGE TREATMENT SYSTEM TO BUYER.] After August 31, 1994, (a) Before signing an agreement to sell or transfer real property, the seller or transferor must disclose in writing to the buyer or transferee information about the status and location of individual on how sewage treatment systems on the property or serving the property generated at the property is managed. The disclosure must be made by delivering a statement to the buyer or transferee that either:

(1) a statement by the seller that there is no individual sewage treatment system on or serving the property or a disclosure statement describing the system and indicating the sewage goes to a facility permitted by the agency; or

(2) the sewage does not go to a permitted facility, is therefore subject to applicable requirements, and describes the system in use, including the legal description of the property, the county in which the property is located, and a map drawn from available information showing the location of the system on the property to the extent practicable. If the seller or transferor has knowledge that an abandoned individual sewage treatment system exists on the property, the disclosure must include a map showing its location. In the disclosure statement the seller must indicate whether the individual sewage treatment system is in use and, to the seller's knowledge, in compliance with applicable sewage treatment laws and rules. Unless the buyer and seller agree

to the contrary in writing before the closing of the sale, a seller who fails to disclose the existence or known status of an individual sewage treatment system at the time of sale, and who knew or had reason to know of the existence or known status of the system.

(b) A seller or transferor who fails to meet the requirements of this section is liable to the buyer for costs relating to bringing the system into compliance with the individual sewage treatment system rules and for reasonable attorney fees for collection of costs from the seller. An action under this subdivision must be commenced within two years after the date on which the buyer closed the purchase or transfer of the real property where the system is located.

Sec. 6. Minnesota Statutes 1996, section 115.55, subdivision 7, is amended to read:

Subd. 7. ~~[LOCAL ORDINANCE MAY BE MORE RESTRICTIVE STANDARDS.]~~ (a) Local units of government may adopt local standards and criteria for defining an acceptable existing system that may include soil classification, vegetation, system use, localized well placement and construction, localized density of systems and wells, extent of area to be covered by local standards, groundwater flow patterns, and existing natural or artificial drainage systems. The local standards and criteria for acceptable existing systems must adequately protect public health and the environment based on local circumstances in that jurisdiction.

(b) Local units of government, after a demonstration of need to the commissioner, may adopt local standards by ordinance for new construction or replacement in areas of sustained and projected low population density where conditions render conformance to applicable requirements difficult or otherwise inappropriate. These local standards must protect human health and the environment and be based on considerations including: soil classification, vegetation, system use, localized well placement and construction, localized density of systems and wells, extent of area to be covered by local standards, groundwater flow patterns, and existing natural or artificial drainage systems. The local standards must provide cost-effective and long-term treatment alternatives.

(c) A local unit of government may adopt and enforce ordinances or rules affecting individual sewage treatment systems that are more restrictive than the agency's rules.

~~(b) If standards are adopted that are more restrictive than the agency's rules, the local unit of government must submit the more restrictive standards to the commissioner along with an explanation of the more restrictive provisions.~~

(d) At least 30 days before the local standards become effective, a local unit of government that adopts local standards authorized under this subdivision must submit the standards, criteria, justification, and where applicable, a draft ordinance for review and comment to:

(1) the commissioner;

(2) the water management organization, as defined in section 103B.205, subdivision 13, for local units of government within the seven-county metropolitan area; and

(3) the local water planning advisory committee, created under section 103B.321, subdivision 3, for local units of government outside the seven-county metropolitan area.

Sec. 7. [INTERIM AUTHORITY.]

(a) Until the effective date of the new rules adopted under Minnesota Statutes, section 115.55, or December 31, 1999, whichever is earlier, the commissioner has the temporary authority to:

(1) allow local standards for the design, location, installation, use, and maintenance of individual sewage treatment systems submitted by local units of government, provided that the local standards are submitted in compliance with the procedures described in section 6 of this act;

(2) approve procedures for inspectors to use in determining whether a system sufficiently protects groundwater as specified in section 3; and

(3) approve new individual sewage treatment system technologies for use as warranted systems, provided that the manufacturer of the technology provides the commissioner with the documentation and financial assistance specified in section 3 of this act.

(b) After the commissioner's temporary authority expires, the commissioner's review of local standards and approval of inspection procedures and new technologies must be pursuant to rules adopted by the agency.

Sec. 8. [LOCAL STANDARDS STUDY.]

The commissioner of the pollution control agency shall conduct a study on the local standards established under Minnesota Statutes, section 115.55, subdivision 7, in protecting public health and the environment. By February 15, 1999, the commissioner must report on the study to the house and senate committees with jurisdiction over environmental policy.

Sec. 9. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the environment; modifying requirements relating to individual sewage treatment systems; giving the commissioner of the pollution control agency certain interim authority; amending Minnesota Statutes 1996, section 115.55, subdivisions 1, 2, 3, 5, 6, and 7."

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

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

S.F. No. 430: A bill for an act relating to health; establishing a birth defects information system; providing criminal penalties; appropriating money; amending Minnesota Statutes 1996, section 144.2215; proposing coding for new law in Minnesota Statutes, chapters 13; and 144.

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

Page 1, delete section 1 and insert:

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

Subd. 32a. [BIRTH DEFECTS INFORMATION SYSTEM.] Data on individuals in the birth defects information system maintained by the commissioner of health are classified in section 144.2217."

Page 2, line 24, after the semicolon, insert "and"

Page 2, line 32, delete "; and" and insert a period

Page 2, delete lines 33 to 36

Page 3, delete lines 1 to 3 and insert:

"Subd. 4. [NOTICE.] (a) Within 30 days after making a determination to enter a case into the birth defects information system, the commissioner of health shall make a good faith reasonable effort to notify the individual, or the parent or guardian if the individual is a minor, of what data on the individual has been entered into the system.

(b) Notice under this subdivision is not required if a birth defect case was identified solely by prenatal diagnosis or through fetal death or death certificate data."

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

Page 3, line 10, delete "5" and insert "6"

Page 3, line 22, delete "6" and insert "7"

Page 3, lines 29 and 34, before "A" insert "Notwithstanding section 144.335,"

Page 4, line 3, after the period, insert "This subdivision does not apply to institutions described in section 144A.09, subdivision 1."

Page 4, line 4, before "Other" insert "Notwithstanding section 144.335,"

Page 4, line 10, after "section" insert "in good faith"

Page 4, lines 15 and 16, delete the new language

Page 4, line 17, delete "collected" and delete "by" and insert "in"

Page 4, line 18, after "individuals" insert "as defined in section 13.02, subdivision 12. Notwithstanding section 13.05, subdivision 9, or any other law to the contrary, data on individuals in the birth defects registry system may not be disclosed except as provided in sections 144.2215 to 144.2218." and delete "and may be used only for"

Page 4, delete lines 19 to 22

Page 4, line 29, delete "maintains" and insert "agrees to maintain"

Page 4, line 30, delete "the confidentiality of"

Page 5, line 1, before the period, insert ", if the commissioner of health obtains the prior consent of the individual" and delete everything after the period

Page 5, delete line 2

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 13.99, by adding a subdivision;"

Page 1, line 6, delete "chapters 13; and" and insert "chapter"

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

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

S.F. No. 234: A bill for an act relating to human services; adding provisions for licensing programs; imposing and modifying civil penalties; amending Minnesota Statutes 1996, sections 14.386; 14.387; 245A.02, subdivisions 16 and 17; 245A.04, subdivisions 3, 3a, 3b, 3c, 4, 5, 6, and 7; 245A.06, subdivisions 1, 3, 4, 5, 5a, 6, and 7; 245A.07, subdivisions 1 and 3; 245A.08, subdivisions 1 and 2; 245A.09, subdivision 7; 245A.11, subdivision 2; 245A.16, subdivision 2; and 364.09; proposing coding for new law as Minnesota Statutes, chapters 245B; and 245C; repealing Minnesota Statutes 1996, sections 245A.20; 245A.21; and 252.53; Minnesota Rules, parts 9503.0170, subpart 7; 9525.0215; 9525.0225; 9525.0235; 9525.0243; 9525.0245; 9525.0255; 9525.0265; 9525.0275; 9525.0285; 9525.0295; 9525.0305; 9525.0315; 9525.0325; 9525.0335; 9525.0345; 9525.0355; 9525.0500; 9525.0510; 9525.0520; 9525.0530; 9525.0540; 9525.0550; 9525.0560; 9525.0570; 9525.0580; 9525.0590; 9525.0600; 9525.0610; 9525.0620; 9525.0630; 9525.0640; 9525.0650; 9525.0660; 9525.1240, subpart 1, item E, subitem (6); 9525.1500; 9525.1510; 9525.1520; 9525.1530; 9525.1540; 9525.1550; 9525.1560; 9525.1570, subparts 2, 3, 4, 5, and 6; 9525.1580; 9525.1590; 9525.1610; 9525.1620; 9525.1630; 9525.1640; 9525.1650; 9525.1660; 9525.1670; 9525.1680; 9525.1690; 9525.2000; 9525.2010; 9525.2020; 9525.2025; 9525.2030; 9525.2040; 9525.2050; 9525.2060; 9525.2070; 9525.2080; 9525.2090; 9525.2100; 9525.2110; 9525.2120; 9525.2130; 9525.2140; 9555.8000; 9555.8100; 9555.8200; 9555.8300; 9555.8400; and 9555.8500.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 14.387, is amended to read:

14.387 [LEGAL STATUS OF EXISTING EXEMPT RULES.]

A rule adopted on or before May 26, 1995, and which was not adopted under sections 14.05 to 14.28 or their predecessor provisions, does not have the force and effect of law on and after July 1, 1997, and the authority for the rule expires on that date.

This section does not apply to:

- (1) rules implementing emergency powers under sections 12.31 to 12.37;
- (2) rules of agencies directly in the legislative or judicial branches;
- (3) rules of the regents of the University of Minnesota;
- (4) rules of the department of military affairs;
- (5) rules of the comprehensive health association provided in section 62E.10;
- (6) rules of the tax court provided by section 271.06;
- (7) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public;
- (8) rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term, the internal management of institutions under the commissioner's control, and rules adopted under section 609.105 governing the inmates of those institutions;
- (9) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;
- (10) opinions of the attorney general;
- (11) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;
- (12) the data element dictionary and the annual data acquisition calendar of the department of children, families and learning to the extent provided by section 121.932;
- (13) the occupational safety and health standards provided in section 182.655;
- (14) revenue notices and tax information bulletins of the commissioner of revenue;
- (15) uniform conveyancing forms adopted by the commissioner of commerce under section 507.09;
- (16) game and fish rules of the commissioner of natural resources adopted under section 84.027, subdivision 13, or sections 97A.0451 to 97A.0459;
- (17) experimental and special management waters designated by the commissioner of natural resources under sections 97C.001 and 97C.005; or
- (18) game refuges designated by the commissioner of natural resources under section 97A.085;
- (19) procedures used by the commissioner of human services to evaluate grant proposals and award grants and contracts under Laws 1988, chapter 689, article 2, section 248, as amended by Laws 1989, chapter 282, article 2, section 205;

(20) interpretive guidelines issued by the commissioner of human services as authorized by section 245A.09, subdivision 8, and defined in section 245A.02, subdivision 7b;

(21) minimum standards contained in Human Immunodeficiency Virus (HIV-1) Guidelines for Chemical Dependency Treatment and Care Programs in Minnesota as specified in section 245A.19, paragraph (a);

(22) sliding fee scales for MinnesotaCare premiums determined by the commissioner of human services within the parameters specified in sections 256.9358 and 256.9368;

(23) the list of elective surgeries that require a second medical opinion as a condition of coverage by the medical assistance or general assistance medical care programs and the standards and criteria related to those surgeries as specified in section 256B.0625, subdivisions 1, 4a, and 24;

(24) the procedures the commissioner of human services is authorized by section 256B.0625, subdivision 13, paragraph (b), to follow in establishing and publishing a drug formulary listing drugs covered by the medical assistance or general assistance medical care programs;

(25) the list of health services that require prior authorization as a condition of coverage by the medical assistance or general assistance medical care programs and the criteria and standards used to select the services on the list as specified in section 256B.0625, subdivision 25;

(26) the list of items the commissioner of human services is permitted to inspect in performing follow-up inspections allowed by the interagency agreement between the commissioners of public safety and human services authorized in section 299F.011, subdivision 4a, paragraph (e); or

(27) procedures used by the commissioner of human services for developing requests for proposals and contract requirements and negotiating the terms, conditions, and requirements of contracts specified in section 256B.434, subdivision 12, and the transition plan and contract amendments specified in section 256B.434, subdivision 13, paragraph (b).

Sec. 2. Minnesota Statutes 1996, section 144.057, subdivision 1, is amended to read:

Subdivision 1. [BACKGROUND STUDIES REQUIRED.] The commissioner of health shall contract with the commissioner of human services to conduct background studies of:

(1) individuals providing services which have direct contact, as defined under section 245A.04, subdivision 3, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; residential care homes licensed under chapter 144B, and board and lodging establishments that are registered to provide supportive or health supervision services under section 157.17; and

(2) all other employees in nursing homes and home care agencies licensed under chapter 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of an individual in this section shall disqualify the individual from positions allowing direct contact or access to patients or residents receiving services.

If a facility or program is licensed by the department of human services and subject to the background study provisions of chapter 245A and is also licensed by the department of health, the department of human services is solely responsible for the background studies of individuals in the jointly licensed programs.

Sec. 3. Minnesota Statutes 1996, section 144A.46, subdivision 5, is amended to read:

Subd. 5. [PRIOR CRIMINAL CONVICTIONS.] (a) Before the commissioner issues a license and, as defined in the home care licensure rules promulgated by the commissioner of health, an owner or managerial official shall be required to disclose all criminal convictions. The commissioner may adopt rules that may require a person who must disclose criminal convictions under this subdivision to provide fingerprints and releases that authorize law enforcement

agencies, including the bureau of criminal apprehension and the Federal Bureau of Investigation, to release information about the person's criminal convictions to the commissioner and home care providers. The bureau of criminal apprehension, county sheriffs, and local chiefs of police shall, if requested, provide the commissioner with criminal conviction data available from local, state, and national criminal record repositories, including the criminal justice data communications network. No person may be involved in the management, operation, or control of a provider, if the person has been convicted of a crime that relates to the provision of home care services or to the position, duties, or responsibilities undertaken by that person in the operation of the home care provider, unless the person can provide sufficient evidence of rehabilitation. The commissioner shall adopt rules for determining whether a crime relates to home care services and what constitutes sufficient evidence of rehabilitation. The rules must require consideration of the nature and seriousness of the crime; the relationship of the crime to the purposes of home care licensure and regulation; the relationship of the crime to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the person's position; mitigating circumstances or social conditions surrounding the commission of the crime; the length of time elapsed since the crime was committed; the seriousness of the risk to the home care client's person or property; and other factors the commissioner considers appropriate. Data collected under this subdivision shall be classified as private data under section 13.02, subdivision 12.

(b) Employees, contractors, and volunteers of a home care provider or hospice are subject to the background study required by section 144.057. These individuals shall be disqualified under the provisions of chapter 245A and Minnesota Rules, parts 9543.3000 to 9543.3090. ~~Until October 1, 1997, grounds for disqualification shall also include the crimes specified under Minnesota Rules, part 4668.0020, subpart 14, or a comparable crime or act in another jurisdiction.~~ Nothing in this section shall be construed to prohibit a home care provider from requiring self-disclosure of criminal conviction information; however, compliance with the provisions of section 144.057 constitutes compliance with the provisions of Minnesota Rules, part 4668.0020, subpart 8.

(c) Notwithstanding the provisions of Minnesota Rules, part 4668.0020, subparts 12, 13, and 15, disqualifications under paragraph (b), removal from a direct care position, and the process for reconsiderations shall be governed by the provisions of section 144.057.

(d) Unless superseded by the provisions of section 144.057 or this section, the provisions of Minnesota Rules, part 4668.0020, remain in effect.

(e) Termination of an employee in good faith reliance on information or records obtained under paragraph (a) or (b) regarding a confirmed conviction does not subject the home care provider to civil liability or liability for reemployment insurance benefits.

Sec. 4. Minnesota Statutes 1996, section 245A.02, subdivision 15, is amended to read:

Subd. 15. [RESPITE CARE SERVICES.] "Respite care services" means temporary services provided to a person due to the absence or need for relief of the primary caregiver, the person's family member, or legal representative who is the primary caregiver and principally responsible for the care and supervision of the person. Respite care services are those that provide the level of supervision and care that is necessary to ensure the health and safety of the person. Respite care services do not include services that are specifically directed toward the training and habilitation of the person.

Sec. 5. Minnesota Statutes 1996, section 245A.02, subdivision 16, is amended to read:

Subd. 16. [SCHOOL AGE CHILD.] "School age child," for programs licensed or required to be licensed as a child care center, means a child who is at least of sufficient age to have attended the first day of kindergarten, or is eligible to enter kindergarten within the next four months, but is younger than 13 years of age.

Sec. 6. Minnesota Statutes 1996, section 245A.02, subdivision 17, is amended to read:

Subd. 17. [SCHOOL AGE CHILD CARE PROGRAM.] "School age child care program" means a ~~nonresidential~~ program licensed or required to be licensed as a child care center, serving

more than ten children with the primary purpose of providing child care for school age children. School age child care program does not include programs such as scouting, boys clubs, girls clubs, nor sports or art programs.

Sec. 7. Minnesota Statutes 1996, section 245A.04, subdivision 3, is amended to read:

Subd. 3. [BACKGROUND STUDY OF THE APPLICANT.] (a) Before the commissioner issues a license, the commissioner shall conduct a study of the individuals specified in paragraph (c), clauses (1) to (5), according to rules of the commissioner.

Beginning January 1, 1997, the commissioner shall also conduct a study of employees providing direct contact services for nonlicensed personal care provider organizations described in paragraph (c), clause (5).

The commissioner shall recover the cost of these background studies through a fee of no more than \$12 per study charged to the personal care provider organization.

Beginning August 1, 1997, and notwithstanding Minnesota Rules, part 9543.0040, subparts 2, item A, and 3, the commissioner shall conduct all background studies required under this chapter for adult foster care providers who are licensed by the commissioner of human services and registered under chapter 144D. The commissioner shall conduct these background studies in accordance with Minnesota Rules, parts 9543.3000 to 9543.3090.

Beginning August 1, 1997, the commissioner is authorized to conduct a pilot demonstration allowing counties the option to transfer to the department of human services the responsibility to conduct background studies of individuals required to be studied under chapter 245A and licensed under chapter 245A as an intermediate care facility for persons with mental retardation.

(b) Beginning July 1, 1997 1998, the commissioner shall conduct a background study on individuals specified in paragraph (c), clauses (1) to (5), who perform direct contact services in a nursing home or a home care agency licensed under chapter 144A or a boarding care home licensed under sections 144.50 to 144.58, when the subject of the study resides outside Minnesota; the study must be at least as comprehensive as that of a Minnesota resident and include a search of information from the criminal justice data communications network in the state where the subject of the study resides.

(c) The applicant, license holder, the bureau of criminal apprehension, the commissioner of health and county agencies, after written notice to the individual who is the subject of the study, shall help with the study by giving the commissioner criminal conviction data and reports about the maltreatment of adults substantiated under section 626.557 and the maltreatment of minors in licensed programs substantiated under section 626.556. The individuals to be studied shall include:

(1) the applicant;

(2) persons over the age of 13 living in the household where the licensed program will be provided;

(3) current employees or contractors of the applicant who will have direct contact with persons served by the facility, agency, or program;

(4) volunteers or student volunteers who have direct contact with persons served by the program to provide program services, if the contact is not directly supervised by the individuals listed in clause (1) or (3); and

(5) any person who, as an individual or as a member of an organization, exclusively offers, provides, or arranges for personal care assistant services under the medical assistance program as authorized under sections 256B.04, subdivision 16, and 256B.0625, subdivision 19.

The juvenile courts shall also help with the study by giving the commissioner existing juvenile court records on individuals described in clause (2) relating to delinquency proceedings held within either the five years immediately preceding the application or the five years immediately

preceding the individual's 18th birthday, whichever time period is longer. The commissioner shall destroy juvenile records obtained pursuant to this subdivision when the subject of the records reaches age 23.

For purposes of this section and Minnesota Rules, part 9543.3070, a finding that a delinquency petition is proven in juvenile court shall be considered a conviction in state district court.

For purposes of this subdivision, "direct contact" means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to persons served by a program. For purposes of this subdivision, "directly supervised" means an individual listed in clause (1), (3), or (5) is within sight or hearing of a volunteer to the extent that the individual listed in clause (1), (3), or (5) is capable at all times of intervening to protect the health and safety of the persons served by the program who have direct contact with the volunteer.

A study of an individual in clauses (1) to (5) shall be conducted at least upon application for initial license and reapplication for a license. The commissioner is not required to conduct a study of an individual at the time of reapplication for a license or if the individual has been continuously affiliated with a foster care provider licensed by the commissioner of human services and registered under chapter 144D, other than a family day care or foster care license, if: (i) a study of the individual was conducted either at the time of initial licensure or when the individual became affiliated with the license holder; (ii) the individual has been continuously affiliated with the license holder since the last study was conducted; and (iii) the procedure described in paragraph (d) has been implemented and was in effect continuously since the last study was conducted. For the purposes of this section, a physician licensed under chapter 147 is considered to be continuously affiliated upon the license holder's receipt from the commissioner of health or human services of the physician's background study results. For individuals who are required to have background studies under clauses (1) to (5) and who have been continuously affiliated with a foster care provider that is licensed in more than one county, criminal conviction data may be shared among those counties in which the foster care programs are licensed. A county agency's receipt of criminal conviction data from another county agency shall meet the criminal data background study requirements of this section.

The commissioner may also conduct studies on individuals specified in clauses (3) and (4) when the studies are initiated by:

- (i) personnel pool agencies;
- (ii) temporary personnel agencies;
- (iii) educational programs that train persons by providing direct contact services in licensed programs; and
- (iv) professional services agencies that are not licensed and which contract with licensed programs to provide direct contact services or individuals who provide direct contact services.

Studies on individuals in items (i) to (iv) must be initiated annually by these agencies, programs, and individuals. Except for personal care provider organizations, no applicant, license holder, or individual who is the subject of the study shall pay any fees required to conduct the study.

(1) At the option of the licensed facility, rather than initiating another background study on an individual required to be studied who has indicated to the licensed facility that a background study by the commissioner was previously completed, the facility may make a request to the commissioner for documentation of the individual's background study status, provided that:

- (i) the facility makes this request using a form provided by the commissioner;
- (ii) in making the request the facility informs the commissioner that either:
 - (A) the individual has been continuously affiliated with a licensed facility since the individual's previous background study was completed, or since October 1, 1995, whichever is shorter; or

(B) the individual is affiliated only with a personnel pool agency, a temporary personnel agency, an educational program that trains persons by providing direct contact services in licensed programs, or a professional services agency that is not licensed and which contracts with licensed programs to provide direct contact services or individuals who provide direct contact services; and

(iii) the facility provides notices to the individual as required in paragraphs (a) to (d), and that the facility is requesting written notification of the individual's background study status from the commissioner.

(2) The commissioner shall respond to each request under paragraph (1) with a written or electronic notice to the facility and the study subject. If the commissioner determines that a background study is necessary, the study shall be completed without further request from a licensed agency or notifications to the study subject.

(3) When a background study is being initiated by a licensed facility or a foster care provider that is also registered under chapter 144D, a study subject affiliated with multiple licensed facilities may attach to the background study form a cover letter indicating the additional facilities' names, addresses, and background study identification numbers. When the commissioner receives such notices, each facility identified by the background study subject shall be notified of the study results. The background study notice sent to the subsequent agencies shall satisfy those facilities' responsibilities for initiating a background study on that individual.

(d) If an individual who is affiliated with a program or facility regulated by the department of human services or department of health or who is affiliated with a nonlicensed personal care provider organization, is convicted of a crime constituting a disqualification under Minnesota Rules, parts 9543.3000 to 9543.3090 subdivision 3aa, the probation officer or corrections agent shall notify the commissioner of the conviction. The commissioner, in consultation with the commissioner of corrections, shall develop forms and information necessary to implement this paragraph and shall provide the forms and information to the commissioner of corrections for distribution to local probation officers and corrections agents. The commissioner shall inform individuals subject to a background study that criminal convictions for disqualifying crimes will be reported to the commissioner by the corrections system. A probation officer, corrections agent, or corrections agency is not civilly or criminally liable for disclosing or failing to disclose the information required by this paragraph. Upon receipt of disqualifying information, the commissioner shall provide the notifications required in subdivision 3a, as appropriate to agencies on record as having initiated a background study or making a request for documentation of the background study status of the individual. This paragraph does not apply to family day care and foster care programs unless the program is also registered under chapter 144D.

