

STATE OF MINNESOTA

Journal of the Senate

EIGHTIETH LEGISLATURE

SPECIAL SESSION

FIRST DAY

St. Paul, Minnesota, Thursday, June 26, 1997

The Senate met at 10:30 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. Richard Keene Smith.

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

The Secretary called the roll by legislative districts in numerical order as follows:

First District	LeRoy A. Stumpf
Second District	Roger D. Moe
Third District	Bob Lessard
Fourth District	David J. Ten Eyck
Fifth District	Jerry R. Janezich
Sixth District	Douglas J. Johnson
Seventh District	Sam G. Solon
Eighth District	Becky Lourey
Ninth District	Keith Langseth
Tenth District	Cal Larson
Eleventh District	Dallas C. Sams
Twelfth District	Don Samuelson
Thirteenth District	Charles A. Berg
Fourteenth District	Michelle L. Fischbach
Fifteenth District	Dean E. Johnson
Sixteenth District	Dave Kleis
Seventeenth District	Dan Stevens
Eighteenth District	Janet B. Johnson
Nineteenth District	Mark Ourada
Twentieth District	Steve Dille
Twenty-first District	Arlene J. Lesewski
Twenty-second District	Jim Vickerman
Twenty-third District	Dennis R. Frederickson
Twenty-fourth District	John C. Hottinger
Twenty-fifth District	Thomas M. Neuville
Twenty-sixth District	Tracy L. Beckman

Twenty-seventh District	Pat Piper
Twenty-eighth District	Dick Day
Twenty-ninth District	Steve Murphy
Thirtieth District	Sheila M. Kiscaden
Thirty-first District	Kenric J. Scheevel
Thirty-second District	Steven Morse
Thirty-third District	Warren Limmer
Thirty-fourth District	Gen Olson
Thirty-fifth District	Claire Robling
Thirty-sixth District	David L. Knutson
Thirty-seventh District	Pat Pariseau
Thirty-eighth District	Deanna Wiener
Thirty-ninth District	James P. Metzen
Fortieth District	Dave H. Johnson
Forty-first District	William V. Belanger, Jr.
Forty-second District	Roy Terwilliger
Forty-third District	Edward C. Oliver
Forty-fourth District	Steve P. Kelley
Forty-fifth District	Martha R. Robertson
Forty-sixth District	Ember R. Junge
Forty-seventh District	Linda Scheid
Forty-eighth District	Don Betzold
Forty-ninth District	Leo Foley
Fiftieth District	Paula E. Hanson
Fifty-first District	Jane Krentz
Fifty-second District	Steven G. Novak
Fifty-third District	Linda Runbeck
Fifty-fourth District	John Marty
Fifty-fifth District	Charles "Chuck" Wiger
Fifty-sixth District	Gary W. Laidig
Fifty-seventh District	Leonard R. Price
Fifty-eighth District	Linda Higgins
Fifty-ninth District	Lawrence J. Pogemiller
Sixtieth District	Allan H. Spear
Sixty-first District	Linda Berglin
Sixty-second District	Carol Flynn
Sixty-third District	Jane B. Ranum
Sixty-fourth District	Richard J. Cohen
Sixty-fifth District	Sandra L. Pappas
Sixty-sixth District	Ellen R. Anderson
Sixty-seventh District	Randy C. Kelly

The President declared a quorum present.

MEMBERS EXCUSED

Mr. Foley, Ms. Kiscaden, Mrs. Pariseau, Messrs. Sams and Scheevel were excused from the Session of today.

STATE OF MINNESOTA**PROCLAMATION**

WHEREAS: Article IV, Section 12 of the Constitution of the State of Minnesota provides that a Special Session of the Legislature may be called by the Governor on extraordinary occasions; and

WHEREAS: The Eightieth Legislature adjourned without enacting essential legislation to provide for the orderly management of state government; and

WHEREAS: The time permitted by law for passage of such legislation during the 1997 Session for the Legislature has expired, and an extraordinary occasion is thereby created; and

WHEREAS: The people of Minnesota are best served by a prompt conclusion of legislative business, with a limited agenda and, to the extent possible, prior agreement on laws to be enacted;

NOW, THEREFORE I, Arne H. Carlson, Governor of the State of Minnesota, do hereby summon you, members of the Legislature, to convene in Special Session on June 26, 1997 at 10:30 a.m. at the Capitol in Saint Paul, Minnesota.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed at the State Capitol this nineteenth day of June in the year of our Lord one thousand nine hundred and ninety-seven, and of the State the one hundred thirty-ninth.

Arne H. Carlson
GOVERNOR

Joan Anderson Growe
SECRETARY OF STATE

MOTIONS AND RESOLUTIONS**Messrs. Moe, R.D. and Johnson, D.E. introduced--**

Senate Resolution No. 1: A Senate resolution relating to organization and operation of the Senate during the Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Senate is organized under Minnesota Statutes, sections 3.073 and 3.103.

The Rules of the Senate for the 80th Legislature are the Rules for the Special Session, except that Rules 33, 40, and 57 are not operative other than as provided in this resolution.

The Committee on Rules and Administration is established in the same manner and with the same powers as in the 80th Legislature.

With respect to Rule 31, Reconsideration, a notice of intention to move for reconsideration is not in order, but a motion to reconsider may be made, and when made has priority over other business except a motion to adjourn.

Mr. Moe, R.D. moved the adoption of the foregoing resolution.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Messrs. Moe, R.D. and Johnson, D.E. introduced--

Senate Resolution No. 2: A Senate resolution relating to notifying the House of Representatives and the Governor that the Senate is organized.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the House of Representatives and the Governor that the Senate is now duly organized under the Minnesota Constitution and Minnesota Statutes.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Messrs. Foley, Spear, Knutson and Ms. Junge introduced--

S.F. No. 1: A bill for an act relating to crimes; driving while impaired; creating a zero-tolerance alcohol concentration standard for school bus drivers; advancing criminal penalties and administrative sanctions for committing a DWI crime while having an alcohol concentration of 0.20 or more; expanding DWI laws to include snowmobiles, all-terrain vehicles, and motorboats and repealing the separate DWI laws relating to those recreational vehicles; authorizing the imposition of a penalty assessment of up to \$1,000 for persons driving motor vehicles with an alcohol concentration of 0.20 or more; creating an enhanced gross misdemeanor-level DWI crime and restructuring criminal penalties for DWI, including the provision of mandatory minimum periods of incarceration and home detention for repeat DWI offenders; mandating pretrial and posttrial electronic alcohol monitoring for certain offenders; advancing license plate impoundment and motor vehicle forfeiture by one offense; providing an administrative process for forfeiture and permitting it to be based on license revocation; authorizing peace officers to stop vehicles bearing special series license plates; enhancing criminal penalties for repeat violations involving commercial motor vehicles; authorizing the use of preliminary breath tests results for prosecuting certain driving offenses; making technical changes; providing enhanced criminal penalties and civil sanctions; appropriating money; amending Minnesota Statutes 1996, sections 84.83,