(e) The individual who is the subject of the study must provide the applicant or license holder with sufficient information to ensure an accurate study including the individual's first, middle, and last name; home address, city, county, and state of residence for the past five years; zip code; sex; date of birth; and driver's license number. The applicant or license holder shall provide this information about an individual in paragraph (c), clauses (1) to (5), on forms prescribed by the commissioner. By January 1, 1998, for background studies conducted by the department of human services, the commissioner shall implement a system for the electronic transmission of: (1) background study information to the commissioner; and (2) background study results to the license holder. The commissioner may request additional information of the individual, which shall be optional for the individual to provide, such as the individual's social security number or race.

(f) Except for child foster care, adult foster care, and family day care homes, a study must include information related to names of substantiated perpetrators of maltreatment of vulnerable adults that has been received by the commissioner as required under section 626.557, subdivision 9c, paragraph (i), and the commissioner's records relating to the maltreatment of minors in licensed programs, information from juvenile courts as required in paragraph (c) for persons listed in paragraph (c), clause (2), and information from the bureau of criminal apprehension. For child foster care, adult foster care, and family day care homes, the study must include information from the county agency's record of substantiated maltreatment of adults, and the maltreatment of

minors, information from juvenile courts as required in paragraph (c) for persons listed in paragraph (c), clause (2), and information from the bureau of criminal apprehension. The commissioner may also review arrest and investigative information from the bureau of criminal apprehension, the commissioner of health, a county attorney, county sheriff, county agency, local chief of police, other states, the courts, or the Federal Bureau of Investigation if the commissioner has reasonable cause to believe the information is pertinent to the disqualification of an individual listed in paragraph (c), clauses (1) to (5). The commissioner is not required to conduct more than one review of a subject's records from the Federal Bureau of Investigation if a review of the subject's criminal history with the Federal Bureau of Investigation has already been completed by the commissioner and there has been no break in the subject's affiliation with the license holder who initiated the background studies.

When the commissioner has reasonable cause to believe that further pertinent information may exist on the subject, the subject shall provide a set of classifiable fingerprints obtained from an authorized law enforcement agency. For purposes of requiring fingerprints, the commissioner shall be considered to have reasonable cause under, but not limited to, the following circumstances:

(1) information from the bureau of criminal apprehension indicates that the subject is a multistate offender;

(2) information from the bureau of criminal apprehension indicates that multistate offender status is undetermined; or

(3) the commissioner has received a report from the subject or a third party indicating that the subject has a criminal history in a jurisdiction other than Minnesota.

(g) An applicant's or license holder's failure or refusal to cooperate with the commissioner is reasonable cause to disqualify a subject, deny an a license application or immediately suspend, suspend, or revoke a license. Failure or refusal of an individual to cooperate with the study is just cause for denying or terminating employment of the individual if the individual's failure or refusal to cooperate could cause the applicant's application to be denied or the license holder's license to be immediately suspended, suspended, or revoked.

(h) The commissioner shall not consider an application to be complete until all of the information required to be provided under this subdivision has been received.

(i) No person in paragraph (c), clause (1), (2), (3), (4), or (5) who is disqualified as a result of this section may be retained by the agency in a position involving direct contact with persons served by the program.

(j) Termination of persons in paragraph (c), clause (1), (2), (3), (4), or (5), made in good faith reliance on a notice of disqualification provided by the commissioner shall not subject the applicant or license holder to civil liability.

(k) The commissioner may establish records to fulfill the requirements of this section.

(l) The commissioner may not disqualify an individual subject to a study under this section because that person has, or has had, a mental illness as defined in section 245.462, subdivision 20.

~~(m) An individual who is subject to an applicant background study under this section and whose disqualification in connection with a license would be subject to the limitations on reconsideration set forth in subdivision 3b, paragraph (c), shall be disqualified for conviction of the crimes specified in the manner specified in subdivision 3b, paragraph (c). The commissioner of human services shall amend Minnesota Rules, part 9543.3070, to conform to this section.~~

~~(n) An individual subject to disqualification under this subdivision has the applicable rights in subdivision 3a, 3b, or 3c.~~

Sec. 8. Minnesota Statutes 1996, section 245A.04, is amended by adding a subdivision to read:

Subd. 3aa. [DISQUALIFICATION.] When a background study completed under subdivision 3

shows any of the following characteristics in an individual's history or the individual has admitted to or a preponderance of the evidence indicates the individual has committed an act or acts that meet the definition of any of the crimes listed in clauses (1) to (4), the individual shall be disqualified from any position allowing direct contact with persons receiving services from the license holder:

(1) regardless of how much time has passed since the discharge of the sentence imposed for the offense, and unless otherwise specified, regardless of the level of the conviction, the individual was convicted of any of the following offenses: sections 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.2661 (murder of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second degree); 609.2663 (murder of an unborn child in the third degree); 609.322 (solicitation, inducement, and promotion of prostitution); 609.323 (receiving profit derived from prostitution); 609.342 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in the second degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal sexual conduct in the fourth degree); 609.352 (solicitation of children to engage in sexual conduct); 609.365 (incest); felony offense under 609.377 (malicious punishment of a child); 617.246 (use of minors in sexual performance prohibited); 617.247 (possession of pictorial representations of minors); or attempt or conspiracy to commit any of these offenses as defined in Minnesota Statutes, or an offense in any other state or country, where the elements are substantially similar to any of the offenses listed in this clause;

(2) if less than 15 years have passed since the discharge of the sentence imposed for the offense; and the individual has received a felony conviction for a violation of any of these offenses: sections 609.20 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); 609.21 (criminal vehicular homicide and injury); 609.215 (suicide); 609.221 to 609.2231 (assault in the first, second, third, or fourth degree); repeat offenses under 609.224 (assault in the fifth degree); 609.2242 and 609.2243 (domestic assault; sentencing; repeat domestic assault); repeat offenses under 609.3451 (criminal sexual conduct in the fifth degree); 609.713 (terroristic threats); 609.235 (use of drugs to injure or facilitate crime); 609.24 (simple robbery); 609.245 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.561 (arson in the first degree); 609.562 (arson in the second degree); 609.563 (arson in the third degree); repeat offenses under 617.23 (indecent exposure; penalties); repeat offenses under 617.241 (obscene materials and performances; distribution and exhibition prohibited; penalty); 609.71 (riot); 609.66 (dangerous weapons); 609.67 (machine guns and short-barreled shotguns); 609.749 (harassment; stalking; penalties); 609.228 (great bodily harm caused by distribution of drugs); 609.2325 (criminal abuse of a vulnerable adult); 609.2664 (manslaughter of an unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the second degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault of an unborn child in the second degree); 609.268 (injury or death of an unborn child in the commission of a crime); 609.378 (neglect or endangerment of a child); 609.324, subdivision 1 (other prohibited acts); 609.52 (theft); 609.2335 (financial exploitation of a vulnerable adult); 609.521 (possession of shoplifting gear); 609.582 (burglary); 609.625 (aggravated forgery); 609.63 (forgery); 609.631 (check forgery; offering a forged check); 609.635 (obtaining signature by false pretense); 609.27 (coercion); 609.275 (attempt to coerce); 609.687 (adulteration); 260.221 (grounds for termination of parental rights); and chapter 152 (drugs; controlled substance). An attempt or conspiracy to commit any of these offenses, as each of these offenses is defined in Minnesota Statutes; or an offense in any other state or country, the elements of which are substantially similar to the elements of the offenses in this clause. If the individual studied is convicted of one of the felonies listed in this clause, but the sentence is a gross misdemeanor or misdemeanor disposition, the look-back period for the conviction is the period applicable to the disposition, that is the period for gross misdemeanors or misdemeanors;

(3) if less than ten years have passed since the discharge of the sentence imposed for the offense; and the individual has received a gross misdemeanor conviction for a violation of any of the following offenses: sections 609.224 (assault in the fifth degree); 609.2242 and 609.2243 (domestic assault); violation of an order for protection under 518B.01, subdivision 14; 609.3451 (criminal sexual conduct in the fifth degree); repeat offenses under 609.746 (interference with privacy); repeat offenses under 617.23 (indecent exposure); 617.241 (obscene materials and

performances); 617.243 (indecent literature, distribution); 617.293 (harmful materials; dissemination and display to minors prohibited); 609.71 (riot); 609.66 (dangerous weapons); 609.749 (harassment; stalking; penalties); 609.224, subdivision 2, paragraph (c) (assault in the fifth degree by a caregiver against a vulnerable adult); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure to report maltreatment of a vulnerable adult); 609.72, subdivision 3 (disorderly conduct against a vulnerable adult); 609.265 (abduction); 609.378 (neglect or endangerment of a child); 609.377 (malicious punishment of a child); 609.324, subdivision 1a (other prohibited acts; minor engaged in prostitution); 609.33 (disorderly house); 609.52 (theft); 609.582 (burglary); 609.631 (check forgery; offering a forged check); 609.275 (attempt to coerce); or an attempt or conspiracy to commit any of these offenses, as each of these offenses is defined in Minnesota Statutes; or an offense in any other state or country, the elements of which are substantially similar to the elements of any of the offenses listed in this clause. If the defendant is convicted of one of the gross misdemeanors listed in this clause, but the sentence is a misdemeanor disposition, the look-back period for the conviction is the period applicable to misdemeanors;

(4) if less than seven years have passed since the discharge of the sentence imposed for the offense; and the individual has received a misdemeanor conviction for a violation of any of the following offenses: sections 609.224 (assault in the fifth degree); 609.2242 (domestic assault); violation of an order for protection under 518B.01 (domestic abuse act); violation of an order for protection under 609.3232 (protective order authorized; procedures; penalties); 609.746 (interference with privacy); 609.79 (obscene or harassing phone calls); 609.795 (letter, telegram, or package; opening; harassment); 617.23 (indecent exposure; penalties); 609.2672 (assault of an unborn child in the third degree); 617.293 (harmful materials; dissemination and display to minors prohibited); 609.66 (dangerous weapons); 609.665 (spring guns); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure to report maltreatment of a vulnerable adult); 609.52 (theft); 609.27 (coercion); or an attempt or conspiracy to commit any of these offenses, as each of these offenses is defined in Minnesota Statutes; or an offense in any other state or country, the elements of which are substantially similar to the elements of any of the offenses listed in this clause; failure to make required reports under section 626.556, subdivision 3, or 626.557, subdivision 3, for incidents in which: (i) the final disposition under section 626.556 or 626.557 was substantiated maltreatment, and (ii) the maltreatment was recurring or serious which is substantiated serious or recurring maltreatment of a minor under section 626.556 or of a vulnerable adult under section 626.557 for which there is a preponderance of evidence that the maltreatment occurred, and that the subject was responsible for the maltreatment. For the purposes of this section, serious maltreatment means sexual abuse; maltreatment resulting in death; or maltreatment resulting in serious injury which reasonably requires the care of a physician whether or not the care of a physician was sought, including: bruises, bites, skin laceration or tissue damage; fractures; dislocations; evidence of internal injuries; head injuries with loss of consciousness; extensive second-degree or third-degree burns and other burns for which complications are present; irreversible mobility or avulsion of teeth; injuries to the eyeball; ingestion of foreign substances and objects that are harmful; near drowning; and heat exhaustion or sunstroke. For the purposes of this section, recurring maltreatment means more than one incident of maltreatment for which there is a preponderance of evidence that the maltreatment occurred, and that the subject was responsible for the maltreatment.

Sec. 9. Minnesota Statutes 1996, section 245A.04, subdivision 3a, is amended to read:

Subd. 3a. [NOTIFICATION TO SUBJECT AND LICENSE HOLDER OF STUDY RESULTS; DETERMINATION OF RISK OF HARM.] (a) The commissioner shall notify the applicant or license holder and the individual who is the subject of the study, in writing or by electronic transmission, of the results of the study. When the study is completed, a notice that the study was undertaken and completed shall be maintained in the personnel files of the program.

The commissioner shall notify the individual studied if the information in the study indicates the individual is disqualified from direct contact with persons served by the program. The commissioner shall disclose the information causing disqualification and instructions on how to

request a reconsideration of the disqualification to the individual studied. An applicant or license holder who is not the subject of the study shall be informed that the commissioner has found information that disqualifies the subject from direct contact with persons served by the program. However, ~~the applicant or license holder shall not be told what that information is only the individual studied must be informed of the information contained in the subject's background study unless the only basis for the disqualification is failure to cooperate, the data practices act provides for release of the information, or the individual studied authorizes the release of the information.~~

(b) If the commissioner determines that the individual studied has a disqualifying characteristic, the commissioner shall review the information immediately available and make a determination as to the subject's immediate risk of harm to persons served by the program where the individual studied will have direct contact. The commissioner shall consider all relevant information available, including the following factors in determining the immediate risk of harm: the recency of the disqualifying characteristic, the recency of discharge from probation for the crimes; the number of disqualifying characteristics; the intrusiveness or violence of the disqualifying characteristic; the vulnerability of the victim involved in the disqualifying characteristic; and the similarity of the victim to the persons served by the program where the individual studied will have direct contact. The commissioner may determine that the evaluation of the information immediately available gives the commissioner reason to believe one of the following:

(1) The individual poses an imminent risk of harm to persons served by the program where the individual studied will have direct contact. If the commissioner determines that an individual studied poses an imminent risk of harm to persons served by the program where the individual studied will have direct contact, the individual and the license holder must be sent a notice of disqualification. The commissioner shall order the license holder to immediately remove the individual studied from direct contact. The notice to the individual studied must include an explanation of the basis of this determination.

(2) The individual poses a risk of harm requiring continuous supervision while providing direct contact services during the period in which the subject may request a reconsideration. If the commissioner determines that an individual studied poses a risk of harm that requires continuous supervision, the individual and the license holder must be sent a notice of disqualification. The commissioner shall order the license holder to immediately remove the individual studied from direct contact services or assure that the individual studied is within sight or hearing of another staff person when providing direct contact services during the period in which the individual may request a reconsideration of the disqualification. If the individual studied does not submit a timely request for reconsideration, or the individual submits a timely request for reconsideration, but the disqualification is not set aside for that license holder, the license holder will be notified of the disqualification and ordered to immediately remove the individual from any position allowing direct contact with persons receiving services from the license holder.

(3) The individual does not pose an imminent risk of harm or a risk of harm requiring continuous supervision while providing direct contact services during the period in which the subject may request a reconsideration. If the commissioner determines that an individual studied does not pose a risk of harm that requires continuous supervision, only the individual must be sent a notice of disqualification. The license holder must be sent a notice that more time is needed to complete the individual's background study. If the individual studied submits a timely request for reconsideration, and if the disqualification is set aside for that license holder, the license holder will be informed that the individual has a disqualifying characteristic, but that the disqualification has been set aside relative to that license holder. If the individual studied does not submit a timely request for reconsideration, or the individual submits a timely request for reconsideration, but the disqualification is not set aside for that license holder, the license holder will be notified of the disqualification and ordered to immediately remove the individual from any position allowing direct contact with persons receiving services from the license holder.

Sec. 10. Minnesota Statutes 1996, section 245A.04, subdivision 3b, is amended to read:

Subd. 3b. [RECONSIDERATION OF DISQUALIFICATION.] (a) ~~Within 30 days after~~

receiving notice of disqualification under subdivision 3a, The individual who is the subject of the study disqualification may request a reconsideration of the notice of disqualification.

The individual must submit the request for reconsideration to the commissioner in writing. A request for reconsideration for an individual who has been sent a notice of disqualification under subdivision 3a, paragraph (a) or (b), must be submitted within 30 calendar days of the disqualified individual's receipt of the notice of disqualification. A request for reconsideration for an individual who has been sent a notice of disqualification under subdivision 3a, paragraph (c), must be submitted within 15 calendar days of the disqualified individual's receipt of the notice of disqualification. Removal of a disqualified individual from direct contact shall be ordered if the individual does not request reconsideration within the prescribed time, and for an individual who submits a timely request for reconsideration, if the disqualification is not set aside. The individual must present information to show showing that:

(1) the information the commissioner relied upon is incorrect or inaccurate. If the basis of a reconsideration request is that a maltreatment determination or disposition under section 626.556 or 626.557 is incorrect, and the commissioner has issued a final order in an appeal of that determination or disposition under section 256.045, the commissioner's order is conclusive on the issue of maltreatment; or

(2) the subject of the study does not pose a risk of harm to any person served by the applicant or license holder.

(b) The commissioner may set aside the disqualification under this section if the commissioner finds that the information the commissioner relied upon is incorrect or the individual does not pose a risk of harm to any person served by the applicant or license holder. In determining that an individual does not pose a risk of harm, the commissioner shall review consider the consequences of the event or events that could lead to disqualification, whether there is more than one disqualifying event, the vulnerability of the victim at the time of the event, the time elapsed without a repeat of the same or similar event, and documentation of successful completion by the individual studied of training or rehabilitation pertinent to the event, and any other information relevant to reconsideration. In reviewing a disqualification under this section, the commissioner shall give preeminent weight to the safety of each person to be served by the license holder or applicant over the interests of the license holder or applicant.

(c) Unless the information the commissioner relied on in disqualifying an individual is incorrect, the commissioner may not set aside the disqualification of an individual in connection with a license to provide family day care for children, foster care for children in the provider's own home, or foster care or day care services for adults in the provider's own home if:

(1) less than ten years have passed since the discharge of the sentence imposed for the offense; and the individual has been convicted of a violation of any offense listed in section sections 609.20 (manslaughter in the first degree), 609.205 (manslaughter in the second degree), criminal vehicular homicide under 609.21 (criminal vehicular homicide and injury), 609.215 (aiding suicide or aiding attempted suicide), felony violations under 609.221 to 609.2231 (felony violations of assault in the first, second, third, or fourth degree), 609.713 (terroristic threats), 609.235 (use of drugs to injure or to facilitate crime), 609.24 (simple robbery), 609.245 (aggravated robbery), 609.25 (kidnapping), 609.255 (false imprisonment), 609.561 or 609.562 (arson in the first or second degree), 609.71 (riot), burglary in the first or second degree under 609.582 (burglary in the first or second degree), 609.66 (reckless use of a gun or dangerous weapon or intentionally pointing a gun at or towards a human being), 609.665 (setting a spring gun guns), 609.67 (unlawfully owning, possessing, or operating a machine gun guns and short-barreled shotguns), 609.749 (harassment; stalking), 152.021 or 152.022 (controlled substance crime in the first or second degree), 152.023, subdivision 1, clause (3) or (4), or subdivision 2, clause (4) (controlled substance crime in the third degree), 152.024, subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree), 609.224, subdivision 2, paragraph (c) (fifth-degree assault by a caregiver against a vulnerable adult), 609.228 (great bodily harm caused by distribution of drugs), 609.23 (mistreatment of persons confined), 609.231 (mistreatment of residents or patients), 609.2325 (criminal abuse of a vulnerable adult), 609.233

(criminal neglect of a vulnerable adult), 609.2335 (financial exploitation of a vulnerable adult), 609.234 (failure to report), 609.265 (abduction), 609.2664 to 609.2665 (manslaughter of an unborn child in the first or second degree), 609.267 to 609.2672 (assault of an unborn child in the first, second, or third degree), 609.268 (injury or death of an unborn child in the commission of a crime), 617.293 (disseminating or displaying harmful material to minors), 609.378 (neglect or endangerment of a child), a gross misdemeanor offense under 609.377 (a gross misdemeanor offense of malicious punishment of a child), 609.72, subdivision 3 (disorderly conduct against a vulnerable adult); or an attempt or conspiracy to commit any of these offenses, as each of these offenses is defined in Minnesota Statutes; or an offense in any other state, the elements of which are substantially similar to the elements of any of the foregoing offenses;

(2) regardless of how much time has passed since the discharge of the sentence imposed for the offense, the individual was convicted of a violation of any offense listed in sections 609.185 to 609.195 (murder in the first, second, or third degree), 609.2661 to 609.2663 (murder of an unborn child in the first, second, or third degree), a felony offense under 609.377 (a felony offense of malicious punishment of a child), 609.322 (soliciting solicitation, inducement, or and promotion of prostitution), 609.323 (receiving profit derived from prostitution), 609.342 to 609.345 (criminal sexual conduct in the first, second, third, or fourth degree), 609.352 (solicitation of children to engage in sexual conduct), 617.246 (use of minors in a sexual performance), 617.247 (possession of pictorial representations of a minor), 609.365 (incest), or an attempt or conspiracy to commit any of these offenses as defined in Minnesota Statutes, or an offense in any other state, the elements of which are substantially similar to any of the foregoing offenses;

(3) within the seven years preceding the study, the individual committed an act that constitutes maltreatment of a child under section 626.556, subdivision 10e, and that resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence; or

(4) within the seven years preceding the study, the individual was determined under section 626.557 to be the perpetrator of a substantiated incident of abuse maltreatment of a vulnerable adult that resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence.

In the case of any ground for disqualification under clauses (1) to (4), if the act was committed by an individual other than the applicant or license holder residing in the applicant's or license holder's home, the applicant or license holder may seek reconsideration when the individual who committed the act no longer resides in the home.

The disqualification periods provided under clauses (1), (3), and (4) are the minimum applicable disqualification periods. The commissioner may determine that an individual should continue to be disqualified from licensure because the license holder or applicant poses a risk of harm to a person served by that individual after the minimum disqualification period has passed.

(d) The commissioner shall respond in writing or by electronic transmission to all reconsideration requests for which the basis for the request is that the information relied upon by the commissioner to disqualify is incorrect or inaccurate within 30 working days of receipt of a request and all relevant information. If the basis for the request is that the individual does not pose a risk of harm, the commissioner shall respond to the request within 15 working days after receiving the request for reconsideration and all relevant information. If the disqualification is set aside, the commissioner shall notify the applicant or license holder in writing or by electronic transmission of the decision.

(e) Except as provided in subdivision 3c, the commissioner's decision to disqualify an individual, including the decision to grant or deny a reconsideration of rescission or set aside a disqualification under this subdivision, or to set aside or uphold the results of the study under subdivision 3 this section, is the final administrative agency action and shall not be subject to further review in a contested case under chapter 14 involving a negative licensing action appeal taken in response to the disqualification or involving an accuracy and completeness appeal under section 13.04.

Sec. 11. Minnesota Statutes 1996, section 245A.04, subdivision 3c, is amended to read:

Subd. 3c. [CONTESTED CASE.] If a disqualification is not set aside, a person who, ~~on or after the effective date of rules adopted under subdivision 3, paragraph (i),~~ is an employee of an employer, as defined in section 179A.03, subdivision 15, may request a contested case hearing under chapter 14. Rules adopted under this chapter may not preclude an employee in a contested case hearing for disqualification from submitting evidence concerning information gathered under subdivision 3, paragraph (e).

Sec. 12. Minnesota Statutes 1996, section 245A.04, subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS; WAIVER.] (a) Before issuing a an initial license, the commissioner shall conduct an inspection of the program. The inspection must include but is not limited to:

- (1) an inspection of the physical plant;
- (2) an inspection of records and documents;
- (3) an evaluation of the program by consumers of the program; and
- (4) observation of the program in operation.

For the purposes of this subdivision, "consumer" means a person who receives the services of a licensed program, the person's legal guardian, or the parent or individual having legal custody of a child who receives the services of a licensed program.

(b) The evaluation required in paragraph (a), clause (3) or the observation in paragraph (a), clause (4) is not required prior to issuing a ~~provisional~~ an initial license under subdivision 7. If the commissioner issues a ~~provisional~~ an initial license under subdivision 7, these requirements must be completed within one year after the issuance of a ~~provisional~~ an initial license. ~~The observation in paragraph (a), clause (4) is not required if the commissioner determines that the observation would hinder the persons receiving services in benefiting from the program.~~

Sec. 13. Minnesota Statutes 1996, section 245A.04, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER'S RIGHT OF ACCESS.] When the commissioner is exercising the powers conferred by ~~sections 245A.01 to 245A.15~~ this chapter, the commissioner must be given access to the physical plant and grounds where the program is provided, documents, persons served by the program, and staff whenever the program is in operation and the information is relevant to inspections or investigations conducted by the commissioner. The commissioner must be given access without prior notice and as often as the commissioner considers necessary if the commissioner is conducting an investigation of allegations of ~~abuse, neglect, maltreatment,~~ or other violation of applicable laws or rules. In conducting inspections, the commissioner may request and shall receive assistance from other state, county, and municipal governmental agencies and departments. The applicant or license holder shall allow the commissioner to photocopy, photograph, and make audio and video tape recordings during the inspection of the program at the commissioner's expense. The commissioner shall obtain a court order or the consent of the subject of the records or the parents or legal guardian of the subject before photocopying hospital medical records.

Persons served by the program have the right to refuse to consent to be interviewed, photographed, or audio or videotaped. Failure or refusal of an applicant or license holder to fully comply with this subdivision is reasonable cause for the commissioner to deny the application or immediately suspend or revoke the license.

Sec. 14. Minnesota Statutes 1996, section 245A.04, subdivision 6, is amended to read:

Subd. 6. [COMMISSIONER'S EVALUATION.] Before granting, suspending, revoking, or making ~~probationary~~ conditional a license, the commissioner shall evaluate information gathered under this section. The commissioner's evaluation shall consider facts, conditions, or circumstances concerning the program's operation, the well-being of persons served by the

program, available consumer evaluations of the program, and information about the qualifications of the personnel employed by the applicant or license holder.

The commissioner shall evaluate the results of the study required in subdivision 3 and determine whether a risk of harm to the persons served by the program exists. In conducting this evaluation, the commissioner shall apply the disqualification standards set forth in rules adopted under this chapter. ~~Prior to the adoption of rules establishing disqualification standards, the commissioner shall forward the proposed rules to the commissioner of human rights for review and recommendation concerning the protection of individual rights. The recommendation of the commissioner of human rights is not binding on the commissioner of human services.~~

Sec. 15. Minnesota Statutes 1996, section 245A.04, subdivision 7, is amended to read:

Subd. 7. [ISSUANCE OF A LICENSE; PROVISIONAL EXTENSION OF A LICENSE.] (a) If the commissioner determines that the program complies with all applicable rules and laws, the commissioner shall issue a license. At minimum, the license shall state:

- (1) the name of the license holder;
- (2) the address of the program;
- (3) the effective date and expiration date of the license;
- (4) the type of license;
- (5) the maximum number and ages of persons that may receive services from the program; and
- (6) any special conditions of licensure.

(b) The commissioner may issue a ~~provisional~~ an initial license for a period not to exceed ~~one year~~ two years if:

- (1) the commissioner is unable to conduct the evaluation or observation required by subdivision 4, paragraph (a), clauses (3) and (4), because the program is not yet operational;
- (2) certain records and documents are not available because persons are not yet receiving services from the program; and
- (3) the applicant complies with applicable laws and rules in all other respects.

~~A provisional license must not be issued except at the time that a license is first issued to an applicant.~~

(c) A decision by the commissioner to issue a license does not guarantee that any person or persons will be placed or cared for in the licensed program. A license shall not be transferable to another individual, corporation, partnership, voluntary association, other organization, or controlling or to another location.

For purposes of reimbursement for meals only, under the Child and Adult Care Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A, part 226, relocation within the same county by a licensed family day care provider, shall be considered an extension of the license for a period of no more than 30 calendar days or until the new license is issued, whichever occurs first, provided the county agency has determined the family day care provider meets licensure requirements at the new location.

Unless otherwise specified by statute, all licenses expire at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must apply for and be granted a new license to operate the program or the program must not be operated after the expiration date.

Sec. 16. Minnesota Statutes 1996, section 245A.06, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS OF CORRECTION ORDERS OR FINES.] (a) If the commissioner finds that the applicant or license holder has failed to comply with an applicable law

or rule and this failure does not imminently endanger the health, safety, or rights of the persons served by the program, the commissioner may issue a correction order to or impose a fine on the applicant or license holder. The correction order or fine must state:

- (1) the conditions that constitute a violation of the law or rule;
- (2) the specific law or rule violated; and
- (3) the time allowed to correct each violation; and
- (4) if a fine is imposed, the amount of the fine.

(b) Nothing in this section prohibits the commissioner from proposing a sanction as specified in section 245A.07, prior to issuing a correction order or fine.

Sec. 17. Minnesota Statutes 1996, section 245A.06, subdivision 3, is amended to read:

Subd. 3. [FAILURE TO COMPLY.] ~~If upon reinspection, the commissioner finds that the applicant or license holder has not corrected the violations specified in the correction order, the commissioner may order impose a fine. If a fine was imposed and the violation was not corrected, the commissioner may impose an additional fine. This section does not prohibit the commissioner from seeking a court order, denying an application, or suspending, revoking, or making probationary conditional the license in addition to ordering imposing a fine.~~

Sec. 18. Minnesota Statutes 1996, section 245A.06, subdivision 4, is amended to read:

Subd. 4. [NOTICE OF FINE; APPEAL RECONSIDERATION OF FINE.] A license holder who is ordered to pay a fine must be notified of the order by certified mail. The notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state the reasons the fine was ordered and must inform the license holder of the responsibility for payment of fines in subdivision 7 and the right to a contested case hearing under chapter 14 request reconsideration of the fine. The license holder may appeal request reconsideration of the order to forfeit a fine by notifying the commissioner by certified mail within 15 20 calendar days after receiving the order. A timely appeal request for reconsideration shall stay forfeiture of the fine until the commissioner issues a final order under section 245A.08, subdivision 5 decision on the request for reconsideration. The request for reconsideration must be in writing and:

- (1) specify the parts of the violation that are alleged to be in error;
- (2) explain why they are in error;
- (3) include documentation to support the allegation of error; and
- (4) any other information relevant to the fine or the amount of the fine.

The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14.

Sec. 19. Minnesota Statutes 1996, section 245A.06, subdivision 5, is amended to read:

Subd. 5. [FORFEITURE OF FINES.] The license holder shall pay the fines assessed on or before the payment date specified in the commissioner's order. If the license holder fails to fully comply with the order, the commissioner shall issue a second fine or suspend the license until the license holder complies. If the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine.

Sec. 20. Minnesota Statutes 1996, section 245A.06, subdivision 5a, is amended to read:

Subd. 5a. [ACCRUAL OF FINES.] A license holder shall promptly notify the commissioner of human services, in writing, when a violation specified in an order to forfeit is corrected. ~~A fine~~

~~assessed for a violation shall stop accruing when the commissioner receives the written notice. The commissioner shall reinspect the program within three working days after receiving the notice. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order to forfeit, accrual of the daily fine resumes on the date of reinspection and the amount of fines that otherwise would have accrued between the date the commissioner received the notice and date of the reinspection is added to the total assessment due from the license holder the commissioner may issue a second fine. The commissioner shall notify the license holder by certified mail that accrual of the a second fine has resumed been assessed. The license holder may challenge the resumption in a contested case under chapter 14 by written request within 15 days after receipt of the notice of resumption. Recovery of the resumed fine must be stayed if a controlling individual or a legal representative on behalf of the license holder makes a written request for a hearing. The request for hearing, however, may not stay accrual of the daily fine for violations that have not been corrected. The cost of reinspection conducted under this subdivision for uncorrected violations must be added to the total amount of accrued fines due from the license holder request reconsideration of the second fine under the provisions of subdivision 4.~~

Sec. 21. Minnesota Statutes 1996, section 245A.06, subdivision 6, is amended to read:

Subd. 6. [AMOUNT OF FINES.] ~~Until the commissioner adopts one or more schedules of fines, Fines shall be assessed as follows:~~

(1) ~~the license holder shall forfeit \$1,000~~ \$500 for each occurrence of violation of law or rule prohibiting the maltreatment of children or ~~the abuse, neglect, or exploitation~~ maltreatment of vulnerable adults, including but not limited to corporal punishment, illegal or unauthorized use of physical, mechanical, or chemical restraints, and illegal or unauthorized use of aversive or deprivation procedures;

(2) ~~the license holder shall forfeit \$200~~ \$100 for each occurrence of a violation of law or rule governing matters of health, safety, or supervision, including but not limited to the provision of adequate staff to child or adult ratios, ~~except that the holder of a family or group family day care license shall forfeit \$100 for a violation under this clause; and~~

(3) ~~the license holder shall forfeit \$100~~ \$50 for each occurrence of a violation of law or rule other than those included in clauses (1) and (2), ~~except that the holder of a family or group family day care license shall forfeit \$50 for a violation under this clause.~~

~~For the purposes of this section, "occurrence" means each calendar day or part of a day that a violation continues to exist after the date set for correction identified in the commissioner's correction forfeiture order.~~

Sec. 22. Minnesota Statutes 1996, section 245A.06, subdivision 7, is amended to read:

Subd. 7. [RESPONSIBILITY FOR PAYMENT OF FINES.] When a fine has been assessed, the license holder may not avoid payment by closing, selling, or otherwise transferring the licensed program to a third party. In such an event, the license holder will be personally liable for payment. In the case of a corporation, each controlling individual is personally and jointly liable for payment.

Fines for child care centers must be assessed according to this section.

Sec. 23. Minnesota Statutes 1996, section 245A.07, subdivision 1, is amended to read:

Subdivision 1. [SANCTIONS AVAILABLE.] In addition to ordering forfeiture of fines, the commissioner may propose to suspend, revoke, or make probationary conditional the license or secure an injunction against the continuing operation of the program of a license holder who does not comply with applicable law or rule. When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

Sec. 24. Minnesota Statutes 1996, section 245A.07, subdivision 3, is amended to read:

Subd. 3. [~~SUSPENSION, REVOCATION, PROBATION DENIAL OF CONDITIONAL LICENSE.~~] The commissioner may suspend, revoke, or make probationary conditional, or deny a license if an applicant or a license holder fails to comply fully with applicable laws or rules, or knowingly withholds relevant information from or gives false or misleading information to the commissioner in connection with an application for a license or during an investigation. A license holder who has had a license suspended, revoked, or made probationary conditional must be given notice of the action by certified mail. The notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state the reasons the license was suspended, revoked, or made probationary conditional.

(a) If the license was suspended or revoked, the notice must inform the license holder of the right to a contested case hearing under chapter 14. The license holder may appeal an order suspending or revoking a license. The appeal of an order suspending or revoking a license must be made in writing by certified mail and must be received by the commissioner within ten calendar days after the license holder receives notice that the license has been suspended or revoked.

(b) If the license was made probationary conditional, the notice must inform the license holder of the right to request a reconsideration by the commissioner. The request for reconsideration must be made in writing by certified mail and must be received by the commissioner within ten calendar days after the license holder receives notice that the license has been made probationary conditional. The license holder may submit with the request for reconsideration written argument or evidence in support of the request for reconsideration. The commissioner's disposition of a request for reconsideration is final and is not subject to appeal under chapter 14.

Sec. 25. Minnesota Statutes 1996, section 245A.08, subdivision 1, is amended to read:

Subdivision 1. [~~RECEIPT OF APPEAL; CONDUCT OF HEARING.~~] Upon receiving a timely appeal or petition pursuant to ~~sections~~ section 245A.05 to or 245A.07, the commissioner shall issue a notice of and order for hearing to the appellant under chapter 14.

Sec. 26. Minnesota Statutes 1996, section 245A.08, subdivision 2, is amended to read:

Subd. 2. [~~CONDUCT OF HEARINGS.~~] At any hearing provided for by ~~sections~~ section 245A.05 to or 245A.07, the appellant may be represented by counsel and has the right to call, examine, and cross-examine witnesses. The administrative law judge may require the presence of witnesses and evidence by subpoena on behalf of any party.

Sec. 27. Minnesota Statutes 1996, section 245A.09, subdivision 7, is amended to read:

Subd. 7. [~~REGULATORY METHODS.~~] (a) Where appropriate and feasible the commissioner shall identify and implement alternative methods of regulation and enforcement to the extent authorized in this subdivision. These methods shall include:

- (1) expansion of the types and categories of licenses that may be granted;
- (2) when the standards of another state or federal governmental agency or an independent accreditation body have been shown to predict compliance with the rules, the commissioner shall consider compliance with the governmental or accreditation standards to be equivalent to partial compliance with the rules; and
- (3) use of an abbreviated inspection that employs key standards that have been shown to predict full compliance with the rules.

~~For programs and services for people with developmental disabilities, the commissioner of human services shall develop demonstration projects to use the standards of the commission on accreditation of rehabilitation facilities and the standards of the accreditation council on services to persons with disabilities during the period of July 1, 1993 to December 31, 1994, and incorporate the alternative use of these standards and methods in licensing rules where appropriate. If the commissioner determines that the methods in clause (2) or (3) can be used in licensing a program, the commissioner may reduce any fee set under section 245A.10 by up to 50 percent. The commissioner shall present a plan by January 31, 1995, to accept accreditation by either the~~

~~accreditation council on services to people with disabilities or the commission on the accreditation of rehabilitation services as evidence of being in compliance where applicable with state licensing.~~

(b) The commissioner shall work with the commissioners of health, public safety, administration, and children, families, and learning in consolidating duplicative licensing and certification rules and standards if the commissioner determines that consolidation is administratively feasible, would significantly reduce the cost of licensing, and would not reduce the protection given to persons receiving services in licensed programs. Where administratively feasible and appropriate, the commissioner shall work with the commissioners of health, public safety, administration, and children, families, and learning in conducting joint agency inspections of programs.

(c) The commissioner shall work with the commissioners of health, public safety, administration, and children, families, and learning in establishing a single point of application for applicants who are required to obtain concurrent licensure from more than one of the commissioners listed in this clause.

(d) The commissioner may specify in rule periods of licensure up to two years.

Sec. 28. Minnesota Statutes 1996, section 245A.11, subdivision 2, is amended to read:

Subd. 2. [PERMITTED SINGLE-FAMILY RESIDENTIAL USE.] Residential programs with a licensed capacity of six or fewer persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations, except that a residential program whose primary purpose is to treat juveniles who have violated criminal statutes relating to sex offenses or have been adjudicated delinquent on the basis of conduct in violation of criminal statutes relating to sex offenses shall not be considered a permitted use. This exception shall not apply to residential programs licensed before July 1, 1995. Programs otherwise allowed under this subdivision shall not be prohibited by operation of restrictive covenants or similar restrictions, regardless of when entered into, which cannot be met because of the nature of the licensed program, including provisions which require the home's occupants be related, and that the home must be occupied by the owner, or similar provisions.

Sec. 29. Minnesota Statutes 1996, section 245A.16, subdivision 2, is amended to read:

Subd. 2. [INVESTIGATIONS.] (a) The county or private agency shall conduct timely investigations of allegations of ~~abuse or neglect~~ maltreatment of children or adults in programs for which the county or private agency is the commissioner's designated representative and record a disposition of each complaint in accordance with applicable law or rule. The county or private agency shall conduct similar investigations of allegations of violations of rules governing licensure of the program.

(b) If an investigation conducted under clause (a) results in evidence that the commissioner should deny an application or suspend, revoke, or make ~~probationary~~ conditional a license, the county or private agency shall make that recommendation to the commissioner within ten working days.

Sec. 30. [245A.22] [INDEPENDENT LIVING ASSISTANCE FOR YOUTH.]

Subdivision 1. [INDEPENDENT LIVING ASSISTANCE FOR YOUTH.] "Independent living assistance for youth" means a nonresidential program that provides a system of services that includes training, counseling, instruction, supervision, and assistance provided to youth in accordance with the youth's independent living plan, when the placements in the program are made by the county agency. Services may include assistance in locating housing, budgeting, meal preparation, shopping, personal appearance, counseling, and related social support services needed to meet the youth's needs and improve the youth's ability to conduct such tasks independently. Such services must not extend to youths needing 24-hour per day supervision and services. Youths needing a 24-hour per day program of supervision and services must not be accepted or retained in an independent living assistance program.

Subd. 2. [ADMISSION.] The license holder shall accept as clients in the independent living assistance program only individuals specified under section 256E.115.

Subd. 3. [INDEPENDENT LIVING PLAN.] Unless an independent living plan has been developed by the county agency, the license holder shall develop such a plan based on the client's individual needs that specifies objectives for the client. The services provided must include those specified in this section and the services specified under section 256E.115, subdivision 2, paragraph (a). The plan must identify the persons responsible for implementation of each part of the plan. The plan must be reviewed as necessary, but at least annually.

Subd. 4. [REQUIRED AND MONEY RECORDS.] The license holder shall maintain a record for each client.

(a) For each client, the record maintained by the license holder must document the following:

(1) admission information;

(2) the independent living plan;

(3) delivery of the services required of the license holder in the independent living plan;

(4) the client's progress toward the objectives identified in the independent living plan; and

(5) after service termination, a termination summary.

(b) If the license holder manages the client's money, the record maintained by the license holder must also document the following:

(1) written permission from the client or the client's legal guardian to manage the client's money;

(2) the reasons the license holder is to manage the client's money; and

(3) a complete record of the use of the client's money and reconciliation of the account.

Subd. 5. [SERVICE TERMINATION PLAN.] The license holder, in conjunction with the county agency, shall establish a service termination plan, including necessary referrals for other ongoing services, that specifies how independent living assistance services will be terminated and the actions to be performed by the involved agencies.

Subd. 6. [PLACE OF RESIDENCE PROVIDED BY PROGRAM.] When a client's place of residence is provided by the license holder as part of the independent living assistance program, the provision of the place of residence is not subject to separate licensure.

Subd. 7. [GENERAL LICENSING REQUIREMENTS APPLY.] In addition to the requirements of this section, providers of independent living assistance are subject to the general licensing requirements of this chapter.

MENTAL RETARDATION AND RELATED CONDITIONS

Sec. 31. [245A.50] [CONSOLIDATION OF RULES RELATED TO SERVICES FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.]

Sections 245A.51 to 245A.56 establish new methods to ensure the quality of services to persons with mental retardation or related conditions, and streamline and simplify the regulation of services and supports for persons with mental retardation or related conditions. Sections 245A.51 to 245A.56 establish new standards that eliminate duplication and overlap of regulatory requirements by consolidating and replacing rule parts from four program rules. Section 245A.57 authorizes the commissioner of human services to develop and use new regulatory strategies to maintain compliance with the streamlined requirements.

Sec. 32. [245A.51] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 245A.52 to 245A.56 have the meanings given them.

Subd. 2. [APPLICANT.] "Applicant" has the meaning given in section 245A.02, subdivision 3.

Subd. 3. [CASE MANAGER.] "Case manager" means the individual designated by the county board under rules of the commissioner to provide case management services as delineated in section 256B.092.

Subd. 4. [CONSUMER.] "Consumer" means a person who has been determined eligible to receive and is receiving services or support for persons with mental retardation or related conditions.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of the department of human services or the commissioner's designated representative.

Subd. 6. [DAY TRAINING AND HABILITATION SERVICES FOR ADULTS WITH MENTAL RETARDATION OR RELATED CONDITIONS.] "Day training and habilitation services for adults with mental retardation or related conditions" has the meaning given in sections 252.40 to 252.46.

Subd. 7. [DEPARTMENT.] "Department" means the department of human services.

Subd. 8. [DIRECT SERVICE.] "Direct service" means, for a consumer receiving residential-based services, day training and habilitation services, or respite care services, one or more of the following: supervision, assistance, or training.

Subd. 9. [HEALTH SERVICES.] "Health services" means any service or treatment consistent with the health needs of the consumer, such as medication administration and monitoring, medical, dental, nutritional, health monitoring, wellness education, and exercise.

Subd. 10. [INCIDENT.] "Incident" means any serious injury as determined by section 245.91, subdivision 6; accident; reports of a child or vulnerable adult maltreatment; circumstances that involve a law enforcement agency; or a consumer's death.

Subd. 11. [INDIVIDUAL SERVICE PLAN.] "Individual service plan" has the meaning given in section 256B.092.

Subd. 12. [INDIVIDUAL WHO IS RELATED.] "Individual who is related" has the meaning given in section 245A.02, subdivision 13.

Subd. 13. [INTERMEDIATE CARE FACILITY FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS OR ICF/MR.] "Intermediate care facility" for persons with mental retardation or related conditions or ICF/MR means a residential program licensed to provide services to persons with mental retardation or related conditions under section 252.28 and this chapter and a physical facility licensed as a supervised living facility under chapter 144, which together are certified by the department of health as an intermediate care facility for persons with mental retardation or related conditions.

Subd. 14. [LEAST RESTRICTIVE ENVIRONMENT.] "Least restrictive environment" means an environment where services are:

(1) delivered with minimum limitation, intrusion, disruption, or departure from typical patterns of living available to consumers without disabilities;

(2) do not subject the consumer or others to unnecessary risks to health or safety; and

(3) maximize the consumer's level of independence, productivity, and inclusion in the community.

Subd. 15. [LEGAL REPRESENTATIVE.] "Legal representative" means the parent or parents of a consumer who is under 18 years of age or a guardian, conservator, or guardian ad litem authorized by the court, or other legally authorized representative to make decisions about services for a consumer.

Subd. 16. [LICENSE.] "License" has the meaning given in section 245A.02, subdivision 8.

Subd. 17. [LICENSE HOLDER.] "License holder" has the meaning given in section 245A.02, subdivision 9.

Subd. 18. [PERSON WITH MENTAL RETARDATION OR A RELATED CONDITION.] "Person with mental retardation" means a person who has been diagnosed under section 256B.092 as having substantial limitations in present functioning, manifested as significantly subaverage intellectual functioning, existing concurrently with demonstrated deficits in adaptive behavior, and who manifests these conditions before the person's 22nd birthday. A person with a related condition means a person who meets the diagnostic definition under section 252.27, subdivision 1a.

Subd. 19. [PSYCHOTROPIC MEDICATION USE CHECKLIST.] "Psychotropic medication use checklist" means the psychotropic medication monitoring checklist and manual used to govern the administration of psychotropic medications. The commissioner may revise or update the psychotropic medication use checklist to comply with legal requirements or to meet professional standards or guidelines in the area of developmental disabilities. For the purposes of sections 245A.51 to 245A.56, psychotropic medication means any medication prescribed to treat mental illness and associated behaviors or to control or alter behavior. The major classes of psychotropic medication are antipsychotic (neuroleptic), antidepressant, antianxiety, antimania, stimulant, and sedative or hypnotic. Other miscellaneous medications are considered to be a psychotropic medication when they are specifically prescribed to treat a mental illness or to control or alter behavior.

Subd. 20. [RESIDENTIAL-BASED HABILITATION.] "Residential-based habilitation" means care, supervision, and training provided primarily in the consumer's own home or place of residence but also including community-integrated activities following the individual service plan. Residential habilitation services are provided in coordination with the provision of day training and habilitation services for those persons receiving day training and habilitation services under sections 252.40 to 252.46.

Subd. 21. [RESPIRE CARE.] "Respite care" has the meaning given in section 245A.02, subdivision 15.

Subd. 22. [SERVICE.] "Service" means care, supervision, activities, and training designed to achieve the outcomes assigned to the license holder.

Subd. 23. [SEMI-INDEPENDENT LIVING SERVICES OR SILS] "Semi-independent living services" or "SILS" has the meaning given in section 252.275.

Subd. 24. [VOLUNTEER.] "Volunteer" means an individual who, under the direction of the license holder, provides direct services without pay to consumers served by the license holder.

Sec. 33. [245A.52] [APPLICABILITY AND EFFECT.]

Subdivision 1. [APPLICABILITY.] The standards in sections 245A.51 to 245A.56 govern services to persons with mental retardation or related conditions receiving services from license holders providing residential-based habilitation; day training and habilitation services for adults; semi-independent living services; residential programs that serve more than four consumers, including intermediate care facilities for persons with mental retardation; and respite care provided outside the consumer's home for more than four consumers at the same time at a single site.

Subd. 2. [RELATIONSHIP TO OTHER STANDARDS GOVERNING SERVICES FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.] (a) ICFs/MR are exempt from:

(1) section 245A.53;

(2) section 245A.55, subdivisions 4 and 6; and

(3) section 245A.56, subdivisions 4, paragraphs (b) and (c); 7; and 8, paragraphs (a), clause (4), and (b), clause (1).

(b) License holders also licensed under chapter 144 as a supervised living facility are exempt from section 245A.53.

(c) Residential service sites controlled by license holders licensed under sections 245A.51 to 245A.56 for home- and community-based waived services for four or fewer adults are exempt from compliance with Minnesota Rules, parts 9543.0040, subpart 2, item C; 9555.5505; 9555.5515, items B and G; 9555.5605; 9555.5705; 9555.6125, subparts 3, item C, subitem (2), and 4 to 6; 9555.6185; 9555.6225, subpart 8; 9555.6245; 9555.6255; and 9555.6265. The commissioner may approve alternative methods of providing overnight supervision using the process and criteria for granting a variance in section 245A.04, subdivision 9. This chapter does not apply to foster care homes that do not provide residential habilitation services funded under the home- and community-based waiver programs defined in section 256B.092.