subdivision 5; 84.91, subdivision 1; 84.911, subdivision 7; 84.927, subdivision 1; 86B.331, subdivision 1; 86B.705, subdivision 2; 97A.065, subdivision 2; 97B.066, subdivision 5, and by adding subdivisions; 168.042, subdivisions 1, as amended, 2, 4, 9, 11, and by adding a subdivision; 169.01, subdivision 75, and by adding subdivisions; 169.121, subdivisions 1, 1c, 2, 3, 3b, 3c, 4, as amended, 6, 11, and by adding subdivisions; 169.1211, subdivision 1, and by adding subdivisions; 169.1217, as amended; 169.1218; 169.123, subdivisions 1, 4, 5c, and 6; 169.126, subdivision 1; 169.1261; 169.129; 171.07, by adding a subdivision; 171.12, by adding a subdivision; 171.19, as amended; 171.20, subdivision 4; 171.30, by adding a subdivision; 340A.503, subdivision 2; 364.09, as amended; 609.02, subdivision 2, and by adding a subdivision; 609.105; 609.135, subdivision 2, as amended; 609.15, subdivision 2; 609.487, by adding a subdivision; and 634.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168; repealing Minnesota Statutes 1996, sections 84.873; 84.91, subdivisions 2, 3, 4, 5, 5a, 6, 7, and 8; 84.911, subdivisions 1, 2, 3, 4, 5, and 6; 84.912; 84.9254; 86B.331, subdivisions 2, 3, 4, 5, 5a, 6, 7, and 8; 86B.335, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12; 86B.337; 97B.066, subdivision 6; and 169.121, subdivision 3a.

Mr. Moe, R.D. moved that S.F. No. 1 be laid on the table. The motion prevailed.

Messrs. Kelly, R.C. and Moe, R.D. introduced--

S.F. No. 2: A bill for an act relating to employment; increasing the minimum wage; amending Minnesota Statutes 1996, section 177.24, subdivision 1.

Mr. Moe, R.D. moved that S.F. No. 2 be laid on the table. The motion prevailed.

Messrs. Kelly, R.C.; Moe, R.D. and Knutson introduced--

S.F. No. 3: A bill for an act relating to public safety; providing a retroactive effective date for the requirement that employers continue to provide health insurance coverage when a peace officer or firefighter is disabled or injured in the line of duty; amending Laws 1997, chapter 239, article 8, section 37.

Mr. Moe, R.D. moved that S.F. No. 3 be laid on the table. The motion prevailed.

Mr. Neuville introduced--

S.F. No. 4: A bill for an act relating to education; permitting the Faribault Academies to apply for competitive grants; appropriating money; amending Minnesota Statutes 1996, section 128A.02, by adding a subdivision.

Mr. Moe, R.D. moved that S.F. No. 4 be laid on the table. The motion prevailed.

Mr. Knutson introduced--

S.F. No. 5: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1996, section 326.71, subdivision 4, as amended; Laws 1997, chapter 113, section 6, subdivision 5; chapter 202, article 1, section 13; and chapter 203, article 1, section 3, subdivision 2.

Mr. Moe, R.D. moved that S.F. No. 5 be laid on the table. The motion prevailed.

Messrs. Terwilliger; Moe, R.D.; Johnson, D.E.; Metzen and Cohen introduced--

S.F. No. 6: A bill for an act relating to employment; establishing and modifying certain salary provisions for certain public employees; amending Minnesota Statutes 1996, sections 3.855, subdivision 3; 15A.081, subdivisions 7b, 8, and 9; 15A.083, subdivisions 5, 6a, and 7; 43A.17, subdivisions 1 and 3; 43A.18, subdivisions 4 and 5; 85A.02, subdivision 5a; 298.22, subdivision 1;

and 349A.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 15A; repealing Minnesota Statutes 1996, section 15A.081, subdivisions 1 and 7.

Mr. Moe, R.D. moved that S.F. No. 6 be laid on the table. The motion prevailed.

Messrs. Betzold and Knutson introduced--

S.F. No. 7: A bill for an act relating to government data practices; classifying data; making certain welfare and housing data available to law enforcement agencies; classifying data on individuals who receive homeless services; eliminating the requirement that government agencies pay a fee for commissioner's opinions; modifying school immunization and health record provisions; modifying patient consent to release of records for research; requiring notice of investigations to health board licensees; providing for juvenile justice system access to certain education data; providing for disclosure or inspection of certain tax data or return information; limiting disclosure of certain tax data under subpoena; indexing statutes that restrict data access and are located outside chapter 13; providing criminal penalties; amending Minnesota Statutes 1996, sections 13.32, subdivisions 1, 3, and by adding a subdivision; 13.41, subdivision 2; 13.46, subdivision 2; 13.54, by adding a subdivision; 13.99, subdivision 53b, and by adding subdivisions; 53A.081, by adding a subdivision; 123.70, subdivisions 5, 7, and 10; 144.29; 144.335, subdivision 3a; 214.10, subdivision 1; 260.161, by adding a subdivision; 270.66, subdivision 3; 270B.01, subdivision 8, as amended; 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 subdivisions; 270B.16; 287.34; and 626.556, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 13; and 270B; repealing Minnesota Statutes 1996, sections 13.072, subdivision 3; and 13.71, subdivisions 18, 19, 20, and 21.

Mr. Moe, R.D. moved that S.F. No. 7 be laid on the table. The motion prevailed.

Messrs. Pogemiller; Moe, R.D.; Mrs. Scheid, Mses. Olson and Robertson introduced--

S.F. No. 8: A bill for an act relating to education; kindergarten through grade 12; providing for general education; special programs; lifework development; education organization, cooperation, and facilities; education excellence; academic performance; education policy issues; libraries; technology; state agencies; conforming and technical amendments; school bus safety; tax deduction and credit; appropriating money; amending Minnesota Statutes 1996, sections 12.21, subdivision 3; 120.0111; 120.062, subdivisions 3, 6, 7, 9, and 11; 120.0621, subdivisions 5a, 6, and by adding a subdivision; 120.064, subdivisions 3, 8, 10, 20a, and by adding a subdivision; 120.101, subdivisions 5, 5c, and by adding a subdivision; 120.1701, subdivision 3; 120.181; 121.15, subdivisions 6, 7, and by adding subdivisions; 121.602, subdivisions 1, 2, and 4; 121.611; 121.615, subdivisions 2, 3, 5, 6, 7, 8, 9, and 10; 121.703, subdivision 3; 121.904, subdivision 4a; 123.35, subdivision 8, and by adding a subdivision; 123.3514, subdivisions 4, 4a, 4c, 4e, 6c, 8, and by adding subdivisions; 123.39, subdivision 6; 123.70, subdivisions 5, 7, and 10; 123.799, subdivision 1; 123.7991, subdivisions 1 and 2; 123.951; 123.972, subdivision 5; 124.155, subdivisions 1 and 2; 124.17, subdivisions 1d, 4, and by adding subdivisions; 124.193; 124.195, subdivisions 2, 7, 10, 11, and by adding a subdivision; 124.225, subdivisions 1, 13, 14, 15, 16, and 17; 124.226, subdivision 10; 124.2445; 124.2455; 124.248, subdivisions 3, 4, and by adding subdivisions; 124.26, subdivision 1b; 124.2613, subdivisions 3, 4, and 6; 124.2727, subdivision 6d; 124.273, subdivisions 1d, 1e, 1f, and 5; 124.276, by adding a subdivision; 124.312, subdivisions 4 and 5; 124.313; 124.314, subdivisions 1 and 2; 124.3201, subdivisions 1, 2, 3, and 4; 124.321, subdivision 1; 124.323, subdivisions 1 and 2; 124.42, subdivision 4; 124.431, subdivisions 2 and 11; 124.45; 124.481; 124.574, subdivisions 1, 2d, 2f, 5, 6, and 9; 124.83, subdivisions 1 and 2; 124.86, subdivision 2, and by adding a subdivision; 124.91, subdivisions 1 and 5; 124.912, subdivisions 1, 2, 3, and 6; 124.916, subdivisions 1, 2, and 3; 124.918, subdivision 6; 124.95, subdivision 2; 124.961; 124A.03, subdivisions 1c and 1g; 124A.04, subdivision 2; 124A.22, subdivisions 1, 2, as amended, 3, 6, 6a, 8a, 10, 11, 13, 13b, 13d, and by adding a subdivision; 124A.225, subdivision 1; 124A.23, subdivisions 1, 2, 3, and 5; 124A.26, subdivision 1; 124A.28; 124C.45, subdivision 1a; 124C.46, subdivisions 1 and 2; 124C.498, subdivisions 2 and 3; 125.05, subdivisions 1c and 2; 125.12, subdivision 14; 126.22, subdivisions 2, 3, 3a, and 8;