(d) The commissioner may exempt license holders from applicable standards of sections 245A.51 to 245A.56 when the license holder meets the standards under section 245A.09, subdivision 7. License holders that are accredited by an independent accreditation body must continue to be licensed under this chapter.

(e) License holders governed by sections 245A.51 to 245A.56 must also meet the licensure requirements in this chapter.

(f) Nothing prohibits license holders under sections 245A.51 to 245A.56 from concurrently serving consumers with and without mental retardation or related conditions provided the standards under sections 245A.51 to 245A.56 are met as well as other relevant standards.

(g) The documentation that sections 245A.51 to 245A.56 require of the license holder meets the individual program plan required in section 256B.092.

Sec. 34. [245A.53] [CONSUMER RIGHTS.]

Subdivision 1. [LICENSE HOLDER'S RESPONSIBILITY FOR CONSUMERS' RIGHTS.] The license holder must:

(1) provide the consumer or the consumer's legal representative a copy of the consumer's rights on the day that services are initiated and an explanation of the rights in subdivisions 2 and 3 within five working days of service initiation. Reasonable accommodations must be made by the license holder to provide this information in other formats as needed to facilitate understanding of the rights by the consumer and the consumer's legal representative, if any;

(2) document the consumer's or the consumer's legal representative's receipt of a copy of the rights and an explanation of the rights; and

(3) ensure the exercise and protection of the consumer's rights in the services provided by the license holder and authorized in the individual service plan.

Subd. 2. [SERVICE-RELATED RIGHTS.] A consumer's service-related rights include the right to:

(1) refuse or terminate services and be informed of the consequences of refusing or terminating services;

(2) know, in advance, limits to the services available from the license holder;

(3) know conditions and terms governing the provision of services, including those related to initiation and termination;

(4) know what the charges are for services, regardless of who will be paying for the services, and be notified of changes in those charges;

(5) know, in advance, whether services are covered by insurance, government funding, or other sources, and be told of any charges the consumer or other private party may have to pay; and

(6) receive licensed services from individuals who are competent and trained, who have professional certification or licensure, as required, and who meet additional qualifications identified in the individual service plan.

Subd. 3. [PROTECTION-RELATED RIGHTS.] The consumer's protection-related rights include the right to:

(1) have personal, financial, services, and medical information kept private, and be advised of the license holder's policies and procedures regarding disclosure of such information;

(2) access records and written information;

(3) be free from maltreatment;

(4) be treated with courtesy and respect for the consumer's individuality, mode of communication, and culture, and receive respectful treatment of the consumer's property;

(5) voice grievances, know the contact persons responsible for addressing problems and how to contact those persons;

(6) any procedures for grievance or complaint resolution and the right to appeal under section 256.045;

(7) know the name and address of the state, county, or advocacy agency to contact for additional information or assistance;

(8) assert these rights personally, or have them asserted by the consumer's family or legal representative, without retaliation;

(9) give or withhold written informed consent to participate in any research or experimental treatment;

(10) have daily, private access to and use of a noncoin-operated telephone for local calls and long-distance calls made collect or paid for by the resident;

(11) receive and send uncensored, unopened mail;

(12) marital privacy for visits with the consumer's spouse and, if both are residents of the site, the right to share a bedroom and bed;

(13) associate with other persons of the consumer's choice;

(14) personal privacy; and

(15) engage in chosen activities.

Sec. 35. [245A.54] [CONSUMER PROTECTION STANDARDS.]

Subdivision 1. [ENVIRONMENT.] The license holder must:

(1) ensure that services are provided in a safe and hazard-free environment when the license holder is the owner, lessor, or tenant of the service site. All other license holders shall inform the consumer or the consumer's legal representative and case manager about any environmental safety concerns in writing;

(2) lock doors only to protect the safety of consumers and not as a substitute for staff supervision or interactions with consumers;

(3) follow procedures that minimize the consumer's health risk from communicable diseases; and

(4) maintain equipment, vehicles, supplies, and materials owned or leased by the license holder in good condition.

Subd. 2. [LICENSED CAPACITY FOR FACILITY-BASED DAY TRAINING AND HABILITATION SERVICES.] Licensed capacity of day training and habilitation service sites must be determined by the amount of primary space available, the scheduling of activities at other service sites, and the space requirements of consumers receiving services. Primary space does not include hallways, stairways, closets, utility areas, bathrooms, kitchens, and floor areas beneath stationary equipment. A minimum of 40 square feet of primary space must be available for each consumer who is engaged in a day training and habilitation activity at the site for which the licensed capacity must be determined.

Subd. 3. [RESIDENTIAL SERVICE SITES FOR MORE THAN FOUR CONSUMERS; FOUR-BED ICFS/MR.] Residential service sites licensed to serve more than four consumers and four-bed ICFS/MR must meet the fire protection provisions of either the Residential Board and Care Occupancies Chapter or the Health Care Occupancies Chapter of the Life Safety Code (LSC), National Fire Protection Association, 1985 edition, or its successors. Sites meeting the definition of a residential board and care occupancy for 16 or less beds must have the emergency evacuation capability of residents evaluated in accordance with Appendix F of the LSC or its successors, except for those sites that meet the LSC Health Care Occupancies Chapter or its successors.

Subd. 4. [MEETING FIRE AND SAFETY CODES.] An applicant or license holder must document compliance with applicable building codes, fire and safety codes, health rules, and zoning ordinances, or document that an appropriate waiver has been granted.

Subd. 5. [CONSUMER HEALTH.] The license holder is responsible for meeting the health service needs assigned to the license holder in the individual service plan and for bringing health needs as discovered by the license holder promptly to the attention of the consumer, the consumer's legal representative, and the case manager. The license holder is required to maintain documentation on how the consumer's health needs will be met, including a description of procedures the license holder will follow for the consumer regarding medication monitoring and administration and seizure monitoring, if needed. The medication administration procedures must be established in consultation with a registered nurse, nurse practitioner, physician's assistant, or medical doctor.

Subd. 6. [FIRST AID.] When the license holder is providing direct service and supervision to a consumer who requires a 24-hour plan of care and receives services at a site licensed under this chapter, the license holder must have available a staff person trained in first aid, and if needed under section 245A.56, subdivision 6, paragraph (d), from a qualified source, as determined by the commissioner.

Subd. 7. [REPORTING INCIDENTS AND EMERGENCIES.] The license holder must report the following incidents to the consumer's legal representative, caregiver, and case manager within 24 hours of the occurrence, or within 24 hours of receipt of the information:

- (1) the death of a consumer;
- (2) any medical emergencies, unexpected serious illnesses, or accidents that require physician treatment or hospitalization;
- (3) a consumer's unauthorized absence; or
- (4) any fires and incidents involving a law enforcement agency.

Death or serious injury of the consumer must also be reported to the commissioner and the ombudsman as required in sections 245.91 to 245.99.

Sec. 36. [245A.55] [SERVICE STANDARDS.]

Subdivision 1. [OUTCOME-BASED SERVICES.] (a) The license holder must provide

outcome-based services in response to the consumer's identified needs as specified in the individual service plan.

(b) Services must be based on the needs and preferences of the consumer and the consumer's personal goals and be consistent with the principles of least restrictive environment and self-determination, and consistent with the following goals:

- (1) the recognition of each consumer's history, dignity, and cultural background;
- (2) the affirmation and protection of each consumer's civil and legal rights;
- (3) the provision of services and supports for each consumer which:
 - (i) promote community inclusion and self-sufficiency;
 - (ii) provide services in the least restrictive environment;
 - (iii) promote social relationships, natural supports, and participation in community life;
 - (iv) allow for a balance between safety and opportunities; and
 - (v) provide opportunities for development and exercise of age-appropriate skills, decision-making and choice, personal advocacy, and communication; and
- (4) the provision of services and supports for families which address the needs of the consumer in the context of the family and support family self-sufficiency.

The license holder must make available to the consumer opportunities to participate in the community, functional skill development, reduced dependency on care providers, and opportunities for development of decision-making skills. "Outcome" means the behavior, action, or status attained by the consumer that can be observed, measured, and can be determined reliable and valid. Outcomes are the equivalent of the long-range goals and short-term goals under in section 256B.092, and any rules promulgated thereunder.

Subd. 2. [RISK MANAGEMENT PLAN.] The license holder must develop and document in writing a risk management plan that incorporates the individual abuse prevention plan as required in chapter 245C. License holders jointly providing services to a consumer must coordinate and use the resulting assessment of risk areas for the development of this plan. Upon initiation of services, the license holder will have in place an initial risk management plan that identifies areas in which the consumer is vulnerable, including health, safety, and environmental issues and the supports the provider will have in place to protect the consumer and to minimize these risks. The plan must be changed based on the needs of the individual consumer and reviewed at least annually.

Subd. 3. [ASSESSMENTS.] (a) The license holder shall assess and reassess the consumer within stated time lines and assessment areas specified in the individual service plan or as requested in writing by the case manager.

(b) For each area of assessment requested, the license holder must provide a written summary, analysis, and recommendations for use in the development of the individual service plan.

- (c) All assessments must include information about the consumer that is descriptive of:
- (1) the consumer's strengths and functional skills; and
 - (2) the level of support and supervision the consumer needs to achieve the outcomes in subdivision 1.

Subd. 4. [SUPPORTS AND METHODS.] The license holder, in coordination with other service providers, shall meet with the consumer, the consumer's legal representative, case manager, and other members of the interdisciplinary team within 45 days of service initiation. Within ten working days after the meeting, the license holder shall develop and document in writing:

(1) the methods that will be used to support the individual or accomplish the outcomes in section 245A.55, subdivision 1, including information about physical and social environments, the equipment and materials required, and techniques that are consistent with the consumer's communication mode and learning style specified as the license holder's responsibility in the individual service plan;

(2) the projected starting date for service supports and the criteria for identifying when the desired outcome has been achieved and when the service supports need to be reviewed; and

(3) the names of the staff, staff position, or contractors responsible for implementing each outcome.

Subd. 5. [PROGRESS REVIEWS.] The license holder must participate in progress review meetings following stated time lines established in the consumer's individual service plan or as requested in writing by the consumer, the consumer's legal representative, or the case manager, at a minimum of once a year. The license holder must summarize the progress toward achieving the desired outcomes and make recommendations in a written report sent to the consumer or the consumer's legal representative and case manager prior to the review meeting. For consumers under public guardianship, the license holder is required to provide quarterly written progress review reports to the consumer, designated family member, and case manager.

Subd. 6. [REPORTS.] The license holder shall provide written reports regarding the consumer's status as requested by the consumer, or the consumer's legal representative and case manager.

Subd. 7. [STAFFING REQUIREMENTS.] The license holder shall provide supervision to ensure the health, safety, and protection of rights of each consumer and to be able to implement each consumer's individual service plan. Day training and habilitation programs must meet the minimum staffing requirements as specified in sections 252.40 to 252.47 and any rules promulgated thereunder.

Subd. 8. [LEAVING THE RESIDENCE.] As specified in each consumer's individual service plan, each consumer requiring a 24-hour plan of care must leave the residence to participate in regular education, employment, or community activities. License holders, providing services to consumers living in a licensed site, shall ensure that they are prepared to care for consumers whenever they are at the residence during the day because of illness, work schedules, or other reasons.

Subd. 9. [DAY TRAINING AND HABILITATION SERVICE DAYS.] Day training and habilitation services must meet a minimum of 195 available service days.

Subd. 10. [PROHIBITION.] Psychotropic medication and the use of aversive and deprivation procedures, under section 245.825 and any rules promulgated thereunder cannot be used as a substitute for adequate staffing, as punishment, or for staff convenience.

Sec. 37. [245A.56] [MANAGEMENT STANDARDS.]

Subdivision 1. [CONSUMER DATA FILE.] The license holder must maintain the following information for each consumer:

(1) identifying information that includes date of birth, medications, legal representative, history, medical, and other individual-specific information, and names and telephone numbers of contacts;

(2) consumer health information, including individual medication administration and monitoring information;

(3) the consumer's individual service plan. When a consumer's case manager does not provide a current individual service plan, the license holder shall make a written request to the case manager to provide a copy of the individual service plan and inform the consumer or the consumer's legal representative of the right to an individual service plan and the right to appeal under section 256.045;

- (4) copies of assessments, analyses, summaries, and recommendations;
- (5) progress review reports;
- (6) incident and emergency reports involving the consumer;
- (7) discharge summary, when applicable;
- (8) record of other license holders serving the consumer that includes a contact person and telephone numbers, services being provided, services that require coordination between two license holders, and name of staff responsible for coordination; and
- (9) incidents involving verbal and physical aggression between consumers and self-abuse affecting the consumer.

Subd. 2. [ACCESS TO RECORDS.] The license holder must ensure that the following people have access to the information in subdivision 1:

- (1) the consumer, the consumer's legal representative, and anyone properly authorized by the consumer or legal representative;
- (2) the consumer's case manager;
- (3) staff providing direct services to the consumer unless the information is not relevant to carrying out the individual service plan; and
- (4) the county adult foster care licensur, when services are also licensed as an adult foster home. Adult foster home means a licensed residence operated by an operator who, for financial gain or otherwise, provides 24-hour foster care to no more than four functionally impaired residents.

Subd. 3. [RETENTION OF CONSUMER'S RECORDS.] The license holder must retain the records required for consumers for at least three years following termination of services.

Subd. 4. [STAFF QUALIFICATIONS.] (a) The license holder must ensure that staff is competent through training, experience, and education to meet the consumer's needs and additional requirements as written in the individual service plan. Staff qualifications must be documented. Staff under 18 years of age may not perform overnight duties or administer medication.

(b) Delivery and evaluation of services provided by the license holder to a consumer must be coordinated by a designated person. The designated person or coordinator must minimally have a four-year degree in a field related to service provision, and one year work experience with consumers with mental retardation or related conditions, a two-year degree in a field related to service provision, and two years of work experience with consumers with mental retardation or related conditions, or a diploma in community-based developmental disability services from an accredited post-secondary institution and two years of work experience with consumers with mental retardation or related conditions. The coordinator must provide supervision, support, and evaluation of activities that include:

- (1) oversight of the license holder's responsibilities designated in the individual service plan;
- (2) instruction and assistance to staff implementing the individual service plan areas;
- (3) evaluation of the effectiveness of service delivery, methodologies, and progress on consumer outcomes based on the condition set for objective change; and
- (4) review of incident and emergency reports, identification of incident patterns, and implementation of corrective action as necessary to reduce occurrences.

(c) The coordinator is responsible for taking the action necessary to facilitate the accomplishment of the outcomes for each consumer as specified in the consumer's individual service plan.

(d) The license holder must provide for adequate supervision of direct care staff to ensure implementation of the individual service plan.

Subd. 5. [STAFF ORIENTATION.] (a) Within 60 days of hiring staff who provide direct service, the license holder must provide 30 hours of staff orientation. Direct care staff must complete 15 of the 30 hours orientation before providing any unsupervised direct service to a consumer. If the staff person has received orientation training from a license holder licensed under this chapter, or provides semi-independent living services only, the 15-hour requirement may be reduced to eight hours. The total orientation of 30 hours may be reduced to 15 hours if the staff person has previously received orientation training from a license holder licensed under this chapter.

(b) The 30 hours of orientation must combine supervised on-the-job training with coverage of the following material:

(1) review of the consumer's service plans and risk management plan to achieve an understanding of the consumer as a unique individual;

(2) review and instruction on the license holder's policies and procedures, including their location and access;

(3) emergency procedures;

(4) explanation of specific job functions, including implementing objectives from the consumer's individual service plan;

(5) explanation of responsibilities related to chapter 245C; sections 626.556 and 626.557, governing maltreatment reporting and planning for children and vulnerable adults; and section 245.825, governing use of aversive and deprivation procedures;

(6) medication administration as it applies to the individual consumer, from a training curriculum developed by a health services professional described in section 245A.54, subdivision 5, and when the consumer meets the criteria of having overriding health care needs, then medication administration taught by a health services professional. Overriding health care needs means a health care condition that affects the service options available to the consumer because the condition requires:

(i) specialized or intensive medical or nursing supervision; and

(ii) nonmedical service providers to adapt their services to accommodate the health and safety needs of the consumer;

(7) consumer rights; and

(8) other topics necessary as determined by the consumer's individual service plan or other areas identified by the license holder.

(c) The license holder must document each employee's orientation received.

Subd. 6. [STAFF TRAINING.] (a) The license holder shall ensure that direct service staff annually complete hours of training equal to two percent of the number of hours the staff person worked or one percent for license holders providing semi-independent living services. If direct service staff has received training from a license holder licensed under a program rule identified in this chapter or completed course work regarding disability-related issues from a post-secondary educational institute, that training may also count toward training requirements for other services and for other license holders.

(b) The license holder shall document the training completed by each employee.

(c) Training must address staff competencies necessary to address the consumer needs as identified in the consumer's individual service plan and ensure consumer health, safety, and protection of rights. Training may also include other areas identified by the license holder.

(d) For consumers requiring a 24-hour plan of care, the license holder shall provide training in cardiopulmonary resuscitation, from a qualified source determined by the commissioner, if the consumer's health needs as determined by the consumer's physician indicate trained staff would be necessary to the consumer.

Subd. 7. [VOLUNTEERS.] The license holder must ensure that volunteers who provide direct services to consumers receive the training and orientation necessary to fulfill their responsibilities.

Subd. 8. [POLICIES AND PROCEDURES.] The license holder must develop and implement the policies and procedures in clauses (1) to (3):

(1) policies and procedures that promote consumer health and safety by ensuring:

(i) consumer safety in emergency situations as identified in section 245A.54, subdivision 7;

(ii) consumer health through sanitary practices;

(iii) safe transportation, when the license holder is responsible for transportation of consumers, with provisions for handling emergency situations;

(iv) a system of recordkeeping for both individuals and the organization, for review of incidents and emergencies, and corrective action if needed;

(v) a plan for responding to and reporting all emergencies, including deaths, medical emergencies, illnesses, accidents, missing consumers, fires, severe weather and natural disasters, bomb threats, and other threats;

(vi) safe medication administration as identified in section 245A.54, subdivision 5;

(vii) psychotropic medication monitoring when the consumer is prescribed a psychotropic medication, including the use of the psychotropic medication use checklist. If the responsibility for implementing the psychotropic medication use checklist has not been assigned in the individual service plan and the consumer lives in a licensed site, the residential license holder shall be designated; and

(viii) criteria for admission or service initiation developed by the license holder;

(2) policies and procedures that protect consumer rights and privacy by ensuring:

(i) consumer data privacy, in compliance with chapter 13; and

(ii) that complaint procedures provide consumers with a simple process to bring grievances and consumers receive a response to the grievance within a reasonable time period. The license holder must provide a copy of the program's grievance procedure and timelines for addressing grievances. The program's grievance procedure must permit consumers served by the program and the authorized representatives to bring a grievance to the highest level of authority in the program; and

(3) policies and procedures that promote continuity and quality of consumer supports by ensuring:

(i) continuity of care and service coordination, including provisions for service termination, temporary service suspension, and efforts made by the license holder to coordinate services with other vendors who also provide support to the consumer. The policy must include the following requirements:

(A) the license holder must notify the consumer or consumer's legal representative and the consumer's case manager in writing of the intended termination or temporary service suspension and the consumer's right to seek a temporary order staying the termination or suspension of service in accordance with the procedures under section 256.045, subdivision 4a or 6c;

(B) notice of the proposed termination of services must be given at least 60 days before the

proposed termination is to become effective unless services are temporarily suspended according to the license holder's written temporary service suspension procedures in which case notice must be given as soon as possible;

(C) the license holder must provide information requested by the consumer or consumer's legal representative or case manager when services are temporarily suspended or upon notice of termination;

(D) use of temporary service suspension procedures are restricted to situations in which the consumer's behavior causes immediate and serious danger to the health and safety of the individual or others;

(E) prior to giving notice of service termination or temporary service suspension, the license holder must document actions taken to minimize or eliminate the need for service termination or temporary service suspension; and

(F) during the period of temporary service suspension, the license holder will work with the appropriate county agency to develop reasonable alternatives to protect the individual and others; and

(ii) quality services measured through a program evaluation process including regular evaluations of consumer satisfaction and sharing the results of the evaluations with the consumers and legal representatives.

Subd. 9. [AVAILABILITY OF CURRENT WRITTEN POLICIES AND PROCEDURES.] The license holder shall:

(1) review and update, as needed, the written policies and procedures in this subdivision and inform all consumers or the consumer's legal representatives, case managers, and employees of the revised policies and procedures when they affect the service provision;

(2) inform consumers or the consumer's legal representatives of the written policies and procedures in this subdivision upon service initiation. Copies must be available to consumers or the consumer's legal representatives, case managers, the county where services are located, and the commissioner upon request; and

(3) document and maintain relevant information related to the policies and procedures in this subdivision.

Subd. 10. [CONSUMER FUNDS.] The license holder must ensure that consumers retain the use and availability of personal funds or property unless restrictions are justified in the consumer's individual service plan.

(a) The license holder must ensure separation of resident funds from funds of the license holder, the residential program, or program staff.

(b) Whenever the license holder assists a consumer with the safekeeping of funds or other property, the license holder shall:

(1) document receipt and disbursement of the consumer's funds or other property, including the signature of the consumer, conservator, or payee;

(2) provide a statement, at least quarterly, itemizing receipts and disbursements of resident funds or other property; and

(3) return to the consumer upon the consumer's request, funds and property in the license holder's possession subject to restrictions in the consumer's individual service plan, as soon as possible, but no later than three working days after the date of the request.

(c) License holders and program staff must not:

(1) borrow money from a consumer;

- (2) purchase personal items from a consumer;
- (3) sell merchandise or personal services to a consumer;
- (4) require a resident to purchase items for which the license holder is eligible for reimbursement; or
- (5) use resident funds in a manner that would violate section 256B.04, or any rules promulgated thereunder.

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

Subd. 12. [SEPARATE LICENSE REQUIRED FOR SEPARATE SITES.] The license holder shall apply for separate licenses for each day training and habilitation service site owned or leased by the license holder at which persons receiving services and the provider's employees who provide training and habilitation services are present for a cumulative total of more than 30 days within any 12-month period and each residential service site.

Subd. 13. [VARIANCE.] The commissioner may grant a variance to any of the requirements in sections 245A.51 to 245A.56, except section 245A.56, subdivision 8, paragraph (1), clause (vii), if the conditions in section 245A.04, subdivision 9, are met. Upon the request of the license holder, the commissioner shall continue variances from the standards in this chapter previously granted under Minnesota Rules that are repealed as a result of this chapter. The commissioner may approve variances for a license holder on a program, geographic, or organizational basis.

Sec. 38. [245A.57] [NEW REGULATORY STRATEGIES.]

Subdivision 1. [ALTERNATIVE METHODS OF DETERMINING COMPLIANCE.] (a) In addition to methods specified in this chapter, the commissioner may use alternative methods and new regulatory strategies to determine compliance with this section. The commissioner may use sampling techniques to ensure compliance with this section. Notwithstanding section 245A.09, subdivision 7, paragraph (d), the commissioner may also extend periods of licensure, not to exceed five years, for license holders who have demonstrated substantial and consistent compliance with sections 245A.51 to 245A.56 and have consistently maintained the health and safety of consumers and have demonstrated by alternative methods in paragraph (b) that they meet or exceed the requirements of this section. For purposes of this section, "substantial and consistent compliance" means that during the current licensing period:

- (1) the license holder's license has not been made conditional, suspended, or revoked;
- (2) there have been no substantiated allegations of maltreatment against the license holder;
- (3) there have been no program deficiencies that have been identified that would jeopardize the health or safety of consumers being served; and
- (4) the license holder is in substantial compliance with the other requirements of this chapter and other applicable laws and rules.

(b) To determine the length of a license, the commissioner shall consider:

- (1) information from affected consumers, and the license holder's responsiveness to consumers' concerns and recommendations;
- (2) self assessments and peer reviews of the standards of this section, corrective actions taken by the license holder, and sharing the results of the inspections with consumers, the consumers' families, and others, as requested;
- (3) length of accreditation by an independent accreditation body, if applicable;
- (4) information from the county where the license holder is located; and

(5) information from the license holder demonstrating performance that meets or exceeds the minimum standards of this chapter.

(c) The commissioner may reduce the length of the license if the license holder fails to meet the criteria in paragraph (a) and the conditions specified in paragraph (b).

Subd. 2. [ADDITIONAL MEASURES.] The commissioner may require the license holder to implement additional measures on a time-limited basis to ensure the health and safety of consumers when the health and safety of consumers has been determined to be at risk as determined by substantiated incidents of maltreatment under sections 626.556 and 626.557. The license holder may request reconsideration of the actions taken by the commissioner under this subdivision according to section 245A.06.