126.23, subdivision 1; 126.77, subdivision 1; 127.26; 127.27, subdivisions 5, 6, 7, 8, 10, and by adding a subdivision; 127.281; 127.29; 127.30, subdivisions 1, 2, 3, and by adding a subdivision; 127.31, subdivisions 2, 7, 8, 13, 14, and 15; 127.311; 127.32; 127.33; 127.36; 127.37; 127.38; 128A.02, by adding a subdivision; 128B.10, subdivision 1; 128C.02, subdivision 2, and by adding a subdivision; 128C.12, subdivision 1; 129C.10, subdivision 3; 134.155, subdivisions 2 and 3; 134.34, subdivision 4; 136D.72, subdivisions 2 and 3; 144.29; 169.01, subdivision 6; 169.435, subdivision 2; 169.443, subdivision 3; 169.447, subdivision 6; 169.4501, subdivisions 1 and 2; 169.4502, subdivisions 2, 7, 9, 11, and by adding subdivisions; 169.4503, subdivisions 1, 2, 10, 13, 14, 17, 19, 23, 24, and by adding a subdivision; 169.4504, subdivision 1, and by adding a subdivision; 169.452; 171.321, subdivision 3; 171.3215, subdivision 4; 245.493, subdivision 1; 245.91, subdivision 2; 260.185, subdivision 1; 260A.02, subdivision 3; 268.665, subdivision 2; 290.01, subdivision 19b; and 290.0671, subdivision 1; Laws 1991, chapter 265, article 1, section 30, as amended; Laws 1993, chapter 146, article 5, section 20; Laws 1994, chapter 647, article 7, section 18, subdivisions 2 and 3; Laws 1995 First Special Session, chapter 3, articles 1, section 56; 2, section 52; 3, section 11, subdivisions 1, 2, and 5; 11, section 21, subdivision 3; and 12, section 7, subdivision 1; Laws 1996, chapter 412, articles 4, section 34, subdivision 4; and 12, section 11; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 124; 126; 127; 128C; 135A; and 290; repealing Minnesota Statutes 1996, sections 120.105; 120.65; 121.11, subdivision 8; 121.602, subdivisions 3 and 5; 121.904, subdivision 4d; 121.912, subdivision 7; 124.17, subdivision 5; 124.177; 124.223; 124.225, subdivisions 3a, 7a, 7b, 7d, 7e, 8a, 8k, and 10; 124.226; 124.2728; 124.276, subdivision 2; 124.3201, subdivisions 2a and 2b; 124.912, subdivisions 2 and 3; 124A.22, subdivisions 4a and 4b; 124A.26, subdivisions 1a, 2, 3, 4, and 5; 124C.74; 127.31, subdivision 6; 134.34, subdivision 4a; 134.46; 169.4502, subdivision 6; 169.4503, subdivisions 3, 8, 9, 11, 12, and 22; and 169.454, subdivision 11.

Mr. Moe, R.D. moved that S.F. No. 8 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 1 be taken from the table. The motion prevailed.

S.F. No. 1: A bill for an act relating to crimes; driving while impaired; creating a zero-tolerance alcohol concentration standard for school bus drivers; advancing criminal penalties and administrative sanctions for committing a DWI crime while having an alcohol concentration of 0.20 or more; expanding DWI laws to include snowmobiles, all-terrain vehicles, and motorboats and repealing the separate DWI laws relating to those recreational vehicles; authorizing the imposition of a penalty assessment of up to \$1,000 for persons driving motor vehicles with an alcohol concentration of 0.20 or more; creating an enhanced gross misdemeanor-level DWI crime and restructuring criminal penalties for DWI, including the provision of mandatory minimum periods of incarceration and home detention for repeat DWI offenders; mandating pretrial and posttrial electronic alcohol monitoring for certain offenders; advancing license plate impoundment and motor vehicle forfeiture by one offense; providing an administrative process for forfeiture and permitting it to be based on license revocation; authorizing peace officers to stop vehicles bearing special series license plates; enhancing criminal penalties for repeat violations involving commercial motor vehicles; authorizing the use of preliminary breath tests results for prosecuting certain driving offenses; making technical changes; providing enhanced criminal penalties and civil sanctions; appropriating money; amending Minnesota Statutes 1996, sections 84.83, subdivision 5; 84.91, subdivision 1; 84.911, subdivision 7; 84.927, subdivision 1; 86B.331, subdivision 1; 86B.705, subdivision 2; 97A.065, subdivision 2; 97B.066, subdivision 5, and by adding subdivisions; 168.042, subdivisions 1, as amended, 2, 4, 9, 11, and by adding a subdivision; 169.01, subdivision 75, and by adding subdivisions; 169.121, subdivisions 1, 1c, 2, 3, 3b, 3c, 4, as amended, 6, 11, and by adding subdivisions; 169.1211, subdivision 1, and by adding subdivisions; 169.1217, as amended; 169.1218; 169.123, subdivisions 1, 4, 5c, and 6; 169.126, subdivision 1; 169.1261; 169.129; 171.07, by adding a subdivision; 171.12, by adding a subdivision; 171.19, as amended; 171.20, subdivision 4; 171.30, by adding a subdivision; 340A.503, subdivision 2; 364.09, as amended; 609.02, subdivision 2, and by adding a subdivision; 609.105; 609.135, subdivision 2, as amended; 609.15, subdivision 2; 609.487, by adding a subdivision; and 634.15, subdivision 2; proposing coding for new law in Minnesota Statutes,

chapter 168; repealing Minnesota Statutes 1996, sections 84.873; 84.91, subdivisions 2, 3, 4, 5, 5a, 6, 7, and 8; 84.911, subdivisions 1, 2, 3, 4, 5, and 6; 84.912; 84.9254; 86B.331, subdivisions 2, 3, 4, 5, 5a, 6, 7, and 8; 86B.335, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12; 86B.337; 97B.066, subdivision 6; and 169.121, subdivision 3a.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 1 and that the rules of the Senate be so far suspended as to give S.F. No. 1 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 1 was read the second time.