Subd. 3. [SANCTIONS AVAILABLE.] Nothing in this subdivision shall be construed to limit the commissioner's authority to suspend, revoke, or make conditional at any time a license under section 245A.07; make correction orders and require fines for failure to comply with applicable laws or rules under section 245A.06; or deny an application for license under section 245A.05.

Subd. 4. [EFFICIENT APPLICATION.] The commissioner shall establish application procedures for license holders licensed under this chapter to reduce the need to submit duplicative material.

Subd. 5. [INFORMATION.] The commissioner shall make information available to consumers and interested others regarding the licensing status of a license holder.

Subd. 6. [IMPLEMENTATION.] The commissioner shall seek advice from parties affected by the implementation of this chapter.

Subd. 7. [DEEM STATUS.] The commissioner may exempt a license holder from duplicative standards if the license holder is already licensed under this chapter.

VULNERABLE ADULTS

Sec. 39. [245A.65] [LICENSE HOLDER REQUIREMENTS GOVERNING MALTREATMENT OF VULNERABLE ADULTS.]

Subdivision 1. [LICENSE HOLDER INTERNAL REPORTING AND INVESTIGATION OF MALTREATMENT.] All license holders serving vulnerable adults shall establish and enforce written policies and procedures related to suspected or alleged maltreatment, and shall orient clients and mandated reporters who are under the control of the license holder to these procedures, as defined in section 626.5572, subdivision 16.

(a) License holders must establish policies and procedures allowing but not mandating the internal reporting of alleged or suspected maltreatment. License holders shall ensure that the policies and procedures on internal reporting:

(1) meet all the requirements identified for the optional internal reporting policies and procedures in section 626.557, subdivision 4a; and

(2) identify the primary and secondary person or position to whom internal reports may be made and the primary and secondary person or position responsible for forwarding internal reports to the common entry point. The secondary person must be involved when there is reason to believe that the primary person was involved in the alleged or suspected maltreatment.

(b) The license holder shall:

(1) establish and maintain policies and procedures to ensure that an internal review is completed when the facility has reason to know that an internal or external report of alleged or suspected maltreatment has been made. The review must include an evaluation of whether related policies and procedures were followed, whether the policies and procedures were adequate, whether there is a need for additional staff training, and whether there is a need for any further action to be taken by the facility to protect the health and safety of vulnerable adults;

(2) identify the primary and secondary person or position who will ensure that, when required, internal reviews are completed. The secondary person shall be involved when there is reason to believe that the primary person was involved in the alleged or suspected maltreatment; and

(3) document and make internal reviews accessible to the commissioner upon the commissioner's request.

(c) The license holder shall provide an orientation to the internal and external reporting procedures to all persons receiving services. The orientation shall include the telephone number for the license holder's common entry point as defined in section 626.5572, subdivision 5. If applicable, the person's legal representative must be notified of the orientation. The program shall provide this orientation for each new person within 24 hours of admission, or for persons who would benefit more from a later orientation, the orientation may take place within 72 hours.

(d) The license holder shall post a copy of the internal and external reporting policies and procedures, including the telephone number of the common entry point as defined in section 626.5572, subdivision 5, in a prominent location in the program and have it available upon request to mandated reporters, persons receiving services, and the person's legal representatives.

Subd. 2. [ABUSE PREVENTION PLANS.] All license holders shall establish and enforce ongoing written program abuse prevention plans and individual abuse prevention plans as required under section 626.557, subdivision 14.

(a) The scope of the program abuse prevention plan is limited to the population, physical plant, and environment within the control of the license holder and the location where licensed services are provided. In addition to the requirements in section 626.557, subdivision 14, the program abuse prevention plan shall meet the requirements in clauses (1) to (5).

(1) The assessment of the population shall include an evaluation of the following factors: age, gender, mental functioning, physical and emotional health or behavior of the client; the need for specialized programs of care for clients; the need for training of staff to meet identified individual needs; and the knowledge a license holder may have regarding previous abuse that is relevant to minimizing risk of abuse for clients.

(2) The assessment of the physical plant where the licensed services are provided shall include an evaluation of the following factors: the condition and design of the building as it relates to the safety of the clients; and the existence of areas in the building which are difficult to supervise.

(3) The assessment of the environment for each facility and for each site when living arrangements are provided by the agency shall include an evaluation of the following factors: the location of the program in a particular neighborhood or community; the type of grounds and terrain surrounding the building; the type of internal programming; and the program's staffing patterns.

(4) The license holder shall provide an orientation to the program abuse prevention plan for clients receiving services. If applicable, the client's legal representative must be notified of the orientation. The license holder shall provide this orientation for each new person within 24 hours of admission, or for persons who would benefit more from a later orientation, the orientation may take place within 72 hours.

(5) The license holder's governing body shall review the plan at least annually using the assessment factors in the plan and any substantiated maltreatment findings that occurred since the last review. The governing body shall revise the plan, if necessary, to reflect the review results.

(6) A copy of the program abuse prevention plan shall be posted in a prominent location in the program and be available upon request to mandated reporters, persons receiving services, and legal representatives.

(b) In addition to the requirements in section 626.557, subdivision 14, the individual abuse prevention plan shall meet the requirements in clauses (1) and (2).

(1) The plan shall include a statement of measures that will be taken to minimize the risk of abuse to the vulnerable adult when the individual assessment required in section 626.557, subdivision 14, paragraph (b), indicates the need for measures in addition to the specific measures identified in the program abuse prevention plan. The measures shall include the specific actions the program will take to minimize the risk of abuse within the scope of the licensed services, and will identify referrals made when the vulnerable adult is susceptible to abuse outside the scope or control of the licensed services. When the assessment indicates that the vulnerable adult does not need specific risk reduction measures in addition to those identified in the program abuse prevention plan, the individual abuse prevention plan shall document this determination.

(2) An individual abuse prevention plan shall be developed for each new person as part of the initial individual program plan or service plan required under the applicable licensing rule. The review and evaluation of the individual abuse prevention plan shall be done as part of the review of the program plan or service plan. The person receiving services shall participate in the development of the individual abuse prevention plan to the full extent of the person's abilities. If applicable, the person's legal representative shall be given the opportunity to participate with or for the person in the development of the plan. The interdisciplinary team shall document the review of all abuse prevention plans at least annually, using the individual assessment and any reports of abuse relating to the person. The plan shall be revised to reflect the results of this review.

Subd. 3. [ORIENTATION OF MANDATED REPORTERS.] The license holder shall ensure that each new mandated reporter, as defined in section 626.5572, subdivision 16, who is under the control of the license holder, receives an orientation within 72 hours of first providing direct contact services as defined in section 245A.04, subdivision 3, to a vulnerable adult and annually thereafter. The orientation and annual review shall inform the mandated reporters of the reporting requirements and definitions in sections 626.557 and 626.5572, the requirements of this section, the license holder's program abuse prevention plan, and all internal policies and procedures related to the prevention and reporting of maltreatment of individuals receiving services.

Sec. 40. Minnesota Statutes 1996, section 256E.115, is amended to read:

256E.115 [SAFE HOUSES AND, TRANSITIONAL HOUSING, AND INDEPENDENT LIVING ASSISTANCE SERVICES FOR HOMELESS YOUTH.]

Subdivision 1. [DEFINITIONS; COMMISSIONER DUTIES.] (a) The following definitions apply to this section:

(1) "Targeted youth" means children who are ages 16 to 21 and who are in out-of-home placement, leaving out-of-home placement, at risk of becoming homeless, or homeless.

(2) "Safe house" means a facility providing emergency housing for homeless targeted youth with the goal of reuniting the family if appropriate and possible.

(3) "Transitional housing" means congregate or cooperative housing for targeted youth who are transitioning to independent living.

(4) "Independent living assistance" means services provided to assist targeted youth who are not living in a safe house or transitional housing to make the transition to independent living.

(b) The commissioner shall issue a request for proposals from organizations that are knowledgeable about the needs of homeless targeted youth for the purpose of providing establishing a system of safe houses and, transitional housing, and independent living assistance for homeless such youth. The commissioner shall appoint a review committee of up to eight members to evaluate the proposals. The review panel must include representation from communities of color, youth, and other community providers and agency representatives who understand the needs and problems of homeless targeted youth. The commissioner shall also assist in coordinating funding from federal and state grant programs and funding available from a variety of sources for efforts to promote a continuum of services for targeted youth through a consolidated grant application. The commissioner shall analyze the needs of homeless targeted

youth and gaps in services throughout the state and determine how to best serve those needs within the available funding.

Subd. 2. ~~[SAFE HOUSES AND TRANSITIONAL HOUSING PROGRAM SERVICE REQUIREMENTS; PARTICIPATION REQUIREMENTS; LICENSURE OF INDEPENDENT LIVING ASSISTANCE PROVIDERS.]~~ A safe house provides emergency housing for homeless youth ranging in age from 13 to 22 with the goal of reuniting the family, if appropriate, whenever possible. Transitional housing provides housing for homeless youth ages 16 to 22 who are transitioning into independent living.

~~In developing both types of housing, the commissioner and the review committee shall try to create a family atmosphere in a neighborhood or community and, if possible, provide separate but cooperative homes for males and females. It may be necessary, due to licensing restrictions, to provide separate housing for different age groups.~~ (a) The following services, or adequate access to referrals for the following services, must be made available to the homeless targeted youth participating in the programs described in subdivision 1:

(1) counseling services for the youth, and their families, if appropriate, on site, to help with problems that ~~resulted in~~ contributed to the homelessness or could impede making the transition to independent living;

(2) job services to help youth find employment in addition to creating jobs on site, including food service, maintenance, child care, and tutoring;

(3) health services that are confidential and provide preventive care services, crisis referrals, and other necessary health care services;

(4) living skills training to help youth learn how to care for themselves; and

(5) education services that help youth enroll in academic programs, if they are currently not in a program. ~~Enrollment in an academic program is required for residency in transitional housing.~~

(b)(1) Targeted youth who have current drug or alcohol problems, a recent history of violent behaviors, or a mental health disorder or issue that is not being resolved through counseling or treatment are not eligible to receive the services described in subdivision 1.

(2) Targeted youth who are not employed, participating in employment training, or enrolled in an academic program are not eligible to receive transitional housing or independent living assistance.

(c) Providers of independent living assistance services must be licensed under section 245A.22.

Sec. 41. Minnesota Statutes 1996, section 364.09, is amended to read:

364.09 [EXCEPTIONS.]

(a) This chapter does not apply to the licensing process for peace officers; to law enforcement agencies as defined in section 626.84, subdivision 1, paragraph (h); to fire protection agencies; to eligibility for a private detective or protective agent license; to ~~eligibility for a family day care license, a family foster care license, or a home care provider license~~ the licensing and background study process under in chapter 245A; to eligibility for school bus driver endorsements; or to eligibility for special transportation service endorsements. This chapter also shall not apply to eligibility for juvenile corrections employment, where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district or to eligibility for a license issued or renewed by the board of teaching or the state board of education.

(c) Nothing in this section precludes the Minnesota police and peace officers training board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

(d) This chapter does not apply to a license to practice medicine that has been denied or revoked by the board of medical practice pursuant to section 147.091, subdivision 1a.

Sec. 42. [COST OF BACKGROUND STUDIES.]

By January 15, 1998, the commissioner of health shall report to the chairs of the appropriate house of representatives and senate committees the costs of background studies required under Minnesota Statutes, section 245A.04, subdivision 3, paragraph (b), and methods to fund these studies.

Sec. 43. [REPEALER.]

Subdivision 1. Minnesota Rules, parts 9555.8000; 9555.8100; 9555.8200; 9555.8300; 9555.8400; and 9555.8500, are repealed.

Subd. 2. (a) Laws 1996, chapter 408, article 10, section 13, is repealed.

(b) Minnesota Rules, part 9543.3070, is repealed.

Subd. 3. (a) Minnesota Statutes 1996, sections 245A.091; 245A.20; 245A.21; and 252.53, are repealed.

(b) Minnesota Rules, parts 9503.0170, subpart 7; 9525.0215; 9525.0225; 9525.0235; 9525.0243; 9525.0245; 9525.0255; 9525.0265; 9525.0275; 9525.0285; 9525.0295; 9525.0305; 9525.0315; 9525.0325; 9525.0335; 9525.0345; 9525.0355; 9525.0500; 9525.0510; 9525.0520; 9525.0530; 9525.0540; 9525.0550; 9525.0560; 9525.0570; 9525.0580; 9525.0590; 9525.0600; 9525.0610; 9525.0620; 9525.0630; 9525.0640; 9525.0650; 9525.0660; 9525.1240, subpart 1, item E, subitem (6); 9525.1500; 9525.1510; 9525.1520; 9525.1530; 9525.1540; 9525.1550; 9525.1560; 9525.1570; 9525.1590; 9525.1610; 9525.1620; 9525.1630; 9525.1640; 9525.1650; 9525.1660; 9525.1670; 9525.1680; 9525.1690; 9525.2000; 9525.2010; 9525.2020; 9525.2025; 9525.2030; 9525.2040; 9525.2050; 9525.2060; 9525.2070; 9525.2080; 9525.2090; 9525.2100; 9525.2110; 9525.2120; 9525.2130; and 9525.2140, are repealed.

Sec. 44. [EFFECTIVE DATE.]

Sections 1, 3 to 5, 10 to 29, 38 to 40, and 42, subdivision 1, are effective the day following final enactment. Sections 2, 6 to 9, and 42, subdivision 2, are effective August 1, 1997. Sections 30 to 37 and 42, subdivision 3, are effective January 1, 1998."

Delete the title and insert:

"A bill for an act relating to human services; adding provisions for licensing programs; imposing and modifying civil penalties; amending Minnesota Statutes 1996, sections 14.387; 144.057, subdivision 1; 144A.46, subdivision 5; 245A.02, subdivisions 15, 16, and 17; 245A.04, subdivisions 3, 3a, 3b, 3c, 4, 5, 6, 7, and by adding a subdivision; 245A.06, subdivisions 1, 3, 4, 5, 5a, 6, and 7; 245A.07, subdivisions 1 and 3; 245A.08, subdivisions 1 and 2; 245A.09, subdivision 7; 245A.11, subdivision 2; 245A.16, subdivision 2; 256E.115; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1996, sections 245A.091; 245A.20; 245A.21; and 252.53; Laws 1996, chapter 408, article 10, section 13; Minnesota Rules, parts 9503.0170, subpart 7; 9525.0215; 9525.0225; 9525.0235; 9525.0243; 9525.0245; 9525.0255; 9525.0265; 9525.0275; 9525.0285; 9525.0295; 9525.0305; 9525.0315; 9525.0325; 9525.0335; 9525.0345; 9525.0355; 9525.0500; 9525.0510; 9525.0520; 9525.0530; 9525.0540; 9525.0550; 9525.0560; 9525.0570; 9525.0580; 9525.0590; 9525.0600; 9525.0610; 9525.0620; 9525.0630; 9525.0640; 9525.0650; 9525.0660; 9525.1240, subpart 1, item E, subitem (6); 9525.1500; 9525.1510; 9525.1520; 9525.1530; 9525.1540; 9525.1550; 9525.1560; 9525.1570; 9525.1590; 9525.1610; 9525.1620; 9525.1630; 9525.1640; 9525.1650; 9525.1660; 9525.1670; 9525.1680; 9525.1690; 9525.2000; 9525.2010; 9525.2020; 9525.2025; 9525.2030; 9525.2040; 9525.2050; 9525.2060; 9525.2070; 9525.2080; 9525.2090; 9525.2100; 9525.2110; 9525.2120; 9525.2130; 9525.2140; 9555.8000; 9555.8100; 9555.8200; 9555.8300; 9555.8400; and 9555.8500."

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

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

S.F. No. 333: A bill for an act relating to health; modifying requirements relating to elderly housing with services establishments; permitting medical assistance reimbursement to certain home care providers in elderly housing with services establishments; including an elderly housing with services establishment as a permitted single family residential use of property for zoning purposes; amending Minnesota Statutes 1996, sections 144A.45, by adding a subdivision; 144D.01, subdivisions 4, 5, 6, and by adding a subdivision; 144D.03, subdivision 1; 144D.06; 157.17, subdivisions 5 and 7; 256B.0913, subdivision 5; 256B.0915, subdivision 3; 256I.04, subdivision 2a; and 462.357, subdivision 7.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1996, section 144A.43, subdivision 4, is amended to read:

Subd. 4. [HOME CARE PROVIDER.] "Home care provider" means an individual, organization, association, corporation, unit of government, or other entity that is regularly engaged in the delivery, directly or by contractual arrangement, of home care services for a fee. At least one home care service must be provided directly, although additional home care services may be provided by contractual arrangements. "Home care provider" includes a hospice program defined in section 144A.48. "Home care provider" does not include:

(1) any home care or nursing services conducted by and for the adherents of any recognized church or religious denomination for the purpose of providing care and services for those who depend upon spiritual means, through prayer alone, for healing;

(2) an individual who only provides services to a relative;

(3) an individual not connected with a home care provider who provides assistance with home management services or personal care needs if the assistance is provided primarily as a contribution and not as a business;

(4) an individual not connected with a home care provider who shares housing with and provides primarily housekeeping or homemaking services to an elderly or disabled person in return for free or reduced-cost housing;

(5) an individual or agency providing home-delivered meal services;

(6) an agency providing senior companion services and other older American volunteer programs established under the Domestic Volunteer Service Act of 1973, Public Law Number 98-288;

(7) an employee of a nursing home licensed under this chapter or an employee of a boarding care home licensed under sections 144.50 to 144.56 who provides responds to occasional emergency services to calls from individuals residing in an apartment unit attached to a residential setting that is attached to or located on property contiguous to the nursing home or boarding care home;

(8) a member of a professional corporation organized under sections 319A.01 to 319A.22 that does not regularly offer or provide home care services as defined in subdivision 3;

(9) the following organizations established to provide medical or surgical services that do not regularly offer or provide home care services as defined in subdivision 3: a business trust organized under sections 318.01 to 318.04, a nonprofit corporation organized under chapter 317A, a partnership organized under chapter 323, or any other entity determined by the commissioner;

(10) an individual or agency that provides medical supplies or durable medical equipment, except when the provision of supplies or equipment is accompanied by a home care service;

(11) an individual licensed under chapter 147; or

(12) an individual who provides home care services to a person with a developmental disability who lives in a place of residence with a family, foster family, or primary caregiver.

Sec. 2. Minnesota Statutes 1996, section 144A.45, subdivision 1, is amended to read:

Subdivision 1. [RULES.] The commissioner shall adopt rules for the regulation of home care providers pursuant to sections 144A.43 to 144A.49. The rules shall include the following:

(a) provisions to assure, to the extent possible, the health, safety and well-being, and appropriate treatment of persons who receive home care services;

(b) requirements that home care providers furnish the commissioner with specified information necessary to implement sections 144A.43 to 144A.49;

(c) standards of training of home care provider personnel, which may vary according to the nature of the services provided or the health status of the consumer;

(d) standards for medication management which may vary according to the nature of the services provided, the setting in which the services are provided or the status of the consumer. Medication management includes the central storage, handling, distribution, and administration of medications;

(e) standards of for supervision of home care services requiring supervision by a registered nurse or other appropriate health care professionals of personnel providing home care services, which may vary according to the nature of the services provided or the health status of the consumer professional which must occur on site at least every 62 days, or more frequently if indicated by a clinical assessment, and in accordance with sections 148.171 to 148.285 and rules adopted thereunder;

(f) standards for client evaluation or assessment which may vary according to the nature of the services provided or the status of the consumer;

(g) requirements for the involvement of a consumer's physician, the documentation of physicians' orders, if required, and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(h) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(i) operating procedures required to implement the home care bill of rights.

Sec. 3. Minnesota Statutes 1996, section 144A.45, is amended by adding a subdivision to read:

Subd. 4. [MEDICAID REIMBURSEMENT.] Notwithstanding the provisions of section 256B.071 or state plan requirements to the contrary, certification by the federal Medicare program must not be a requirement of Medicaid payment for services delivered under section 144A.4605.

Sec. 4. Minnesota Statutes 1996, section 144A.46, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] (a) A home care provider may not operate in the state without a current license issued by the commissioner of health. A home care provider may hold a separate license for each class of home care licensure.

(b) Within ten days after receiving an application for a license, the commissioner shall acknowledge receipt of the application in writing. The acknowledgment must indicate whether the application appears to be complete or whether additional information is required before the application will be considered complete. Within 90 days after receiving a complete application,

the commissioner shall either grant or deny the license. If an applicant is not granted or denied a license within 90 days after submitting a complete application, the license must be deemed granted. An applicant whose license has been deemed granted must provide written notice to the commissioner before providing a home care service.

(c) Each application for a home care provider license, or for a renewal of a license, shall be accompanied by a fee to be set by the commissioner under section 144.122.

Sec. 5. Minnesota Statutes 1996, section 144A.46, subdivision 3, is amended to read:

Subd. 3. [ENFORCEMENT.] (a) The commissioner may refuse to grant or renew a license, or may suspend or revoke a license, for violation of statutes or rules relating to home care services or for conduct detrimental to the welfare of the consumer. Prior to any suspension, revocation, or refusal to renew a license, the home care provider shall be entitled to notice and a hearing as provided by sections 14.57 to 14.69. In addition to any other remedy provided by law, the commissioner may, without a prior contested case hearing, temporarily suspend a license or prohibit delivery of services by a provider for not more than 60 days if the commissioner determines that the health or safety of a consumer is in imminent danger, provided (1) advance notice is given to the provider; (2) after notice, the provider fails to correct the problem; (3) the commissioner has reason to believe that other administrative remedies are not likely to be effective; and (4) there is an opportunity for a contested case hearing within the 60 days. The process of suspending or revoking a license must include a plan for transferring affected clients to other providers.

(b) The owner and managerial officials, as defined in the home care licensure rules, Minnesota Rules, part 4668, of a home care provider whose license has not been renewed or has been revoked because of noncompliance with applicable law or rule shall not be eligible to apply for nor will be granted a license for five years following the effective date of the nonrenewal or revocation. Such individuals shall also not be an owner or managerial official of any other home care provider for five years following the effective date of the nonrenewal or revocation.

(c) The commissioner shall not issue a license to a home care provider if an owner or managerial official includes any individual who was an owner or managerial official of a home care provider whose license was not renewed or was revoked as described in paragraph (b) for five years following the effective date of nonrenewal or revocation. Notwithstanding the provisions of paragraph (a), the commissioner shall not renew, or shall suspend or revoke the license of any home care provider which, after the date of initial licensure, includes any individual as an owner or managerial official who was an owner or managerial official of a home care provider whose license was not renewed or was revoked as described in paragraph (b) for five years following the effective date of the nonrenewal or revocation. The commissioner shall notify the home care provider 30 days in advance of the date of nonrenewal, suspension, or revocation of the license.

(d) The provisions contained in paragraphs (b) and (c) shall apply to any nonrenewal or revocation of a home care license occurring after June 1, 1993, the effective date of the home care licensure rules.

Sec. 6. [144A.4605] [ASSISTED LIVING HOME CARE PROVIDER.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the term "assisted living home care provider" means a home care provider who provides nursing services, delegated nursing services, other services performed by unlicensed personnel or central storage of medications solely for residents of one or more housing with services establishments registered under chapter 144D.

Subd. 2. [ASSISTED LIVING HOME CARE LICENSE ESTABLISHED.] A home care provider license category entitled assisted living home care provider is hereby established. A home care provider may obtain an assisted living license if the program meets the following requirements:

(a) nursing services, delegated nursing services, other services performed by unlicensed personnel, or central storage of medications under the assisted living license are provided solely for residents of one or more housing with services establishments registered under chapter 144D;

(b) unlicensed personnel perform home health aide and home care aide tasks identified in Minnesota Rules, part 4668.0100, subparts 1 and 2, and part 4668.0110, subpart 1. Qualifications to perform these tasks shall be established in accordance with subdivision 3;

(c) periodic supervision of unlicensed personnel is provided as required by rule;

(d) notwithstanding Minnesota Rules, part 4668.0160, subpart 6, item D, client records shall include:

(1) a weekly summary of the client's status and home care services provided;

(2) documentation each time medications are administered to a client; and

(3) documentation on the day of occurrence of any significant change in the client's status or any significant incident, such as a fall or refusal to take medications.