Mr. Spear moved to amend S.F. No. 1 as follows:

Page 58, line 32, delete "\$110,000" and insert "\$65,000"

Page 58, line 33, delete "\$138,000" and insert "\$38,000"

Page 59, line 1, delete "\$57,000" and insert "\$19,000"

Page 59, line 2, delete "\$114,000" and insert "\$38,000"

Page 59, delete lines 5 to 8

The motion prevailed. So the amendment was adopted.

S.F. No. 1 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 5 be taken from the table. The motion prevailed.

S.F. No. 5: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1996, section 326.71, subdivision 4, as amended; Laws 1997, chapter 113, section 6, subdivision 5; chapter 202, article 1, section 13; and chapter 203, article 1, section 3, subdivision 2.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 5 and that the rules of the Senate be so far suspended as to give S.F. No. 5 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 5 was read the second time.

Mr. Moe, R.D. moved that S.F. No. 5 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

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 inform you that the House of Representatives of the State of Minnesota is now duly organized for the 1997 Special Session pursuant to law.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 26, 1997

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 8 be taken from the table. The motion prevailed.

S.F. No. 8: A bill for an act relating to education; kindergarten through grade 12; providing for general education; special programs; lifework development; education organization, cooperation, and facilities; education excellence; academic performance; education policy issues; libraries; technology; state agencies; conforming and technical amendments; school bus safety; tax deduction and credit; appropriating money; amending Minnesota Statutes 1996, sections 12.21, subdivision 3; 120.0111; 120.062, subdivisions 3, 6, 7, 9, and 11; 120.0621, subdivisions 5a, 6, and by adding a subdivision; 120.064, subdivisions 3, 8, 10, 20a, and by adding a subdivision; 120.101, subdivisions 5, 5c, and by adding a subdivision; 120.1701, subdivision 3; 120.181; 121.15, subdivisions 6, 7, and by adding subdivisions; 121.602, subdivisions 1, 2, and 4; 121.611; 121.615, subdivisions 2, 3, 5, 6, 7, 8, 9, and 10; 121.703, subdivision 3; 121.904, subdivision 4a; 123.35, subdivision 8, and by adding a subdivision; 123.3514, subdivisions 4, 4a, 4c, 4e, 6c, 8, and by adding subdivisions; 123.39, subdivision 6; 123.70, subdivisions 5, 7, and 10; 123.799, subdivision 1; 123.7991, subdivisions 1 and 2; 123.951; 123.972, subdivision 5; 124.155, subdivisions 1 and 2; 124.17, subdivisions 1d, 4, and by adding subdivisions; 124.193; 124.195, subdivisions 2, 7, 10, 11, and by adding a subdivision; 124.225, subdivisions 1, 13, 14, 15, 16, and 17; 124.226, subdivision 10; 124.2445; 124.2455; 124.248, subdivisions 3, 4, and by adding subdivisions; 124.26, subdivision 1b; 124.2613, subdivisions 3, 4, and 6; 124.2727, subdivision 6d; 124.273, subdivisions 1d, 1e, 1f, and 5; 124.276, by adding a subdivision; 124.312, subdivisions 4 and 5; 124.313; 124.314, subdivisions 1 and 2; 124.3201, subdivisions 1, 2, 3, and 4; 124.321, subdivision 1; 124.323, subdivisions 1 and 2; 124.42, subdivision 4; 124.431, subdivisions 2 and 11; 124.45; 124.481; 124.574, subdivisions 1, 2d, 2f, 5, 6, and 9; 124.83, subdivisions 1 and 2; 124.86, subdivision 2, and by adding a subdivision; 124.91, subdivisions 1 and 5; 124.912, subdivisions 1, 2, 3, and 6; 124.916, subdivisions 1, 2, and 3; 124.918, subdivision 6; 124.95, subdivision 2; 124.961; 124A.03, subdivisions 1c and 1g; 124A.04, subdivision 2; 124A.22, subdivisions 1, 2, as amended, 3, 6, 6a, 8a, 10, 11, 13, 13b, 13d, and by adding a subdivision; 124A.225, subdivision 1; 124A.23, subdivisions 1, 2, 3, and 5; 124A.26, subdivision

1; 124A.28; 124C.45, subdivision 1a; 124C.46, subdivisions 1 and 2; 124C.498, subdivisions 2 and 3; 125.05, subdivisions 1c and 2; 125.12, subdivision 14; 126.22, subdivisions 2, 3, 3a, and 8; 126.23, subdivision 1; 126.77, subdivision 1; 127.26; 127.27, subdivisions 5, 6, 7, 8, 10, and by adding a subdivision; 127.281; 127.29; 127.30, subdivisions 1, 2, 3, and by adding a subdivision; 127.31, subdivisions 2, 7, 8, 13, 14, and 15; 127.311; 127.32; 127.33; 127.36; 127.37; 127.38; 128A.02, by adding a subdivision; 128B.10, subdivision 1; 128C.02, subdivision 2, and by adding a subdivision; 128C.12, subdivision 1; 129C.10, subdivision 3; 134.155, subdivisions 2 and 3; 134.34, subdivision 4; 136D.72, subdivisions 2 and 3; 144.29; 169.01, subdivision 6; 169.435, subdivision 2; 169.443, subdivision 3; 169.447, subdivision 6; 169.4501, subdivisions 1 and 2; 169.4502, subdivisions 2, 7, 9, 11, and by adding subdivisions; 169.4503, subdivisions 1, 2, 10, 13, 14, 17, 19, 23, 24, and by adding a subdivision; 169.4504, subdivision 1, and by adding a subdivision; 169.452; 171.321, subdivision 3; 171.3215, subdivision 4; 245.493, subdivision 1; 245.91, subdivision 2; 260.185, subdivision 1; 260A.02, subdivision 3; 268.665, subdivision 2; 290.01, subdivision 19b; and 290.0671, subdivision 1; Laws 1991, chapter 265, article 1, section 30, as amended; Laws 1993, chapter 146, article 5, section 20; Laws 1994, chapter 647, article 7, section 18, subdivisions 2 and 3; Laws 1995 First Special Session, chapter 3, articles 1, section 56; 2, section 52; 3, section 11, subdivisions 1, 2, and 5; 11, section 21, subdivision 3; and 12, section 7, subdivision 1; Laws 1996, chapter 412, articles 4, section 34, subdivision 4; and 12, section 11; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 124; 126; 127; 128C; 135A; and 290; repealing Minnesota Statutes 1996, sections 120.105; 120.65; 121.11, subdivision 8; 121.602, subdivisions 3 and 5; 121.904, subdivision 4d; 121.912, subdivision 7; 124.17, subdivision 5; 124.177; 124.223; 124.225, subdivisions 3a, 7a, 7b, 7d, 7e, 8a, 8k, and 10; 124.226; 124.2728; 124.276, subdivision 2; 124.3201, subdivisions 2a and 2b; 124.912, subdivisions 2 and 3; 124A.22, subdivisions 4a and 4b; 124A.26, subdivisions 1a, 2, 3, 4, and 5; 124C.74; 127.31, subdivision 6; 134.34, subdivision 4a; 134.46; 169.4502, subdivision 6; 169.4503, subdivisions 3, 8, 9, 11, 12, and 22; and 169.454, subdivision 11.

Mr. Pogemiller moved that S.F. No. 8 be laid on the table. The motion prevailed.

Mr. Moe, R.D. moved that S.F. No. 7 be taken from the table. The motion prevailed.

S.F. No. 7: A bill for an act relating to government data practices; classifying data; making certain welfare and housing data available to law enforcement agencies; classifying data on individuals who receive homeless services; eliminating the requirement that government agencies pay a fee for commissioner's opinions; modifying school immunization and health record provisions; modifying patient consent to release of records for research; requiring notice of investigations to health board licensees; providing for juvenile justice system access to certain education data; providing for disclosure or inspection of certain tax data or return information; limiting disclosure of certain tax data under subpoena; indexing statutes that restrict data access and are located outside chapter 13; providing criminal penalties; amending Minnesota Statutes 1996, sections 13.32, subdivisions 1, 3, and by adding a subdivision; 13.41, subdivision 2; 13.46, subdivision 2; 13.54, by adding a subdivision; 13.99, subdivision 53b, and by adding subdivisions; 53A.081, by adding a subdivision; 123.70, subdivisions 5, 7, and 10; 144.29; 144.335, subdivision 3a; 214.10, subdivision 1; 260.161, by adding a subdivision; 270.66, subdivision 3; 270B.01, subdivision 8, as amended; 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 subdivisions; 270B.16; 287.34; and 626.556, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 13; and 270B; repealing Minnesota Statutes 1996, sections 13.072, subdivision 3; and 13.71, subdivisions 18, 19, 20, and 21.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 7 and that the rules of the Senate be so far suspended as to give S.F. No. 7 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 7 was read the second time.

S.F. No. 7 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Krentz	Novak	Scheid
Beckman	Janezich	Laidig	Oliver	Solon
Belanger	Johnson, D.E.	Langseth	Olson	Spear
Berg	Johnson, D.H.	Larson	Pappas	Stevens
Berglin	Johnson, D.J.	Lessard	Piper	Stumpf
Betzold	Johnson, J.B.	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
Flynn	Kleis	Morse	Robling	Wiger
Frederickson	Knutson	Neuville	Runbeck	

Those who voted in the negative were:

Fischbach	Lesewski	Murphy	Ourada	Samuelson
Hanson	Limmer			

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 3 be taken from the table. The motion prevailed.

S.F. No. 3: A bill for an act relating to public safety; providing a retroactive effective date for the requirement that employers continue to provide health insurance coverage when a peace officer or firefighter is disabled or injured in the line of duty; amending Laws 1997, chapter 239, article 8, section 37.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 3 and that the rules of the Senate be so far suspended as to give S.F. No. 3 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 3 was read the second time.

Mr. Kelly, R.C. moved to amend S.F. No. 3 as follows:

Delete everything after the enacting clause and insert:

"Section 1. [EFFECTIVE DATE; ADJUSTMENT.]

Laws 1997, chapter 239, article 8, section 6, takes effect June 1, 1997, and the appropriation by Laws 1997, chapter 239, article 1, section 7, subdivision 9, is available to pay benefits under article 8, section 6, that accrue on or after June 1, 1997, as well as during the 1998 and 1999 fiscal years."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 3 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 3:00 p.m. The motion prevailed.

The hour of 3:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 2 be taken from the table. The motion prevailed.

S.F. No. 2: A bill for an act relating to employment; increasing the minimum wage; amending Minnesota Statutes 1996, section 177.24, subdivision 1.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 2 and that the rules of the Senate be so far suspended as to give S.F. No. 2 its second and third reading and place it on its final passage.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of the proceedings on S.F. No. 2. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the motion.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 46 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Beckman	Berg	Berglin	Betzold
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Cohen	Johnson, J.B.	Lessard	Pappas	Stumpf
Flynn	Junge	Lourey	Piper	Ten Eyck
Frederickson	Kelley, S.P.	Marty	Pogemiller	Terwilliger
Hanson	Kelly, R.C.	Metzen	Price	Vickerman
Higgins	Kleis	Moe, R.D.	Ranum	Wiger
Janezich	Knutson	Morse	Samuelson	
Johnson, D.E.	Krentz	Murphy	Scheid	
Johnson, D.H.	Langseth	Novak	Solon	
Johnson, D.J.	Larson	Oliver	Spear	

Those who voted in the negative were:

Belanger	Fischbach	Limmer	Ourada	Runbeck
Dille	Lesewski	Olson	Robling	Stevens

The motion prevailed.

S.F. No. 2 was read the second time.

Mr. Marty moved to amend S.F. No. 2 as follows:

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1996, section 177.24, subdivision 1, is amended to read:

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

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than ~~\$362,500~~ \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than ~~\$362,500~~ \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(3) "Compensation rate of the governor" means an hourly amount determined by dividing the compensation set by law for the governor by 2,080.

(b) Except as otherwise provided in sections 177.21 to 177.35, every large employer must pay each employee wages at a rate of at least ~~\$4.25 an hour~~ ten percent of the compensation rate of the governor beginning September 1, 1997. ~~Every small employer must pay each employee at a rate of at least \$4 an hour.~~

(c) A large employer must pay each employee at a rate of at least the minimum wage set by this section or federal law without the reduction for training wage or full-time student status allowed under federal law."

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

Mr. Dille moved to amend S.F. No. 2 as follows:

Page 2, after line 10, insert:

"(d) Notwithstanding paragraph (b), every large employer must pay each tipped employee who works in a restaurant or food service establishment at a rate of at least \$4.25 an hour and every small employer must pay each such tipped employee at the rate of at least \$4 an hour. If a tipped employee does not report sufficient tips during the employer's pay period to equal the difference between the above stated hourly rate of pay and \$6 an hour, then the employer must pay the tipped employee the current minimum wage for nontipped employees.

Sec. 2. [REPEALER.]