All entries must be signed by the staff providing the services and entered into the record no later than two weeks after the end of the service day, except as specified in clauses (2) and (3);

(e) medication and treatment orders, if any, are included in the client record and are renewed at least every 12 months, or more frequently when indicated by a clinical assessment;

(f) the central storage of medications in a housing with services establishment registered under chapter 144D is managed under a system that is established by a registered nurse and addresses the control of medications, handling of medications, medication containers, medication records, and disposition of medications; and

(g) in other respects meets the requirements established by rules adopted under sections 144A.45 to 144A.48.

Subd. 3. [TRAINING OR COMPETENCY EVALUATIONS REQUIRED.] (a) Unlicensed personnel must:

(1) satisfy the training or competency requirements established by rule under sections 144A.45 to 144A.48; or

(2) be trained or determined competent by a registered nurse in each task identified under Minnesota Rules, part 4668.0100, subparts 1 and 2, when offered to clients in a housing with services establishment as described in paragraphs (b) to (e).

(b) Training for tasks identified under Minnesota Rules, part 4668.0100, subparts 1 and 2, shall use a curriculum which meets the requirements set forth in Minnesota Rules, part 4668.0130.

(c) Competency evaluations for tasks identified under Minnesota Rules, part 4668.0100, subparts 1 and 2, must be completed and documented by a registered nurse.

(d) Unlicensed personnel performing tasks identified under Minnesota Rules, part 4668.0100, subparts 1 and 2, shall be trained or demonstrate competency in the following topics:

(1) an overview of sections 144A.43 to 144A.49 and rules adopted thereunder;

(2) recognition and handling of emergencies and use of emergency services;

(3) reporting the maltreatment of vulnerable minors or adults under sections 626.556 and 626.557;

(4) home care bill of rights;

(5) handling of clients' complaints and reporting of complaints to the office of health facility complaints;

(6) services of the ombudsman for older Minnesotans;

(7) observation, reporting, and documentation of client status and of the care or services provided;

(8) basic infection control;

(9) maintenance of a clean, safe, and healthy environment;

(10) communication skills;

(11) basic elements of body functioning and changes in body function that must be reported to an appropriate health care professional; and

(12) physical, emotional, and developmental needs of clients, and ways to work with clients who have problems in these areas, including respect for the client, the client's property, and the client's family.

(e) Unlicensed personnel who administer medications must comply with rules relating to the administration of medications in Minnesota Rules, part 4668.0100, subpart 2, except that unlicensed personnel need not comply with the requirements of Minnesota Rules, part 4668.0100, subpart 5.

Subd. 4. [LICENSE REQUIRED.] (a) A housing with services establishment registered under chapter 144D that is required to obtain a home care license must obtain an assisted living home care license according to this section or a class A license according to rule.

(b) A board and lodging establishment registered for special services as of December 31, 1996, and also registered as a housing with services establishment under chapter 144D, must deliver home care services according to sections 144A.43 to 144A.49, and may apply for a waiver from requirements under Minnesota Rules, parts 4668.0002 to 4668.0240, to operate a licensed agency under the standards of section 157.17. Such waivers as may be granted by the department will expire upon promulgation of home care rules implementing section 144A.4605.

(c) An adult foster care provider licensed by the department of human services and registered under chapter 144D may continue to provide health related services under its foster care license until the promulgation of home care rules implementing section 144A.4605.

Subd. 5. [LICENSE FEES.] The license fees for assisted living home care providers shall be as follows:

(1) \$125 annually for those providers serving a monthly average of 15 or fewer clients, and for assisted living providers of all sizes during the first year of operation;

(2) \$200 annually for those providers serving a monthly average of 16 to 30 clients;

(3) \$375 annually for those providers serving a monthly average of 31 to 50 clients; and

(4) \$625 annually for those providers serving a monthly average of 50 or more clients.

Subd. 6. [WAIVER.] Upon request of the home care provider, the commissioner may waive the provisions of this section relating to registered nurse duties.

Sec. 7. Minnesota Statutes 1996, section 144D.01, subdivision 4, is amended to read:

Subd. 4. [ELDERLY HOUSING WITH SERVICES ESTABLISHMENT OR ESTABLISHMENT.] "Elderly Housing with services establishment" or "establishment" means an establishment providing sleeping accommodations to one or more adult residents, at least 80 percent of which are 55 years of age or older, and offering or providing, for a fee, one or more regularly scheduled health-related services or two or more regularly scheduled supportive service services, whether offered or provided directly by the establishment or by another entity arranged for by the establishment.

Elderly Housing with services establishment does not include:

- (1) a nursing home licensed under chapter 144A;
- (2) a hospital, boarding care home, or supervised living facility licensed under sections 144.50 to 144.56;
- (3) a board and lodging establishment licensed under chapter 157 and Minnesota Rules, parts 9520.0500 to 9520.0670, 9525.0215 to 9525.0355, 9525.0500 to 9525.0660, or 9530.4100 to 9530.4450;
- (4) a board and lodging establishment which serves as a shelter for battered women or other similar purpose;
- (5) a family adult foster care home licensed ~~under Minnesota Rules, parts 9543.0010 to 9543.0150~~ by the department of human services; or
- (6) private homes in which the residents are related by kinship, law, or affinity with the providers of services;
- (7) a home-sharing arrangement such as when an elderly or disabled person or single-parent family makes lodging in a private residence available to another person in exchange for services or rent, or both;
- (8) a duly organized condominium, cooperative, common interest community, or owners' association of the foregoing where at least 80 percent of the units that comprise the condominium, cooperative, or common interest community are occupied by individuals who are the owners, members, or shareholders of the units; or
- (9) services for persons with developmental disabilities that are provided under a license according to Minnesota Rules, parts 9525.2100 to 9525.2140.

Sec. 8. Minnesota Statutes 1996, section 144D.01, subdivision 5, is amended to read:

Subd. 5. [SUPPORTIVE SERVICES.] "~~Supportive services~~" means ~~arranging for medical services, health-related services, social services, transportation, help with personal laundry, or handling or assisting with personal funds of residents, or arranging for medical services, health-related services, social services, or transportation to medical or social services appointments. Arranging for services does not include making referrals, assisting a resident in contacting a service provider of the resident's choice, or contacting a service provider in an emergency.~~

Sec. 9. Minnesota Statutes 1996, section 144D.01, subdivision 6, is amended to read:

Subd. 6. [HEALTH-RELATED SERVICES.] "Health-related services" include professional nursing services, home health aide tasks, and home care aide tasks identified in Minnesota Rules, parts 4668.0100, subparts 1 and 2; and 4668.0110, subpart 1; ~~or the central storage of medication for residents under section 144A.485, subdivision 2, clause (6).~~

Sec. 10. Minnesota Statutes 1996, section 144D.01, is amended by adding a subdivision to read:

Subd. 7. [FAMILY ADULT FOSTER CARE HOME.] "Family adult foster care home" means an adult foster care home that is licensed by the department of human services, that is the primary residence of the license holder, and in which the license holder is the primary caregiver.

Sec. 11. Minnesota Statutes 1996, section 144D.03, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION PROCEDURES.] The commissioner shall establish forms and procedures for annual registration of elderly housing with services establishments. The commissioner shall charge an annual registration fee of \$35. No fee shall be refunded. A registered establishment shall notify the commissioner within 30 days of the date it is no longer required to be registered under this chapter or of any change in the business name or address of the establishment, the name or mailing address of the owner or owners, or the name or mailing address of the managing agent. There shall be no fee for submission of the notice.

Sec. 12. [144D.035] [RESTRAINTS.]

Residents must be free from any physical or chemical restraints imposed for purposes of discipline or convenience.

Sec. 13. Minnesota Statutes 1996, section 144D.06, is amended to read:

144D.06 [OTHER LAWS.]

~~An elderly A housing with services establishment shall obtain and maintain all other licenses, permits, registrations, or other governmental approvals required of it in addition to registration under this chapter, except that an establishment registered under this chapter is exempt, at its option, from the requirement of obtaining and maintaining an adult foster care license under Minnesota Rules, parts 9543.0010 to 9543.0150, or a lodging license under chapter 157. An elderly. A housing with services establishment is subject to the provisions of sections 504.01 to 504.28 and 566.01 to 566.175. An elderly housing with services establishment which is also described in section 157.17 is exempt from the requirements of that section while it is registered under this chapter.~~

Sec. 14. Minnesota Statutes 1996, section 157.17, subdivision 2, is amended to read:

Subd. 2. [REGISTRATION.] At the time of licensure or license renewal, a boarding and lodging establishment or a lodging establishment that provides supportive services or health supervision services must be registered with the commissioner, and must register annually thereafter. The registration must include the name, address, and telephone number of the establishment, the name of the operator, the types of services that are being provided, a description of the residents being served, the type and qualifications of staff in the facility, and other information that is necessary to identify the needs of the residents and the types of services that are being provided. The commissioner shall develop and furnish to the boarding and lodging establishment or lodging establishment the necessary form for submitting the registration. The requirement for registration is effective until the rules required by sections 144B.01 to 144B.17 are effective.

Housing with services establishments registered under chapter 144D shall be considered registered under this section for all purposes except that:

(1) the establishments shall operate under the requirements of chapter 144D; and

(2) the criminal background check requirements of sections 299C.66 to 299C.71 apply. The criminal background check requirements of section 144.057 apply only to personnel providing home care services under sections 144A.43 to 144A.48.

Sec. 15. Minnesota Statutes 1996, section 157.17, subdivision 5, is amended to read:

Subd. 5. [SERVICES THAT MAY NOT BE PROVIDED IN A BOARDING AND LODGING ESTABLISHMENT OR LODGING ESTABLISHMENT.] Except those facilities registered under chapter 144D, a boarding and lodging establishment or lodging establishment may not admit or retain individuals who:

(1) would require assistance from establishment staff because of the following needs: bowel incontinence, catheter care, use of injectable or parenteral medications, wound care, or dressing changes or irrigations of any kind; or

(2) require a level of care and supervision beyond supportive services or health supervision services.

Sec. 16. Minnesota Statutes 1996, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related unless the residential program is a foster care placement made by a local social services agency or a licensed child-placing agency, except as provided in subdivision 2a;

- (2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;
- (3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;
- (4) sheltered workshops or work activity programs that are certified by the commissioner of economic security;
- (5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of children, families, and learning;
- (6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;
- (7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;
- (8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;
- (9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;
- (10) programs licensed by the commissioner of corrections;
- (11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;
- (12) programs operated by a school as defined in section 120.101, subdivision 4, whose primary purpose is to provide child care to school-age children, provided the program is approved by the district's school board;
- (13) head start nonresidential programs which operate for less than 31 days in each calendar year;
- (14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;
- (15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;
- (16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;
- (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;
- (18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;
- (19) mental health outpatient services for adults with mental illness or children with emotional disturbance;
- (20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence;

(23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17; or

(24) the placement of a child by a birth parent or legal guardian in a preadoptive home for purposes of adoption as authorized by section 259.47; or

(25) settings registered under chapter 144D which provide home care services licensed by the commissioner of health to fewer than seven adults.

For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

Sec. 17. Minnesota Statutes 1996, section 256B.0913, subdivision 5, is amended to read:

Subd. 5. [SERVICES COVERED UNDER ALTERNATIVE CARE.] (a) Alternative care funding may be used for payment of costs of:

- (1) adult foster care;
- (2) adult day care;
- (3) home health aide;
- (4) homemaker services;
- (5) personal care;
- (6) case management;
- (7) respite care;
- (8) assisted living;
- (9) residential care services;
- (10) care-related supplies and equipment;
- (11) meals delivered to the home;
- (12) transportation;
- (13) skilled nursing;
- (14) chore services;
- (15) companion services;
- (16) nutrition services;
- (17) training for direct informal caregivers; and
- (18) telemedicine devices to monitor recipients in their own homes as an alternative to hospital care, nursing home care, or home visits.

(b) The county agency must ensure that the funds are used only to supplement and not supplant services available through other public assistance or services programs.

(c) Unless specified in statute, the service standards for alternative care services shall be the same as the service standards defined in the elderly waiver. Persons or agencies must be employed by or under a contract with the county agency or the public health nursing agency of the local board of health in order to receive funding under the alternative care program.

(d) The adult foster care rate shall be considered a difficulty of care payment and shall not include room and board. The adult foster care daily rate shall be negotiated between the county agency and the foster care provider. The rate established under this section shall not exceed 75 percent of the state average monthly nursing home payment for the case mix classification to which the individual receiving foster care is assigned, and it must allow for other alternative care services to be authorized by the case manager.

(e) Personal care services may be provided by a personal care provider organization. A county agency may contract with a relative of the client to provide personal care services, but must ensure nursing supervision. Covered personal care services defined in section 256B.0627, subdivision 4, must meet applicable standards in Minnesota Rules, part 9505.0335.

(f) A county may use alternative care funds to purchase medical supplies and equipment without prior approval from the commissioner when: (1) there is no other funding source; (2) the supplies and equipment are specified in the individual's care plan as medically necessary to enable the individual to remain in the community according to the criteria in Minnesota Rules, part 9505.0210, item A; and (3) the supplies and equipment represent an effective and appropriate use of alternative care funds. A county may use alternative care funds to purchase supplies and equipment from a non-Medicaid certified vendor if the cost for the items is less than that of a Medicaid vendor. A county is not required to contract with a provider of supplies and equipment if the monthly cost of the supplies and equipment is less than \$250.

(g) For purposes of this section, residential care services are services which are provided to individuals living in residential care homes. Residential care homes are currently licensed as board and lodging establishments and are registered with the department of health as providing special services. Residential care services are defined as "supportive services" and "health-related services." "Supportive services" means the provision of up to 24-hour supervision and oversight. Supportive services includes: (1) transportation, when provided by the residential care center only; (2) socialization, when socialization is part of the plan of care, has specific goals and outcomes established, and is not diversional or recreational in nature; (3) assisting clients in setting up meetings and appointments; (4) assisting clients in setting up medical and social services; (5) providing assistance with personal laundry, such as carrying the client's laundry to the laundry room. Assistance with personal laundry does not include any laundry, such as bed linen, that is included in the room and board rate. Health-related services are limited to minimal assistance with dressing, grooming, and bathing and providing reminders to residents to take medications that are self-administered or providing storage for medications, if requested. Individuals receiving residential care services cannot receive both personal care services and residential care services.

(h) For the purposes of this section, "assisted living" refers to supportive services provided by a single vendor to clients who reside in the same apartment building of three or more units which are not subject to registration under chapter 144D. Assisted living services are defined as up to 24-hour supervision, and oversight, supportive services as defined in clause (1), individualized home care aide tasks as defined in clause (2), and individualized home management tasks as defined in clause (3) provided to residents of a residential center living in their units or apartments with a full kitchen and bathroom. A full kitchen includes a stove, oven, refrigerator, food preparation counter space, and a kitchen utensil storage compartment. Assisted living services must be provided by the management of the residential center or by providers under contract with the management or with the county.

(1) Supportive services include:

(i) socialization, when socialization is part of the plan of care, has specific goals and outcomes established, and is not diversional or recreational in nature;

- (ii) assisting clients in setting up meetings and appointments; and
- (iii) providing transportation, when provided by the residential center only.

Individuals receiving assisted living services will not receive both assisted living services and homemaking or personal care services. Individualized means services are chosen and designed specifically for each resident's needs, rather than provided or offered to all residents regardless of their illnesses, disabilities, or physical conditions.

(2) Home care aide tasks means:

- (i) preparing modified diets, such as diabetic or low sodium diets;
- (ii) reminding residents to take regularly scheduled medications or to perform exercises;
- (iii) household chores in the presence of technically sophisticated medical equipment or episodes of acute illness or infectious disease;
- (iv) household chores when the resident's care requires the prevention of exposure to infectious disease or containment of infectious disease; and
- (v) assisting with dressing, oral hygiene, hair care, grooming, and bathing, if the resident is ambulatory, and if the resident has no serious acute illness or infectious disease. Oral hygiene means care of teeth, gums, and oral prosthetic devices.

(3) Home management tasks means:

- (i) housekeeping;
- (ii) laundry;
- (iii) preparation of regular snacks and meals; and
- (iv) shopping.

Assisted living services as defined in this section shall not be authorized in boarding and lodging establishments licensed according to sections 157.011 and 157.15 to 157.22.

(i) For establishments registered under chapter 144D, assisted living services under this section means the services described and licensed under 144A.4605.

(j) For the purposes of this section, reimbursement for assisted living services and residential care services shall be a monthly rate negotiated and authorized by the county agency based on an individualized service plan for each resident. The rate shall not exceed the nonfederal share of the greater of either the statewide or any of the geographic groups' weighted average monthly medical assistance nursing facility payment rate of the case mix resident class to which the 180-day eligible client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059. For alternative care assisted living projects established under Laws 1988, chapter 689, article 2, section 256, monthly rates may not exceed 65 percent of the greater of either statewide or any of the geographic groups' weighted average monthly medical assistance nursing facility payment rate of the case mix resident class to which the 180-day eligible client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059. The rate may not cover rent and direct food costs, unless the services are provided by a home care provider licensed by the department of health and are provided in a building that is registered as a housing with services establishment under chapter 144D and that provides 24-hour supervision.

⊕ (k) For purposes of this section, companion services are defined as nonmedical care, supervision and oversight, provided to a functionally impaired adult. Companions may assist the individual with such tasks as meal preparation, laundry and shopping, but do not perform these activities as discrete services. The provision of companion services does not entail hands-on medical care. Providers may also perform light housekeeping tasks which are incidental to the care and supervision of the recipient. This service must be approved by the case manager as part of the

care plan. Companion services must be provided by individuals or nonprofit organizations who are under contract with the local agency to provide the service. Any person related to the waiver recipient by blood, marriage or adoption cannot be reimbursed under this service. Persons providing companion services will be monitored by the case manager.

~~(k)~~ (l) For purposes of this section, training for direct informal caregivers is defined as a classroom or home course of instruction which may include: transfer and lifting skills, nutrition, personal and physical cares, home safety in a home environment, stress reduction and management, behavioral management, long-term care decision making, care coordination and family dynamics. The training is provided to an informal unpaid caregiver of a 180-day eligible client which enables the caregiver to deliver care in a home setting with high levels of quality. The training must be approved by the case manager as part of the individual care plan. Individuals, agencies, and educational facilities which provide caregiver training and education will be monitored by the case manager.

Sec. 18. Minnesota Statutes 1996, section 256B.0915, subdivision 3, is amended to read:

Subd. 3. [LIMITS OF CASES, RATES, REIMBURSEMENT, AND FORECASTING.] (a) The number of medical assistance waiver recipients that a county may serve must be allocated according to the number of medical assistance waiver cases open on July 1 of each fiscal year. Additional recipients may be served with the approval of the commissioner.

(b) The monthly limit for the cost of waived services to an individual waiver client shall be the statewide average payment rate of the case mix resident class to which the waiver client would be assigned under the medical assistance case mix reimbursement system. If medical supplies and equipment or adaptations are or will be purchased for an elderly waiver services recipient, the costs may be prorated on a monthly basis throughout the year in which they are purchased. If the monthly cost of a recipient's other waived services exceeds the monthly limit established in this paragraph, the annual cost of the waived services shall be determined. In this event, the annual cost of waived services shall not exceed 12 times the monthly limit calculated in this paragraph. The statewide average payment rate is calculated by determining the statewide average monthly nursing home rate, effective July 1 of the fiscal year in which the cost is incurred, less the statewide average monthly income of nursing home residents who are age 65 or older, and who are medical assistance recipients in the month of March of the previous state fiscal year. The annual cost divided by 12 of elderly or disabled waived services for a person who is a nursing facility resident at the time of requesting a determination of eligibility for elderly or disabled waived services shall not exceed the monthly payment for the resident class assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, for that resident in the nursing facility where the resident currently resides. The following costs must be included in determining the total monthly costs for the waiver client:

(1) cost of all waived services, including extended medical supplies and equipment; and

(2) cost of skilled nursing, home health aide, and personal care services reimbursable by medical assistance.

(c) Medical assistance funding for skilled nursing services, private duty nursing, home health aide, and personal care services for waiver recipients must be approved by the case manager and included in the individual care plan.

(d) For both the elderly waiver and the nursing facility disabled waiver, a county may purchase extended supplies and equipment without prior approval from the commissioner when there is no other funding source and the supplies and equipment are specified in the individual's care plan as medically necessary to enable the individual to remain in the community according to the criteria in Minnesota Rules, part 9505.0210, items A and B. A county is not required to contract with a provider of supplies and equipment if the monthly cost of the supplies and equipment is less than \$250.

(e) For the fiscal year beginning on July 1, 1993, and for subsequent fiscal years, the commissioner of human services shall not provide automatic annual inflation adjustments for

home and community-based waived services. The commissioner of finance shall include as a budget change request in each biennial detailed expenditure budget submitted to the legislature under section 16A.11, annual adjustments in reimbursement rates for home and community-based waived services, based on the forecasted percentage change in the Home Health Agency Market Basket of Operating Costs, for the fiscal year beginning July 1, compared to the previous fiscal year, unless otherwise adjusted by statute. The Home Health Agency Market Basket of Operating Costs is published by Data Resources, Inc. The forecast to be used is the one published for the calendar quarter beginning January 1, six months prior to the beginning of the fiscal year for which rates are set. The adult foster care rate shall be considered a difficulty of care payment and shall not include room and board.

(f) The adult foster care daily rate for the elderly and disabled waivers shall be negotiated between the county agency and the foster care provider. The rate established under this section shall not exceed the state average monthly nursing home payment for the case mix classification to which the individual receiving foster care is assigned; the rate must allow for other waiver and medical assistance home care services to be authorized by the case manager.

(g) The assisted living and residential care service rates for elderly and community alternatives for disabled individuals (CADI) waivers shall be made to the vendor as a monthly rate negotiated with the county agency based on an individualized service plan for each resident. The rate shall not exceed the nonfederal share of the greater of either the statewide or any of the geographic groups' weighted average monthly medical assistance nursing facility payment rate of the case mix resident class to which the elderly or disabled client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, unless the services are provided by a home care provider licensed by the department of health and are provided in a building that is registered as a housing with services establishment under chapter 144D and that provides 24-hour supervision. For alternative care assisted living projects established under Laws 1988, chapter 689, article 2, section 256, monthly rates may not exceed 65 percent of the greater of either the statewide or any of the geographic groups' weighted average monthly medical assistance nursing facility payment rate for the case mix resident class to which the elderly or disabled client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059. The rate may not cover direct rent or food costs.

(h) The county shall negotiate individual rates with vendors and may be reimbursed for actual costs up to the greater of the county's current approved rate or 60 percent of the maximum rate in fiscal year 1994 and 65 percent of the maximum rate in fiscal year 1995 for each service within each program.

(i) On July 1, 1993, the commissioner shall increase the maximum rate for home-delivered meals to \$4.50 per meal.

(j) Reimbursement for the medical assistance recipients under the approved waiver shall be made from the medical assistance account through the invoice processing procedures of the department's Medicaid Management Information System (MMIS), only with the approval of the client's case manager. The budget for the state share of the Medicaid expenditures shall be forecasted with the medical assistance budget, and shall be consistent with the approved waiver.

(k) Beginning July 1, 1991, the state shall reimburse counties according to the payment schedule in section 256.025 for the county share of costs incurred under this subdivision on or after January 1, 1991, for individuals who are receiving medical assistance.

Sec. 19. Minnesota Statutes 1996, section 256I.04, subdivision 2a, is amended to read:

Subd. 2a. [LICENSE REQUIRED.] A county agency may not enter into an agreement with an establishment to provide group residential housing unless:

(1) the establishment is licensed by the department of health as a hotel and restaurant; a board and lodging establishment; a residential care home; a boarding care home before March 1, 1985; or a supervised living facility, and the service provider for residents of the facility is licensed under chapter 245A. However, an establishment licensed by the department of health to provide lodging need not also be licensed to provide board if meals are being supplied to residents under a contract with a food vendor who is licensed by the department of health; or

(2) the residence is licensed by the commissioner of human services under Minnesota Rules, parts 9555.5050 to 9555.6265, or certified by a county human services agency prior to July 1, 1992, using the standards under Minnesota Rules, parts 9555.5050 to 9555.6265; or

(3) the establishment is registered under chapter 144D and provides three meals a day.

The requirements under clauses (1) and, (2), and (3) do not apply to establishments exempt from state licensure because they are located on Indian reservations and subject to tribal health and safety requirements.