Minnesota Statutes 1996, section 177.24, subdivision 2, is repealed."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 3, before "amending" insert "providing a tip credit;"

Page 1, line 4, before the period, insert "; repealing Minnesota Statutes 1996, section 177.24, subdivision 2"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Beckman	Frederickson	Larson	Oliver	Solon
Belanger	Johnson, D.E.	Lesewski	Olson	Stevens
Berg	Kleis	Lessard	Ourada	Terwilliger
Day	Knutson	Limmer	Robling	Wiger
Dille	Laidig	Murphy	Runbeck	
Fischbach	Langseth	Neuville	Scheid	

Those who voted in the negative were:

Anderson	Janezich	Kelly, R.C.	Morse	Ranum
Berglin	Johnson, D.H.	Krentz	Novak	Samuelson
Betzold	Johnson, D.J.	Lourey	Pappas	Spear
Cohen	Johnson, J.B.	Marty	Piper	Stumpf
Flynn	Junge	Metzen	Pogemiller	Ten Eyck
Higgins	Kelley, S.P.	Moe, R.D.	Price	Vickerman

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

S.F. No. 2 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Janezich	Knutson	Murphy	Samuelson
Beckman	Johnson, D.H.	Krentz	Neuville	Scheid
Berglin	Johnson, D.J.	Langseth	Novak	Solon
Betzold	Johnson, J.B.	Lourey	Pappas	Spear
Cohen	Junge	Piper	Pogemiller	Stumpf
Dille	Kelley, S.P.	Metzen	Pogemiller	Ten Eyck
Flynn	Kelly, R.C.	Moe, R.D.	Price	Vickerman
Higgins	Kleis	Morse	Ranum	Wiger

Those who voted in the negative were:

Belanger	Frederickson	Lesewski	Olson	Stevens
Berg	Johnson, D.E.	Lessard	Ourada	Terwilliger
Day	Laidig	Limmer	Robling	
Fischbach	Larson	Oliver	Runbeck	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 6 be taken from the table. The motion prevailed.

S.F. No. 6: A bill for an act relating to employment; establishing and modifying certain salary provisions for certain public employees; amending Minnesota Statutes 1996, sections 3.855,

subdivision 3; 15A.081, subdivisions 7b, 8, and 9; 15A.083, subdivisions 5, 6a, and 7; 43A.17, subdivisions 1 and 3; 43A.18, subdivisions 4 and 5; 85A.02, subdivision 5a; 298.22, subdivision 1; and 349A.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 15A; repealing Minnesota Statutes 1996, section 15A.081, subdivisions 1 and 7.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 6 and that the rules of the Senate be so far suspended as to give S.F. No. 6 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 6 was read the second time.

S.F. No. 6 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 37 and nays 22, as follows:

Those who voted in the affirmative were:

Beckman	Higgins	Laidig	Oliver	Spear
Belanger	Janezich	Langseth	Olson	Stevens
Berg	Johnson, D.E.	Larson	Ourada	Stumpf
Betzold	Johnson, J.B.	Lessard	Pogemiller	Terwilliger
Cohen	Junge	Metzen	Price	Vickerman
Flynn	Kelley, S.P.	Moe, R.D.	Ranum	
Frederickson	Kelly, R.C.	Morse	Scheid	
Hanson	Knutson	Novak	Solon	

Those who voted in the negative were:

Anderson	Johnson, D.H.	Limmer	Pappas	Ten Eyck
Berglin	Johnson, D.J.	Lourey	Piper	Wiger
Day	Kleis	Marty	Robling	
Dille	Krentz	Murphy	Runbeck	
Fischbach	Lesewski	Neuville	Samuelson	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1, 3 and 7.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned June 26, 1997

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 26, 1997

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1: A bill for an act relating to education; kindergarten through grade 12; providing for general education; special programs; lifework development; education organization, cooperation, and facilities; education excellence; academic performance; education policy issues; libraries; technology; state agencies; conforming and technical amendments; school bus safety; tax deduction and credit; appropriating money; amending Minnesota Statutes 1996, sections 12.21, subdivision 3; 120.0111; 120.062, subdivisions 3, 6, 7, 9, and 11; 120.0621, subdivisions 5a, 6, and by adding a subdivision; 120.064, subdivisions 3, 8, 10, 20a, and by adding a subdivision; 120.101, subdivisions 5, 5c, and by adding a subdivision; 120.1701, subdivision 3; 120.181; 121.15, subdivisions 6, 7, and by adding subdivisions; 121.602, subdivisions 1, 2, and 4; 121.611; 121.615, subdivisions 2, 3, 5, 6, 7, 8, 9, and 10; 121.703, subdivision 3; 121.904, subdivision 4a; 123.35, subdivision 8, and by adding a subdivision; 123.3514, subdivisions 4, 4a, 4c, 4e, 6c, 8, and by adding subdivisions; 123.39, subdivision 6; 123.70, subdivisions 5, 7, and 10; 123.799, subdivision 1; 123.7991, subdivisions 1 and 2; 123.951; 123.972, subdivision 5; 124.155, subdivisions 1 and 2; 124.17, subdivisions 1d, 4, and by adding subdivisions; 124.193; 124.195, subdivisions 2, 7, 10, 11, and by adding a subdivision; 124.225, subdivisions 1, 13, 14, 15, 16, and 17; 124.226, subdivision 10; 124.2445; 124.2455; 124.248, subdivisions 3, 4, and by adding subdivisions; 124.26, subdivision 1b; 124.2613, subdivisions 3, 4, and 6; 124.2727, subdivision 6d; 124.273, subdivisions 1d, 1e, 1f, and 5; 124.276, by adding a subdivision; 124.312, subdivisions 4 and 5; 124.313; 124.314, subdivisions 1 and 2; 124.3201, subdivisions 1, 2, 3, and 4; 124.321, subdivision 1; 124.323, subdivisions 1 and 2; 124.42, subdivision 4; 124.431, subdivisions 2 and 11; 124.45; 124.481; 124.574, subdivisions 1, 2d, 2f, 5, 6, and 9; 124.83, subdivisions 1 and 2; 124.86, subdivision 2, and by adding a subdivision; 124.91, subdivisions 1 and 5; 124.912, subdivisions 1, 2, 3, and 6; 124.916, subdivisions 1, 2, and 3; 124.918, subdivision 6; 124.95, subdivision 2; 124.961; 124A.03, subdivisions 1c and 1g; 124A.04, subdivision 2; 124A.22, subdivisions 1, 2, as amended, 3, 6, 6a, 8a, 10, 11, 13, 13b, 13d, and by adding a subdivision; 124A.225, subdivision 1; 124A.23, subdivisions 1, 2, 3, and 5; 124A.26, subdivision 1; 124A.28; 124C.45, subdivision 1a; 124C.46, subdivisions 1 and 2; 124C.498, subdivisions 2 and 3; 125.05, subdivisions 1c and 2; 125.12, subdivision 14; 126.22, subdivisions 2, 3, 3a, and 8; 126.23, subdivision 1; 126.77, subdivision 1; 127.26; 127.27, subdivisions 5, 6, 7, 8, 10, and by adding a subdivision; 127.281; 127.29; 127.30, subdivisions 1, 2, 3, and by adding a subdivision; 127.31, subdivisions 2, 7, 8, 13, 14, and 15; 127.311; 127.32; 127.33; 127.36; 127.37; 127.38; 128A.02, by adding a subdivision; 128B.10, subdivision 1; 128C.02, subdivision 2, and by adding a subdivision; 128C.12, subdivision 1; 129C.10, subdivision 3; 134.155, subdivisions 2 and 3; 134.34, subdivision 4; 136D.72, subdivisions 2 and 3; 144.29; 169.01, subdivision 6; 169.435, subdivision 2; 169.443, subdivision 3; 169.447, subdivision 6; 169.4501, subdivisions 1 and 2; 169.4502, subdivisions 2, 7, 9, 11, and by adding subdivisions; 169.4503, subdivisions 1, 2, 10, 13, 14, 17, 19, 23, 24, and by adding a subdivision; 169.4504, subdivision 1, and by adding a subdivision; 169.452; 171.321, subdivision 3; 171.3215, subdivision 4; 245.493, subdivision 1; 245.91, subdivision 2; 260.185, subdivision 1; 260A.02, subdivision 3; 268.665, subdivision 2; 290.01, subdivision 19b; and 290.0671, subdivision 1; Laws 1991, chapter 265, article 1, section 30, as amended; Laws 1993, chapter 146, article 5, section 20; Laws 1994, chapter 647, article 7, section 18, subdivisions 2 and 3; Laws 1995 First Special Session, chapter 3, articles 1, section 56; 2, section 52; 3, section 11, subdivisions 1, 2, and 5; 11, section 21, subdivision 3; and 12, section 7, subdivision 1; Laws 1996, chapter 412, articles 4, section 34, subdivision 4; and 12, section 11; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 124; 126; 127; 128C; 135A; and 290; repealing Minnesota Statutes 1996, sections 120.105; 120.65; 121.11, subdivision 8; 121.602, subdivisions 3 and 5; 121.904, subdivision 4d; 121.912, subdivision 7; 124.17, subdivision 5; 124.177; 124.223; 124.225, subdivisions 3a, 7a, 7b, 7d, 7e, 8a, 8k, and 10; 124.226; 124.2728; 124.276, subdivision 2; 124.3201, subdivisions 2a and 2b; 124.912, subdivisions 2 and 3; 124A.22, subdivisions 4a and 4b; 124A.26, subdivisions 1a, 2, 3, 4, and 5; 124C.74; 127.31,

subdivision 6; 134.34, subdivision 4a; 134.46; 169.4502, subdivision 6; 169.4503, subdivisions 3, 8, 9, 11, 12, and 22; and 169.454, subdivision 11.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1 and that the rules of the Senate be so far suspended as to give H.F. No. 1 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1 was read the second time.

H.F. No. 1 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Krentz	Neuville	Runbeck
Beckman	Janezich	Laidig	Novak	Scheid
Belanger	Johnson, D.E.	Langseth	Oliver	Solon
Berg	Johnson, D.H.	Larson	Olson	Spear
Betzold	Johnson, D.J.	Lesewski	Ourada	Stevens
Day	Johnson, J.B.	Lessard	Pappas	Stumpf
Dille	Junge	Limmer	Piper	Ten Eyck
Fischbach	Kelley, S.P.	Metzen	Pogemiller	Terwilliger
Frederickson	Kleis	Moe, R.D.	Price	Vickerman
Hanson	Knutson	Morse	Robling	Wiger

Those who voted in the negative were:

Berglin	Flynn	Lourey	Murphy	Samuelson
Cohen	Kelly, R.C.	Marty	Ranum	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 5 be taken from the table. The motion prevailed.

S.F. No. 5: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1996, section 326.71, subdivision 4, as amended; Laws 1997, chapter 113, section 6, subdivision 5; chapter 202, article 1, section 13; and chapter 203, article 1, section 3, subdivision 2.

Mr. Knutson moved to amend S.F. No. 5 as follows:

Page 9, after line 8, insert:

"Sec. 5. [CORRECTION 30.] Laws 1997, chapter 239, article 3, section 25, is amended to read:

Sec. 25. [REPEALER.]

(a) Minnesota Statutes 1996, sections 119A.30; 145.406; ~~244.09, subdivision 11a~~; and 609.684, subdivision 2, are repealed.

(b) Minnesota Statutes 1996, section 244.09, subdivision 11a, is repealed.

Sec. 6. [CORRECTION 30A.] Laws 1997, chapter 239, article 3, section 26, is amended to read:

Sec. 26. [EFFECTIVE DATE.]

Sections 1 to 20, and 25, paragraph (a), are effective August 1, 1997, and apply to crimes committed on or after that date. Sections 21 to 23 are effective August 1, 1997, and apply to proceedings conducted on or after that date. Section 25, paragraph (b), is effective August 1, 1997. Section 24 is effective July 1, 1997.

Sec. 7. [CORRECTION 36.] Minnesota Statutes 1996, section 268.121, as amended by Laws 1997, chapter 74, section 1, is amended to read:

268.121 [WAGE REPORTING.]

(a) Each employer shall provide the commissioner with a quarterly wage detail report that shall include for each employee the employee's name, social security number, the total wages paid to the employee, and total number of paid hours worked. For employees exempt from the definition of employee in section 177.23, subdivision 7, clause (6), the employer shall report 40 hours worked for each week any duties were performed by a full-time employee and shall report a reasonable estimate of the hours worked for each week duties were performed by a part-time employee. The report is due and must be filed on or before the last day of the month following the end of the calendar quarter.

(b) An employer need not include the name of the employee or other required information on the wage detail report if disclosure is specifically exempted by federal law.

Sec. 8. [CORRECTION 37.] Minnesota Statutes 1996, section 69.021, subdivision 10, as amended by Laws 1997, chapter 233, article 1, section 11, and Laws 1997, chapter 241, article 1, section 7, is amended to read:

Subd. 10. [REDUCTION IN POLICE STATE AID APPORTIONMENT.] (a) The commissioner of revenue shall reduce the apportionment of police state aid under subdivisions 5, paragraph (b), 6, and 7a, for eligible employer units by any excess police state aid.

(b) "Excess police state aid" is:

(1) for counties and for municipalities in which police retirement coverage is provided wholly by the public employees police and fire fund and all police officers are members of the plan governed by sections 353.63 to 353.657, the amount in excess of the employer's total prior calendar year obligation as defined in paragraph (c), as certified by the executive director of the public employees retirement association;

(2) for municipalities in which police retirement coverage is provided in part by the public employees police and fire fund governed by sections 353.63 to 353.657 and in part by a local police consolidation account governed by chapter 353A, the amount in excess of the employer's total prior calendar year obligation as defined in paragraph (c), plus the amount of the employer's total prior calendar year obligation under section 353A.09, subdivision 5, paragraphs (a) and (b), as certified by the executive director of the public employees retirement association;

(3) for municipalities in which police retirement coverage is provided in part by the public employees police and fire fund governed by sections 353.63 to 353.657 and in part by a local police relief association governed by sections 69.77 and 423A.01, the amount in excess of the employer's total prior calendar year obligation as defined in paragraph (c), as certified by the executive director of the public employees retirement association, plus the amount of the financial requirements of the relief association certified to the applicable municipality during the prior calendar year under section 69.77, subdivisions 2b and 2c, reduced by the amount of member contributions deducted from the covered salary of the relief association during the prior calendar year under section 69.77, subdivision 2a, as certified by the chief administrative officer of the applicable municipality;

(4) for the metropolitan airports commission, if there are police officers hired before July 1, 1978, with retirement coverage by the Minneapolis employees retirement fund remaining, the amount in excess of the commission's total prior calendar year obligation as defined in paragraph

(c), as certified by the executive director of the public employees retirement association, plus the amount determined by expressing the commission's total prior calendar year contribution to the Minneapolis employees retirement fund under section 422A.101, subdivisions 2 and 2a, as a percentage of the commission's total prior calendar year covered payroll for commission employees covered by the Minneapolis employees retirement fund and applying that percentage to the commission's total prior calendar year covered payroll for commission police officers covered by the Minneapolis employees retirement fund, as certified by the chief administrative officer of the metropolitan airports commission; and

(5) for the department of natural resources and for the department of public safety, the amount in excess of the employer's total prior calendar year obligation under section 352B.02, subdivision 1c, for plan members who are peace officers under section 69.011, subdivision 1, clause (g), as certified by the executive director of the Minnesota state retirement system.