Sec. 20. Minnesota Statutes 1996, section 462.357, subdivision 7, is amended to read:

Subd. 7. [PERMITTED SINGLE FAMILY USE.] A state licensed residential facility or a housing with services establishment registered under chapter 144D serving six or fewer persons, a licensed day care facility serving 12 or fewer persons, and a group family day care facility licensed under Minnesota Rules, parts 9502.0315 to 9502.0445 to serve 14 or fewer children shall be considered a permitted single family residential use of property for the purposes of zoning, except that a residential facility whose primary purpose is to treat juveniles who have violated criminal statutes relating to sex offenses or have been adjudicated delinquent on the basis of conduct in violation of criminal statutes relating to sex offenses shall not be considered a permitted use.

Sec. 21. [STUDY OF NURSING HOME PROVISION OF HOME CARE SERVICES.]

The commissioner of health shall perform a study to determine the most appropriate and cost effective way to enable licensing nursing home and boarding care home providers to use their existing pool of trained staff to provide home care services in a housing with services establishment registered according to Minnesota Statutes, chapter 144D, that is attached to or located on property contiguous to the nursing home or boarding care home. The study shall evaluate comparability of current home care licensing, enforcement, and quality assurance provisions with alternative regulatory structures, including but not limited to private contracts, home care license options, and nursing home license options. The commissioner shall convene an advisory group that is representative of the affected parties to advise the department of the feasibility of proposed options. The commissioner shall submit a report to the chairs of the senate health and family security committee and the house of representatives health and human services committee no later than January 15, 1998.

Sec. 22. [REPEALER.]

Minnesota Statutes 1996, sections 144A.45, subdivision 3; 144A.49; 144B.01; 144B.02; 144B.03; 144B.04; 144B.05; 144B.06; 144B.07; 144B.08; 144B.09; 144B.10; 144B.11; 144B.12; 144B.13; 144B.14; 144B.15; 144B.16; and 144B.17, are repealed."

Delete the title and insert:

"A bill for an act relating to home care; modifying an exemption from the definition of provider; requiring rules to include certain standards; establishing an assisted living home care provider license; redefining elderly housing with services establishment; modifying reimbursement procedures for assisted living services under medical assistance and alternative care; defining certain housing with services establishments as a permitted single family residential use of property for zoning purposes; requiring a study; amending Minnesota Statutes 1996, sections 144A.43, subdivision 4; 144A.45, subdivision 1, and by adding a subdivision; 144A.46, subdivisions 1 and 3; 144D.01, subdivisions 4, 5, 6, and by adding a subdivision; 144D.03, subdivision 1; 144D.06; 157.17, subdivisions 2 and 5; 245A.03, subdivision 2; 256B.0913, subdivision 5; 256B.0915, subdivision 3; 256I.04, subdivision 2a; and 462.357, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 144A; and 144D; repealing Minnesota Statutes 1996, sections 144A.45, subdivision 3; 144A.49; 144B.01; 144B.02; 144B.03; 144B.04; 144B.05; 144B.06; 144B.07; 144B.08; 144B.09; 144B.10; 144B.11; 144B.12; 144B.13; 144B.14; 144B.15; 144B.16; and 144B.17."

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

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

S.F. No. 98: A bill for an act relating to health; modifying provisions for unique identifiers for health care providers, group purchasers, and patients; modifying birth data provisions; limiting access to certified copies of birth and death certificates; requiring standardized format for birth and death certificates; extending date of commissioner's access to fetal, infant, and maternal death data; amending Minnesota Statutes 1996, sections 62J.54; 144.215, by adding subdivisions; 144.225, subdivision 2, and by adding subdivisions; and 145.90, subdivision 2.

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

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes 1996, section 62J.451, subdivision 6c, is amended to read:

Subd. 6c. [PROVIDER ORGANIZATION PERFORMANCE MEASUREMENT.] (a) As part of the performance measurement plan specified in subdivision 6, the health data institute shall develop a mechanism to assess the performance of hospitals and other provider organizations, and to disseminate this information to consumers, purchasers, policymakers, and other interested parties, consistent with the data policies specified in section 62J.452. Data to be collected may include structural characteristics including staff-mix and nurse-patient ratios. In selecting additional data for collection, the health data institute may consider:

- (1) feasibility and statistical validity of the indicator;
- (2) purchaser and public demand for the indicator;
- (3) estimated expense of collecting and reporting the indicator; and
- (4) usefulness of the indicator for internal improvement purposes.

(b) The health data institute may conduct consumer surveys that focus on health care provider organizations. Health care provider organizations may provide roster data, as defined in subdivision 2, including names, addresses, and telephone numbers of their patients, to the health data institute for purposes of conducting the surveys. Roster data provided by health care provider organizations under this paragraph are private data on individuals as defined in section 13.02, subdivision 12. Providing data under this paragraph does not constitute a release of health records for purposes of section 144.335, subdivision 3a.

Page 4, after line 12, insert:

"(8) pharmacists licensed under chapter 151;"

Page 4, line 13, strike "(8)" and insert "(9)"

Page 4, line 16, strike "(9)" and insert "(10)"

Page 4, line 19, delete "(10)" and insert "(11)"

Page 6, line 32, before the period, insert ", except as provided in paragraphs (e) and (f)"

Page 7, line 14, after the stricken period, insert "Within the limits of available appropriations, the commissioner shall develop a proposal for an alternate numbering system for patients who do not have or refuse to provide their social security numbers, if:

(1) a unique health identifier for individuals is adopted or established under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936;

(2) the unique health identifier is the social security number of the patient;

(3) there is no federal alternate numbering system for patients who do not have or refuse to provide their social security numbers; and

(4) federal law or the federal Secretary of Health and Human Services explicitly allows a state to develop an alternate numbering system for patients who do not have or refuse to provide their social security numbers.

(f) If an alternate numbering system is developed under paragraph (e), patients who use numbers issued by the alternate numbering system are not required to provide their social security numbers and group purchasers or providers may not demand the social security numbers of patients who provide numbers issued by the alternate numbering system. If an alternate numbering system is developed under paragraph (e), group purchasers and health care providers shall establish procedures to notify patients that they can elect not to have their social security number used as the unique patient identifier.

(g)"

Page 7, after line 16, insert:

"Sec. 3. Minnesota Statutes 1996, section 144.212, is amended by adding a subdivision to read:

Subd. 1a. [AMENDMENT.] "Amendment" means completion or correction of a vital record.

Sec. 4. Minnesota Statutes 1996, section 144.212, is amended by adding a subdivision to read:

Subd. 2a. [DELAYED REGISTRATION.] "Delayed registration" means registration of a certificate of birth or death filed one or more years after the date established by law for filing a certificate of birth or death.

Sec. 5. Minnesota Statutes 1996, section 144.212, is amended by adding a subdivision to read:

Subd. 4a. [INSTITUTION.] "Institution" means a public or private establishment that:

(1) provides inpatient or outpatient medical, surgical, or diagnostic care or treatment; or

(2) provides nursing, custodial, or domiciliary care, or to which persons are committed by law."

Page 8, lines 28 to 30, delete the new language

Page 10, after line 5, insert:

"(vi) a personal representative of the estate of the subject or a successor of the subject, as defined in section 524.1-201, if the subject is deceased;"

Page 10, line 6, delete "(vi)" and insert "(vii)"

Page 10, line 8, delete "(vii)" and insert "(viii)"

Page 10, line 25, delete "1998" and insert "2000"

Page 10, after line 30, insert:

"Sec. 12. Minnesota Statutes 1996, section 144.9504, subdivision 2, is amended to read:

Subd. 2. [LEAD INSPECTION.] (a) An inspecting agency shall conduct a lead inspection of a residence according to the venous blood lead level and time frame set forth in clauses (1) to (4) for purposes of secondary prevention:

(1) within 48 hours of a child or pregnant female in the residence being identified to the agency as having a venous blood lead level equal to or greater than 70 micrograms of lead per deciliter of whole blood;

(2) within five working days of a child or pregnant female in the residence being identified to the agency as having a venous blood lead level equal to or greater than 45 micrograms of lead per deciliter of whole blood;

(3) within ten working days of a child or pregnant female in the residence being identified to the agency as having a venous blood lead level equal to or greater than 20 micrograms of lead per deciliter of whole blood; or

(4) within ten working days of a child or pregnant female in the residence being identified to the agency as having a venous blood lead level that persists in the range of 15 to 19 micrograms of lead per deciliter of whole blood for 90 days after initial identification.

(b) Within the limits of available state and federal appropriations, an inspecting agency may also conduct a lead inspection for children with any elevated blood lead level.

(c) In a building with two or more dwelling units, an inspecting agency shall inspect the individual unit in which the conditions of this section are met and shall also inspect all common areas. If a child visits one or more other sites such as another residence, or a residential or commercial child care facility, playground, or school, the inspecting agency shall also inspect the other sites. The inspecting agency shall have one additional day added to the time frame set forth in this subdivision to complete the lead inspection for each additional site.

(d) Within the limits of appropriations, the inspecting agency shall identify the known addresses for the previous 12 months of the child or pregnant female with elevated venous blood lead levels of at least 20 micrograms per deciliter for the child or at least ten micrograms per deciliter for the pregnant female; notify the property owners, landlords, and tenants at those addresses that an elevated blood lead level was found in a person who resided at the property; and give them a copy of the lead inspection guide. The inspecting agency shall provide the notice required by this subdivision without identifying the child or pregnant female with the elevated blood lead level. The inspecting agency is not required to obtain the consent of the child's parent or guardian or the consent of the pregnant female for purposes of this subdivision. This information shall be classified as private data on individuals as defined under section 13.02, subdivision 12.

(e) The inspecting agency shall conduct the lead inspection according to rules adopted by the commissioner under section 144.9508. An inspecting agency shall have lead inspections performed by lead inspectors licensed by the commissioner according to rules adopted under section 144.9508. If a property owner refuses to allow an inspection, the inspecting agency shall begin legal proceedings to gain entry to the property and the time frame for conducting a lead inspection set forth in this subdivision no longer applies. An inspector or inspecting agency may observe the performance of lead hazard reduction in progress and shall enforce the provisions of this section under section 144.9509. Deteriorated painted surfaces, bare soil, dust, and drinking water must be tested with appropriate analytical equipment to determine the lead content, except that deteriorated painted surfaces or bare soil need not be tested if the property owner agrees to engage in lead hazard reduction on those surfaces.

(f) A lead inspector shall notify the commissioner and the board of health of all violations of lead standards under section 144.9508, that are identified in a lead inspection conducted under this section.

(g) Each inspecting agency shall establish an administrative appeal procedure which allows a property owner to contest the nature and conditions of any lead order issued by the inspecting agency. Inspecting agencies must consider appeals that propose lower cost methods that make the residence lead safe.

(h) Sections 144.9501 to 144.9509 neither authorize nor prohibit an inspecting agency from charging a property owner for the cost of a lead inspection."

Page 12, line 7, before "Section" insert "Sections 7 and 8 are effective August 1, 1998. Section 10 is effective August 1, 2000." and delete "8" and insert "13"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "modifying lead inspection and notice requirements;"

Page 1, line 10, after "sections" insert "62J.451, subdivision 6c;" and after "62J.54;" insert "144.212, by adding subdivisions;"

Page 1, line 11, after "subdivisions;" insert "144.9504, subdivision 2;"

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

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

S.F. No. 90: A bill for an act relating to legislative committees and commissions; updating statutory references to legislative committees; repealing references to abolished legislative commissions; amending Minnesota Statutes 1996, sections 3.30, subdivision 2; 3.754; 3.97, subdivision 2; 3.98, subdivisions 1 and 3; 8.15, subdivisions 3 and 4; 11A.041; 15.065; 15.16, subdivision 5; 15.161; 15.50, subdivision 2; 16A.011, subdivision 13; 16A.152, subdivision 6; 16A.19, subdivision 1; 16B.24, subdivisions 3, 3a, and 6; 16B.31, subdivision 3; 16B.335, subdivisions 1, 2, and 5; 16B.41, subdivision 2; 16B.87, subdivision 4; 16D.03, subdivision 3; 17B.15, subdivision 1; 18E.06; 43A.191, subdivision 3; 62R.25; 97A.0453; 115A.07, subdivisions 2 and 3; 115A.15, subdivision 5; 115A.158, subdivision 2; 115A.411, subdivision 1; 115A.55, subdivision 4; 115A.5501, subdivision 2; 115A.551, subdivisions 4 and 5; 115A.557, subdivision 4; 115A.965, subdivision 7; 115A.9651, subdivision 2; 115A.981, subdivision 3; 115B.20, subdivisions 1 and 6; 115B.43, subdivision 4; 115C.093; 115D.10; 116.072, subdivision 12; 116.125; 116C.712, subdivision 5; 116J.555, subdivision 2; 116O.071, subdivision 3; 116O.09, subdivision 2; 116P.05, subdivision 1; 116P.08, subdivision 3; 116P.09, subdivision 7; 124.078; 124.2131, subdivision 1; 135A.046, subdivision 3; 136F.60, subdivision 1; 136F.98, subdivision 1; 137.02, subdivision 3a; 144.056; 144.701, subdivision 4; 144A.071, subdivision 5; 169.832, subdivision 13; 174.02, subdivision 6; 192.52; 240.18, subdivision 2; 240A.03, subdivision 15; 241.01, subdivision 5; 241.275, subdivision 5; 245.90; 246.64, subdivision 3; 252.035; 252.50, subdivision 2; 253.015, subdivision 2; 256.014, subdivision 3; 256.016; 256.031, subdivision 3; 256.736, subdivisions 3a and 9; 256.9352, subdivision 3; 256.9657, subdivision 1c; 256B.0629, subdivision 3; 256B.69, subdivision 3a; 268.916; 270.0604, subdivision 4; 270.063; 270.0681, subdivision 2; 270.0682, subdivision 2; 270.71; 270.74; 273.1398, subdivision 2c; 352.04, subdivision 3; 352B.02, subdivision 1c; 354.42, subdivision 5; 354A.12, subdivision 2b; 355.50; 356.88, subdivision 1; 393.07, subdivision 5; 446A.072, subdivision 11; 473.149, subdivision 6; 473.3994, subdivision 9; 473.598, subdivision 3; 473.608, subdivision 12a; 473.845, subdivision 4; 473.846; and 473.848, subdivision 4; repealing Minnesota Statutes 1996, sections 3.841; 3.842; 3.843; 3.844; 3.845; 3.873; and 3.887.

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

Page 3, after line 7, insert:

"Sec. 2. Minnesota Statutes 1996, section 3.303, subdivision 2, is amended to read:

Subd. 2. The commission consists of ~~the majority leader of the senate, the president of the senate, two senators appointed by the majority leader, the minority leader of the senate, and one senator appointed by the minority leader~~ six members of the senate appointed by the subcommittee on committees of the committee on rules and administration, two of whom must be members of the minority; and the majority leader of the house of representatives, the speaker of the house of representatives, two representatives appointed by the speaker, the minority leader of the house of representatives, and one representative appointed by the minority leader. Each member shall serve until a successor is named during a regular session following appointment. A vacancy shall be filled for the unexpired term in the same manner as the original appointment."

Page 3, after line 26, insert:

"Sec. 4. Minnesota Statutes 1996, section 3.885, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The legislative commission on planning and fiscal policy consists of ~~18~~ nine members of the senate and ~~the house of representatives appointed by the legislative coordinating commission appointed by the subcommittee on committees of the committee on rules and administration and nine members of the house of representatives appointed by the speaker.~~ Vacancies on the commission are filled in the same manner as original appointments. The commission shall elect a chair and a vice-chair from among its members. The chair alternates between a member of the senate and a member of the house in January of each odd-numbered year."

Page 7, after line 21, insert:

"Sec. 14. Minnesota Statutes 1996, section 15.50, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE, MEMBERS, OFFICERS.] (a) The legislature finds that the purposes of the board are to (1) preserve and enhance the dignity, beauty and architectural integrity of the capitol, the buildings immediately adjacent to it, the capitol grounds, and the capitol area; (2) protect, enhance, and increase the open spaces within the capitol area when deemed necessary and desirable for the improvement of the public enjoyment thereof; (3) develop proper approaches to the capitol area for pedestrian movement, the highway system, and mass transit system so that the area achieves its maximum importance and accessibility; and (4) establish a flexible framework for growth of the capitol buildings which will be in keeping with the spirit of the original design.

(b) The capitol area architectural and planning board, herein referred to as the board, consists of ten members. The lieutenant governor shall be a member of the board. Four members shall be appointed by the governor; three members, one of whom shall be a resident of the district planning council area containing the capitol area, shall be appointed by the mayor of the city of Saint Paul, with the advice and consent of the city council. The speaker of the house shall appoint a member of the house of representatives and the ~~president~~ subcommittee on committees of the committee on rules and administration of the senate shall appoint one senator to be members of the board. Each person appointed to the board shall qualify by taking the oath of office.

(c) The lieutenant governor is the chair of the board. The attorney general is the legal advisor to the board. The board may elect a vice-chair who may preside at meetings in the absence of the lieutenant governor and such other officers as it may deem necessary to carry out its duties.

(d) The board shall select an executive secretary to serve the board. It may employ such other officers and employees as it may deem necessary all of whom shall be in the classified service of the state civil service. The board may contract for professional and other similar service on such terms as it may deem desirable."

Page 13, after line 31, insert:

"Sec. 16. Minnesota Statutes 1996, section 15.95, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The government information access council consists of the following members:

(1) all Minnesota residents who are members of the president's national information infrastructure advisory group;

(2) two commissioners of state agencies, appointed by the governor;

(3) one person appointed by the University of Minnesota board of regents;

(4) one person appointed by the board of trustees of the Minnesota state colleges and universities;

(5) one representative of public television, appointed by the Minnesota public television association;

(6) one representative aligned with the Minnesota equal access network, appointed by the board of the network;

(7) one member appointed by the telephone company providing access to the largest number of customers within the state;

(8) one corporate executive from a company that is a member of the Minnesota business partnership, selected by the partnership;

(9) one representative of the citizens league, appointed by the league;

(10) one member of the intergovernmental information systems advisory council, appointed by the council;

(11) one member appointed by the Minnesota AFL-CIO;

(12) one member of American Federation of State, County, and Municipal Employees, council 6, appointed by the executive board of council 6;

(13) one member of the joint media committee, appointed by the committee;

(14) one member representing each of the following groups, appointed by the members of the council appointed under clauses (1) to (13): telephone companies, the cable television industry, and librarians who manage government information;

(15) four additional members representing diverse communities, or private citizens with unique perspectives regarding information policy, appointed by the members of the council appointed under clauses (1) to (14);

(16) one person representing a telecommunication carrier providing interexchange service to the largest number of customers within the state, appointed by the members of the council appointed under clauses (1) to (14);

(17) one member representing a public utility regulated under chapter 216B, appointed by the members of the council appointed under clauses (1) to (14); and

(18) one member representing nonprofit cable communication access centers serving community populations, appointed by members of the council appointed under clauses (1) to (14).

One member of the house of representatives, appointed by the speaker; ~~one member of the senate, appointed by the subcommittee on committees of the committee on rules and administration;~~ one member of the house of representatives, appointed by the minority leader; and ~~one member~~ two members of the senate, appointed by the ~~minority leader subcommittee on committees of the committee on rules and administration,~~ one of whom must be a member of the minority, shall serve as members of the council without votes.

Sec. 17. Minnesota Statutes 1996, section 15A.082, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The compensation council consists of 16 members: two members of the house of representatives appointed by the speaker of the house of representatives; ~~two members of the senate appointed by the majority leader of the senate;~~ one member of the house of representatives appointed by the minority leader of the house of representatives; ~~one member~~ three members of the senate appointed by the minority leader subcommittee on committees of the committee on rules and administration, one of whom must be a member of the minority; two nonjudges appointed by the chief justice of the supreme court; and one member from each congressional district appointed by the governor, of whom no more than four may belong to the same political party. Appointments must be made by October 1. The compensation and removal of members appointed by the governor or the chief justice shall be as provided in section 15.059, subdivisions 3 and 4. The legislative coordinating commission shall provide the council with administrative and support services."

Page 14, line 34, after "the" insert "appropriate" and reinstate the stricken "committee" and delete "committees"

Page 16, line 10, after "means" insert "committee" and after "and" insert "the appropriate" and strike "committees" and insert "committee"

Page 17, delete line 19 and insert "representatives ~~appropriations~~ ways and means committee"

Page 17, line 20, delete the new language

Page 19, line 29, after the second "the" insert "appropriate" and reinstate the stricken "committee" and delete "committees"

Page 23, line 5, after "means" insert "committee" and after "and" insert "the appropriate"

Page 23, line 6, strike "committees" and insert "committee"

Page 24, line 16, strike "TO WATER COMMISSION"

Page 42, after line 7, insert:

"Sec. 58. Minnesota Statutes 1996, section 116J.581, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is created a task force on the state's economic future and competitiveness. The task force is composed of the governor (ex officio); the commissioners of the departments of economic security, trade and economic development, commerce, and labor and industry; the chancellor of the board of trustees of the Minnesota state colleges and universities; the president of the largest statewide Minnesota organized labor organization as measured by the number of its members in affiliated labor organizations; the deans of the business schools at the University of Minnesota and St. Thomas University and the Hubert H. Humphrey Institute of Public Affairs; the science and technology advisor to the governor; six representatives from private sector businesses appointed by the governor, two from companies with more than 1,000 employees, two from companies with 101 to 1,000 employees, and two from companies with less than 100 employees; two members representing environmental interests; and ~~designees of the majority leader~~ a member of the senate appointed by the subcommittee on committees of the committee on rules and administration and a member of the house of representatives appointed by the minority leader of the house of representatives. The chair of the task force shall be elected by the members from the private sector members. Terms of private sector members shall be for a minimum of three years and a maximum of five years.

Sec. 59. Minnesota Statutes 1996, section 116J.693, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] (a) Advantage Minnesota, Inc. shall be governed by a board of directors consisting of voting and nonvoting members.

(b) The voting members of the board shall be:

(1) representatives of business, professional, and industry organizations that have been certified by the commissioner as having made a financial contribution to Advantage Minnesota, Inc. for their period of service in accordance with matching funds requirements established by the commissioner;

(2) representatives of labor organizations and educational institutions, if any, as designated from time to time by the board;

(3) the governor or a designee of the governor;

(4) the commissioner; and

(5) other persons, if any, as designated from time to time by the board.

(c) The nonvoting members of the board shall be ~~the majority and minority leaders~~ two members of the senate, appointed by the subcommittee on committees of the committee on rules and administration, one of whom must be a member of the minority, and the speaker of the house of representatives and the minority leader of the house of representatives, or their designees.

(d) Meetings of the board are subject to section 471.705.

Sec. 60. Minnesota Statutes 1996, section 116O.03, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a board of 14 directors. The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575. Membership of the board consists of the following:

(1) a person from the private sector, appointed by the governor, who shall act as chair and serve as chief science advisor to the governor and the legislature;

(2) the dean of the institute of technology of the University of Minnesota;

(3) the dean of the graduate school of the University of Minnesota;

(4) the commissioner of the department of trade and economic development;

(5) six members appointed by the governor, at least one of whom must be a person from a public post-secondary system other than the University of Minnesota; ~~and~~

(6) one member who is not a member of the legislature appointed by each of the following: the speaker of the house of representatives; and the house of representatives minority leader; ~~the senate majority leader, and the senate minority leader; and~~

(7) two members who are not members of the legislature appointed by the subcommittee on committees of the senate committee on rules and administration.

At least 50 percent of the members described in clauses (5) and (6) must live outside the metropolitan area as defined in section 473.121, subdivision 2, and must have experience in manufacturing, the technology industry, or research and development."

Page 43, line 30, strike "and senate"

Page 43, line 31, strike "or designees appointed for the terms of the"

Page 43, line 32, strike "chairs, the chairs of the" and insert "and" and strike "and senate" and delete "state"

Page 43, line 33, delete the new language and strike "finance committees"

Page 43, line 34, strike "six" and insert "eight"

Page 45, after line 24, insert:

"Sec. 66. Minnesota Statutes 1996, section 119B.17, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; MEMBERS.] The Minnesota early childhood care and education council shall consist of 19 members appointed by the governor. Members must represent the following groups and organizations: parents, family child care providers, child care center providers, private foundations, corporate executives, small business owners, and public school districts. The council membership also includes the commissioners of human services, economic security, children, families, and learning, and health; a representative of the higher education services office; a representative of the Minnesota headstart association; representatives of two Minnesota counties; three members from child care resource and referral programs, one of whom shall be from a county-operated resource and referral, one of whom shall be from a rural location, and one of whom shall be from the metropolitan area; and a community group representative. The governor shall consult with the councils established under sections 3.922, 3.9223, 3.9225, and 3.9226, representing the communities of color, to ensure that membership of the council is representative of all racial minority groups. In addition to the 19 members appointed by the governor, two members of the senate shall be appointed by the ~~president of the senate~~ subcommittee on committees of the committee on rules and administration and two members of the house of representatives shall be appointed by the speaker of the house to serve as ~~ex-officio~~

nonvoting members of the council. Membership terms, compensation, and removal of members are governed by section 15.059, except that the council shall not expire as required by that section.

Sec. 67. Minnesota Statutes 1996, section 121.703, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) The commission consists of 18 voting members. Voting members shall include the commissioner of children, families, and learning, a representative of the children's cabinet elected by the members of the children's cabinet, and the executive director of the higher education services office.

(b) The governor shall appoint 15 additional voting members. Eight of the voting members appointed by the governor shall include a representative of public or nonprofit organizations experienced in youth employment and training, organizations promoting adult service and volunteerism, community-based service agencies or organizations, local public or private sector labor unions, local governments, business, a national service program, and Indian tribes. The remaining seven voting members appointed by the governor shall include an individual with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth; a youth or young adult who is a participant in a higher education-based service-learning program; a disabled individual representing persons with disabilities; a youth who is out-of-school or disadvantaged; an educator of primary or secondary students; an educator from a higher education institution; and an individual between the ages of 16 and 25 who is a participant or supervisor in a youth service program.

(c) The governor shall appoint up to five ex officio nonvoting members from among the following agencies or organizations: the departments of economic security, natural resources, human services, health, corrections, agriculture, public safety, finance, and labor and industry, the Minnesota office of citizenship and volunteer services, the housing finance agency, and Minnesota Technology, Inc. A representative of the corporation for national and community service shall also serve as an ex officio nonvoting member.

(d) Voting and ex officio nonvoting members may appoint designees to act on their behalf. The number of voting members who are state employees shall not exceed 25 percent.

(e) The governor shall ensure that, to the extent possible, the membership of the commission is balanced according to geography, race, ethnicity, age, and gender. The speaker of the house and the ~~majority leader~~ subcommittee on committees of the committee on rules and administration of the senate shall each appoint two legislators to be nonvoting members of the commission."

Page 45, line 33, strike "education committees of the legislature" and insert "house committee on education and the senate K-12 education budget division"

Page 49, after line 36, insert:

"Sec. 74. Minnesota Statutes 1996, section 138.763, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] There is a St. Anthony Falls heritage board consisting of 22 members with the director of the Minnesota historical society as chair. The members include the mayor; the chair of the Hennepin county board of commissioners or the chair's designee; the president of the Minneapolis park and recreation board or the president's designee; the superintendent of the park board; two members each from the house of representatives appointed by the speaker, the senate appointed by the subcommittee on committees of the rules committee on rules and administration, the city council, the Hennepin county board, and the park board; one member each from the preservation commission, the preservation office, Hennepin county historical society, and the society; one person appointed by the park board; and two persons appointed by the chair of the board."

Page 52, after line 14, insert:

"Sec. 78. Minnesota Statutes 1996, section 144E.01, subdivision 2, is amended to read:

Subd. 2. [~~EX—OFFICIO~~ NONVOTING MEMBERS.] The speaker of the house of

representatives and the subcommittee on committees of the committee on rules and administration of the senate shall appoint one representative and one senator to serve as ~~ex officio~~, nonvoting members."

Page 57, delete section 73

Pages 57 and 58, delete sections 75 and 76

Pages 60 and 61, delete section 80

Pages 63 to 65, delete section 82

Page 71, after line 1, insert:

"Sec. 95. Minnesota Statutes 1996, section 268.665, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The governor's workforce development council is composed of 32 members appointed by the governor. The members may be removed pursuant to section 15.059. In selecting the representatives of the council, the governor shall ensure that 50 percent of the members come from nominations provided by local workforce councils. Local education representatives shall come from nominations provided by local education to employment partnerships. The 32 members shall represent the following sectors:

(a) State agencies: the following individuals shall serve on the council:

- (1) commissioner of the Minnesota department of economic security;
- (2) commissioner of the Minnesota department of children, families, and learning;
- (3) commissioner of the Minnesota department of human services; and
- (4) commissioner of the Minnesota department of trade and economic development.

(b) Business and industry: six individuals shall represent the business and industry sectors of Minnesota.

(c) Organized labor: six individuals shall represent labor organizations of Minnesota.

(d) Community-based organizations: four individuals shall represent community-based organizations of Minnesota. Community-based organizations are defined by the Job Training Partnership Act as private nonprofit organizations that are representative of communities or significant segments of communities and that provide job training services, agencies serving youth, agencies serving individuals with disabilities, agencies serving displaced homemakers, union-related organizations, and employer-related nonprofit organizations and organizations serving nonreservation Indians and tribal governments.

(e) Education: five individuals shall represent the education sector of Minnesota as follows:

- (1) one individual shall represent local public secondary education;
- (2) one individual shall have expertise in design and implementation of school-based service-learning;
- (3) one individual shall represent post-secondary education;
- (4) one individual shall represent secondary/post-secondary vocational institutions; and
- (5) the chancellor of the board of trustees of the Minnesota state colleges and universities.

(f) Other: two individuals shall represent other constituencies including:

- (1) units of local government; and

(2) applicable state or local programs.

The speaker and the minority leader of the house of representatives shall each appoint a representative to serve as ~~an ex officio~~ a nonvoting member of the council. ~~The majority and minority leaders subcommittee on committees of the committee on rules and administration of the senate shall each appoint a senator~~ two senators to serve as an ex officio member nonvoting members of the council, one of whom must be a member of the minority. After January 1, 1997, the Minnesota director of the corporation for national service shall also serve as an ex officio member.

(g) Appointment: each member shall be appointed for a term of three years from the first day of January or July immediately following their appointment. Elected officials shall forfeit their appointment if they cease to serve in elected office.

(h) Members of the council are compensated as provided in section 15.059, subdivision 3."

Page 75, after line 5, insert:

"Sec. 104. Minnesota Statutes 1996, section 299C.65, subdivision 2, is amended to read:

Subd. 2. [REPORT, TASK FORCE.] The policy group shall file an annual report with the governor, supreme court, and legislature by December 1 of each even-numbered year.

The report must make recommendations concerning any legislative changes or appropriations that are needed to ensure that the criminal justice information systems operate accurately and efficiently. To assist them in developing their recommendations, the chair, the commissioners, and the administrator shall appoint a task force consisting of the members of the criminal and juvenile justice information policy group or their designees and the following additional members:

- (1) the director of the office of strategic and long-range planning;
- (2) two sheriffs recommended by the Minnesota sheriffs association;
- (3) two police chiefs recommended by the Minnesota chiefs of police association;
- (4) two county attorneys recommended by the Minnesota county attorneys association;
- (5) two city attorneys recommended by the Minnesota league of cities;
- (6) two public defenders appointed by the board of public defense;
- (7) two district judges appointed by the conference of chief judges, one of whom is currently assigned to the juvenile court;
- (8) two community corrections administrators recommended by the Minnesota association of counties, one of whom represents a community corrections act county;
- (9) two probation officers;
- (10) two public members, one of whom has been a victim of crime;
- (11) two court administrators;
- (12) two members of the house of representatives appointed by the speaker of the house; and
- (13) two members of the senate appointed by the ~~majority leader~~ subcommittee on committees of the committee on rules and administration."

Pages 81 and 82, delete section 105

Page 84, line 18, strike "chair" and insert "chairs" and before "taxes" insert "senate committees on local and metropolitan government and on"

Page 84, line 19, strike "committee of the senate"

Page 86, lines 33 and 34, delete "3.841; 3.842; 3.843; 3.844; 3.845;"

Page 86, line 34, delete "and 3.887" and insert "3.887; and 241.275, subdivision 5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring certain appointments of members of the senate to be made by the subcommittee on committees of the committee on rules and administration;"

Page 1, delete line 6 and insert "1996, sections 3.30, subdivision 2; 3.303, subdivision 2; 3.754; 3.885, subdivision 1; 3.97,"

Page 1, line 9, delete "subdivision 2" and insert "subdivisions 1 and 2; 15.95, subdivision 1; 15A.082, subdivision 2"

Page 1, line 23, after "116.125;" insert "116J.581, subdivision 1;"

Page 1, line 24, before "116O.071" insert "116J.693, subdivision 2; 116O.03, subdivision 2;"

Page 1, line 27, before "124.078" insert "119B.17, subdivision 1; 121.703, subdivision 2;"

Page 1, line 29, before "144.056" insert "138.763, subdivision 1;"

Page 1, line 31, before "169.832" insert "144E.01, subdivision 2;"

Page 1, line 33, delete everything after the second semicolon

Page 1, line 34, delete "246.64, subdivision 3; 252.035;"

Page 1, line 36, delete "256.016;"

Page 1, line 37, delete "subdivisions 3a and" and insert "subdivision"

Page 1, line 39, before "268.916" insert "268.665, subdivision 2;"

Page 1, line 42, before "352.04" insert "299C.65, subdivision 2;"

Page 1, line 46, delete "473.3994, subdivision 9;"

Page 2, line 3, delete "3.841;"

Page 2, line 4, delete "3.842; 3.843; 3.844; 3.845;" and delete "and 3.887" and insert "3.887; and 241.275, subdivision 5"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 500, 53, 333 and 90 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Spear moved that the name of Mr. Johnson, D.E. be added as a co-author to S.F. No. 1369. The motion prevailed.

Ms. Berglin moved that S.F. No. 430 be withdrawn from the Committee on Health and Family

Security and re-referred to the Committee on Governmental Operations and Veterans. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages from the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 100, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 100 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 13, 1997

CONFERENCE COMMITTEE REPORT ON H.F. NO. 100

A bill for an act relating to public safety; providing for emergency expenditures related to the continuing severe weather conditions and their aftermath; providing additional funding for state road operations and state trooper overtime in fiscal year 1997; making certain cross-reference corrections; appropriating money; amending Minnesota Statutes 1996, sections 84.912, subdivision 1; 86B.337, subdivision 1; 168.042, subdivision 1; 169.121, subdivision 4; 169.1217, subdivision 1; 171.043; 171.24, subdivision 5; 171.30, subdivision 3; and 171.305, subdivision 5.

March 12, 1997

The Honorable Phil Carruthers
Speaker of the House of Representatives

The Honorable Allan H. Spear
President of the Senate

We, the undersigned conferees for H.F. No. 100, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 100 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

EMERGENCY SNOW AND FLOOD FUNDING

Section 1. [APPROPRIATION FOR 1997 SEVERE WEATHER AFFECTING PUBLIC SAFETY.]

Subdivision 1. [COORDINATION.] A special 1997 severe weather appropriation is authorized. Reimbursement to counties, cities, and towns under this section must be coordinated in so far as possible, and subject to immediate public safety concerns, with emergency federal funding for the same or similar purposes.

Subd. 2. [ALLOCATION OF FUNDS.] The appropriation in this article must be distributed as follows:

(a) \$6,000,000 is available:

(1) for the state match of federal disaster funds for 1997 snow-related disaster costs according to the formula agreed to by the state and the federal emergency management agency (FEMA);

(2) to fund what would otherwise be the local government match for eligible 1997 snow-related disaster costs in the formula in clause (1); and

(3) to fund the ten percent of snow removal costs determined by the FEMA to be ineligible for federal reimbursement;

(b) \$3,000,000 is reserved for assistance associated with 1997 flooding or related emergencies that affect public safety to be distributed as follows:

(1) for the state match of federal disaster funds for any 1997 flood-related disaster costs according to the formula agreed to by the state and FEMA;

(2) for other 1997 flood-related costs not covered in clause (1); and

(3) for the purposes specified in paragraph (a) if, by June 30, 1997, the commissioner of public safety determines that all or any part of the funds reserved in this paragraph are not needed for the purposes specified in clauses (1) and (2); and

(c) \$11,000,000 shall be distributed according to a formula that compares snow removal expenditures of local government units for calendar year 1996 to the average annual snow removal expenses for calendar years 1993, 1994, and 1995.

Subd. 3. [DISTRIBUTION OF FUNDS.] The commissioner of public safety must notify local governments of the availability of state disaster relief funds and of the information that must be submitted to obtain funds. To receive reimbursement of 1996 snowplowing expenditures or to match federal disaster assistance, a county, city, or town must request the aid and provide relevant information to the commissioner. The commissioner may require documentation of costs reported by a county, city, or town. The commissioner shall review the request, determine the appropriate amount of the reimbursement or match, and distribute funds accordingly.

Subd. 4. [NO PRECEDENT SET.] Funding by the state in this section for costs that would otherwise be a local fiscal responsibility under funding formulas negotiated by the state with FEMA is not to be considered a precedent for any future disaster funding.

Sec. 2. [APPROPRIATION.]

\$20,000,000 in fiscal year 1997 is appropriated from the general fund to the commissioner of public safety to be spent as provided in section 1, except that the commissioner may use up to \$15,000 of this appropriation for administration of this program. This appropriation does not cancel, but is available until expended.

Sec. 3. [EFFECTIVE DATE.]

This article is effective the day after its final enactment.

ARTICLE 2

TRUNK HIGHWAY FUNDING

Section 1. [STATE HIGHWAY OPERATIONS; APPROPRIATION.]

\$16,000,000 is appropriated from the trunk highway fund to the commissioner of transportation for state road operations. This amount is added to the appropriation for state road operations for fiscal year 1997 in Laws 1995, chapter 265, article 2, section 2, subdivision 8.

Sec. 2. [STATE PATROL; APPROPRIATION.]

\$95,000 is appropriated from the trunk highway fund to the commissioner of public safety for state trooper overtime costs in fiscal year 1997 related to winter weather emergencies. This appropriation is added to the appropriation for the state patrol for fiscal year 1997 in Laws 1995, chapter 265, article 2, section 5, subdivision 3.

Sec. 3. [EFFECTIVE DATE.]

This article is effective the day after its final enactment.

ARTICLE 3
TECHNICAL

Section 1. Minnesota Statutes 1996, section 12.221, subdivision 3, is amended to read:

Subd. 3. [GOVERNOR'S AUTHORIZED REPRESENTATIVE.] The state director may serve as the governor's authorized representative. As such, the state director may apply for and enter into an agreement with any federal agency to accept and administer federal financial assistance made available to the state as a result of a disaster declaration. Federal money received is appropriated to the state director, who shall report its expenditure to the chairs of the house of representatives ways and means committee and the appropriate senate finance committee.

Sec. 2. Minnesota Statutes 1996, section 84.912, subdivision 1, is amended to read:

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

- (a) "All-terrain vehicle" has the meaning given in section 84.92, subdivision 8.
- (b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.
- (c) "Designated offense" means a violation of section 84.91 or an ordinance in conformity with it:
 - (1) occurring within five years of the first of three prior impaired driving convictions or the first of three prior license revocations based on separate impaired driving incidents;
 - (2) occurring within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate impaired driving incidents;
 - (3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9); or
 - (4) by a person who is subject to a restriction on the person's driver's license under section 171.09 that provides that the person may not use or consume any amount of alcohol or a controlled substance.
- (d) "Owner" means the registered owner of the snowmobile or all-terrain vehicle according to records of the department of natural resources and includes a lessee of a snowmobile or all-terrain vehicle if the lease agreement has a term of 180 days or more.
- (e) "Prior impaired driving conviction" has the meaning given in section 169.121, subdivision 3.
- (f) "Prior license revocation" has the meaning given in section 169.121, subdivision 3.
- (g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.
- (h) "Snowmobile" has the meaning given in section 84.81, subdivision 3.
- (i) "Vehicle" means a snowmobile or an all-terrain vehicle.

Sec. 3. Minnesota Statutes 1996, section 86B.337, subdivision 1, is amended to read:

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

(a) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) "Designated offense" means a violation of section 86B.331 or an ordinance in conformity with it:

(1) occurring within five years of the first of three prior impaired driving convictions or the first of three prior license revocations based on separate impaired driving incidents;

(2) occurring within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate impaired driving incidents;

(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9); or

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

(c) "Motorboat" has the meaning given in section 86B.005, subdivision 9.

(d) "Owner" means the registered owner of the motorboat according to records of the department of natural resources and includes a lessee of a motorboat if the lease agreement has a term of 180 days or more.

(e) "Prior impaired driving conviction" has the meaning given in section 169.121, subdivision 3.

(f) "Prior license revocation" has the meaning given in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Sec. 4. Minnesota Statutes 1996, section 168.042, subdivision 1, is amended to read:

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

(b) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the violation occurred.

(c) "Violation" means:

(1) a violation of section 169.123 or an impaired driving conviction as defined in section 169.121, subdivision 3, that results in the revocation of a person's driver's license or driving privileges, and also includes an alcohol-related license revocation from another state;

(2) a violation of section 169.129; and

(3) a violation of section 171.24 by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9).

Sec. 5. Minnesota Statutes 1996, section 169.121, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATIVE PENALTIES.] (a) The commissioner of public safety shall revoke the driver's license of a person convicted of violating this section or an ordinance in conformity with it as follows:

(1) for an offense under subdivision 1: not less than 30 days;

(2) for an offense under subdivision 1a: not less than 90 days;

(3) for an offense occurring within five years after a prior impaired driving conviction or a prior

license revocation, or any time after two or more prior impaired driving convictions or prior license revocations: (i) if the current conviction is for a violation of subdivision 1, not less than 180 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126; or (ii) if the current conviction is for a violation of subdivision 1a, not less than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;

(4) for an offense occurring within five years after the first of two prior impaired driving convictions or prior license revocations: not less than one year, together with denial under section 171.04, subdivision 1, clause ~~(8)~~ (9), until rehabilitation is established in accordance with standards established by the commissioner;

(5) for an offense occurring any time after three or more prior impaired driving convictions or prior license revocations: not less than two years, together with denial under section 171.04, subdivision 1, clause ~~(8)~~ (9), until rehabilitation is established in accordance with standards established by the commissioner.

(b) If the person convicted of violating this section is under the age of 21 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges for a period of six months or for the appropriate period of time under paragraph (a), clauses (1) to (5), for the offense committed, whichever is the greatest period.

(c) For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.

(d) Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

(e) Except for a person whose license has been revoked under paragraph (b), and except for a person who commits a violation described in subdivision 3, paragraph (c), clause (4), (child endangerment), any person whose license has been revoked pursuant to section 169.123 as the result of the same incident, and who does not have a prior impaired driving conviction or prior license revocation within the previous ten years, is subject to the mandatory revocation provisions of paragraph (a), clause (1) or (2), in lieu of the mandatory revocation provisions of section 169.123.

(f) As used in this subdivision, the terms "prior impaired driving conviction" and "prior license revocation" have the meanings given in subdivision 3, paragraph (a).

Sec. 6. Minnesota Statutes 1996, section 169.1217, subdivision 1, is amended to read:

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

(a) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) "Designated offense" includes a violation of section 169.121, an ordinance in conformity with it, or 169.129:

(1) within five years of three prior impaired driving convictions or three prior license revocations based on separate incidents;

(2) within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate incidents;

(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9); or

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

"Designated offense" also includes a violation of section 169.121, subdivision 3, paragraph (c), clause (4):

(1) within five years of two prior impaired driving convictions or two prior license revocations based on separate incidents; or

(2) within 15 years of the first of three or more prior impaired driving convictions or the first of three or more prior license revocations based on separate incidents.

(c) "Motor vehicle" and "vehicle" have the meaning given "motor vehicle" in section 169.121, subdivision 11. The terms do not include a vehicle which is stolen or taken in violation of the law.

(d) "Owner" means the registered owner of the motor vehicle according to records of the department of public safety and includes a lessee of a motor vehicle if the lease agreement has a term of 180 days or more.

(e) "Prior impaired driving conviction" has the meaning given it in section 169.121, subdivision 3. A prior impaired driving conviction also includes a prior juvenile adjudication that would have been a prior impaired driving conviction if committed by an adult.

(f) "Prior license revocation" has the meaning given it in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Sec. 7. Minnesota Statutes 1996, section 171.043, is amended to read:

171.043 [NOTICE OF PERSONS UNDER DRIVER'S LICENSE CANCELLATION.]

The commissioner of public safety shall develop a program under which the commissioner provides a monthly notice to local law enforcement agencies of the names and addresses of persons residing within the local agency's jurisdiction whose driver's licenses or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9). At the commissioner's discretion, the commissioner may adopt necessary procedures so that the information is current and accurate. Data in the notice are private data on individuals and are available to law enforcement agencies.

Sec. 8. Minnesota Statutes 1996, section 171.24, subdivision 5, is amended to read:

Subd. 5. [GROSS MISDEMEANOR.] A person is guilty of a gross misdemeanor if:

(1) the person's driver's license or driving privilege has been canceled or denied under section 171.04, subdivision 1, clause ~~(8)~~ (9);

(2) the person has been given notice of or reasonably should know of the cancellation or denial; and

(3) the person disobeys the order by operating in this state any motor vehicle, the operation of which requires a driver's license, while the person's license or privilege is canceled or denied.

Sec. 9. Minnesota Statutes 1996, section 171.30, subdivision 3, is amended to read:

Subd. 3. [CONDITIONS ON ISSUANCE.] The commissioner shall issue a limited license restricted to the vehicles whose operation is permitted only under a class A, class B, or class C license whenever a class A, class B, or class C license has been suspended under section 171.18, or revoked under section 171.17, for violation of the highway traffic regulation act committed in a private passenger motor vehicle. This subdivision shall not apply to any persons described in section 171.04, subdivision 1, clauses ~~(4)~~, (5), (6), ~~(8)~~ (7), (9), (10), and ~~(11)~~ (12), or any person

whose license or privilege has been suspended or revoked for a violation of section 169.121 or 169.123, or a statute or ordinance from another state in conformity with either of those sections.

Sec. 10. Minnesota Statutes 1996, section 171.305, subdivision 5, is amended to read:

Subd. 5. [ISSUANCE OF LIMITED LICENSE.] The commissioner may issue a limited license to a person whose driver's license has been canceled and denied due to an alcohol or controlled substance related incident under section 171.04, subdivision 1, clause ~~(8)~~ (9), under the following conditions:

- (1) at least one-half of the person's required abstinence period has expired;
- (2) the person has completed all rehabilitation requirements; and
- (3) the person agrees to drive only a motor vehicle equipped with a functioning and certified ignition interlock device.

Sec. 11. [EFFECTIVE DATES.]

Section 1 is effective retroactively to August 1, 1996. Sections 2 to 10 are effective retroactively to February 1, 1997."

Delete the title and insert:

"A bill for an act relating to public safety; providing for emergency expenditures related to the continuing severe weather conditions and their aftermath; providing additional funding for state road operations and state trooper overtime in fiscal year 1997; making certain cross-reference corrections; reinstating authority inadvertently stricken; appropriating money; amending Minnesota Statutes 1996, sections 12.221, subdivision 3; 84.912, subdivision 1; 86B.337, subdivision 1; 168.042, subdivision 1; 169.121, subdivision 4; 169.1217, subdivision 1; 171.043; 171.24, subdivision 5; 171.30, subdivision 3; and 171.305, subdivision 5."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Stephen G. Wenzel, Bernard L. "Bernie" Lieder, Al Juhnke, Marty Seifert, Richard Mulder

Senate Conferees: (Signed) Jim Vickerman, Keith Langseth, Cal Larson, Carol Flynn, Dennis R. Frederickson

Mr. Vickerman moved that the foregoing recommendations and Conference Committee Report on H.F. No. 100 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 100 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Junge	Lesewski	Novak
Beckman	Foley	Kelley, S.P.	Lessard	Oliver
Belanger	Frederickson	Kelly, R.C.	Limmer	Olson
Berg	Hanson	Kiscaden	Lourey	Ourada
Berglin	Higgins	Kleis	Marty	Pappas
Betzold	Hottinger	Knutson	Metzen	Pariseau
Cohen	Janezich	Krentz	Moe, R.D.	Piper
Day	Johnson, D.E.	Laidig	Morse	Pogemiller
Dille	Johnson, D.H.	Langseth	Murphy	Price
Fischbach	Johnson, D.J.	Larson	Neuville	Ranum

Robertson
Robling
Runbeck
Sams

Samuelson
Scheevel
Scheid

Solon
Spear
Stevens

Stumpf
Ten Eyck
Terwilliger

Vickerman
Wiener
Wiger

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Morse moved that S.F. No. 234 be withdrawn from the Committee on Governmental Operations and Veterans and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Morse moved that S.F. No. 819 be withdrawn from the Committee on Governmental Operations and Veterans and re-referred to the Committee on Judiciary. The motion prevailed.

MEMBERS EXCUSED

Mr. Pogemiller was excused from the Session of today from 10:00 to 10:30 a.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:00 a.m., Thursday, March 20, 1997. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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