(c) The employer's total prior calendar year obligation with respect to the public employees police and fire plan is the total prior calendar year obligation under section 353.65, subdivision 3, for police officers as defined in section 353.64, subdivision 2, and the actual total prior calendar year obligation under section 353.65, subdivision 3, for firefighters, as defined in section 353.64, subdivision 3, but not to exceed for those firefighters the applicable following amount:

municipality	maximum amount
Albert Lea	\$54,157.01
Anoka	10,399.31
Apple Valley	5,442.44
Austin	49,864.73
Bemidji	27,671.38
Brooklyn Center	6,605.92
Brooklyn Park	24,002.26
Burnsville	15,956.00
Cloquet	4,260.49
Coon Rapids	39,920.00
Cottage Grove	8,588.48
Crystal	5,855.00
East Grand Forks	51,009.88
Edina	32,251.00
Elk River	5,216.55
Ely	13,584.16
Eveleth	16,288.27
Fergus Falls	6,742.00
Fridley	33,420.64
Golden Valley	11,744.61
Hastings	16,561.00
Hopkins	4,324.23
International Falls	14,400.69
Lakeville	782.35
Lino Lakes	5,324.00

Little Falls	7,889.41
Maple Grove	6,707.54
Maplewood	8,476.69
Minnetonka	10,403.00
Montevideo	1,307.66
Moorhead	68,069.26
New Hope	6,739.72
North St. Paul	4,241.14
Northfield	770.63
Owatonna	37,292.67
Plymouth	6,754.71
Red Wing	3,504.01
Richfield	53,757.96
Rosemount	1,712.55
Roseville	9,854.51
St. Anthony	33,055.00
St. Louis Park	53,643.11
Thief River Falls	28,365.04
Virginia	31,164.46
Waseca	11,135.17
West St. Paul	15,707.20
White Bear Lake	6,521.04
Woodbury	3,613.00
any other municipality	0.00

(d) The total amount of excess police state aid must be deposited in the excess police state-aid account in the general fund, administered and distributed as provided in subdivision 11.

Sec. 9. [CORRECTION 38.] Laws 1997, chapter 200, article 1, section 75, is amended to read:

Sec. 75. [EFFECTIVE DATE.]

~~Section~~ Sections 35 is and 70 are effective the day following final enactment.

Sec. 10. [CORRECTION 39.] Laws 1997, chapter 248, section 46, is amended to read:

Sec. 46. [UNLICENSED CHILD CARE PROVIDERS; INTERIM EXPANSION.]

(a) Notwithstanding Minnesota Statutes, section 245A.03, subdivision 2, clause (2), until June 30, 1999, nonresidential child care programs or services that are provided by an unrelated individual to persons from two or three other unrelated families are excluded from the licensure provisions of Minnesota Statutes, chapter 245A, provided that:

(1) the individual provides services at any one time to no more than four children who are unrelated to the individual;

(2) no more than two of the children are under two years of age; and

(3) the total number of children being cared for at any one time does not exceed five.

(b) Paragraph (a), clauses (1) ~~and (2)~~ to (3), do not apply to nonresidential programs that are provided by an unrelated individual to persons from a single related family.

Sec. 11. [CORRECTION 40.] Laws 1997, chapter 85, article 1, section 62, is amended to read:

Sec. 62. [DISCONTINUATION OF WAIVERS.]

If the federal government refuses to continue waivers granted on or before August 22, 1996, or if the federal government refuses to modify such waivers as requested by the department of human services, then the department of human services may implement the MFIP-S program in compliance with the federal mandate until the end of the next legislative session. The department of human services shall publish its decision to implement the federal mandate in the State Register and propose legislation to address the conflict in the next legislative session.

Sec. 12. [CORRECTION 41.] [REPEALER.]

Minnesota Statutes 1996, section 256.73, subdivisions 1 and 1b, are repealed effective July 1, 1997.

Sec. 13. [CORRECTION 42.] Minnesota Statutes 1996, section 256.045, subdivision 1, as amended by Laws 1997, chapter 85, article 5, section 6, is amended to read:

Subdivision 1. [HEARING AUTHORITY.] A local agency shall initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the aid to families with dependent children, MFIP-S, child care, general assistance, family general assistance, Minnesota supplemental aid, medical care, or food stamp programs. The hearing is subject to the requirements of section 256.045 and the requirements in Code of Federal Regulations, title 7, section 273.16, for the food stamp program and title 45, section 235.112, as of September 30, 1995, for the cash grant and medical care programs.

Sec. 14. [CORRECTION 42A.] Minnesota Statutes 1996, section 256.98, subdivision 1, as amended by Laws 1997, chapter 85, article 5, section 8, is amended to read:

Subdivision 1. [WRONGFULLY OBTAINING ASSISTANCE.] A person who commits any of the following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897, 256.12, 256.031 to 256.361, 256.72 to 256.871, 256.9351 to 256.966, child care, MFIP-S, chapter 256B, 256D, 256J, or 256K, or all of these sections, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses (1) to (5):

(1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of any material fact, or by impersonation or other fraudulent device, assistance or the continued receipt of assistance, to include child care or vouchers produced according to sections 145.891 to 145.897 and MinnesotaCare services according to sections 256.9351 to 256.966, to which the person is not entitled or assistance greater than that to which the person is entitled;

(2) knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the county agency ~~with intent to defeat the purposes of sections 145.891 to 145.897, 256.12, 256.031 to 256.0361, 256.72 to 256.871, 256.9351 to 256.966, child care, the MFIP-S, chapter 256B, 256D, 256J, or 256K, or all of these sections.~~

The continued receipt of assistance to which the person is not entitled or greater than that to which the person is entitled as a result of any of the acts, failure to act, or concealment described in this subdivision shall be deemed to be continuing offenses from the date that the first act or failure to act occurred.

Sec. 15. [CORRECTION 42B.] Minnesota Statutes 1996, section 256.98, is amended by adding a subdivision to read:

Subd. 9. [WELFARE REFORM COVERAGE.] All references to MFIP-S or Minnesota family investment program-statewide contained in sections 256.017, 256.019, 256.045, 256.046, and 256.98 to 256.9866 shall be construed to include all variations of the Minnesota family investment program including, but not limited to, chapter 256J, MFIP-S, MFIP-R, and chapter 256K.

Sec. 16. [CORRECTION 50.] Minnesota Statutes 1996, section 62J.54, as amended by Laws 1997, chapter 228, section 2, is amended to read:

62J.54 [IDENTIFICATION AND IMPLEMENTATION OF UNIQUE IDENTIFIERS.]

Subdivision 1. [UNIQUE IDENTIFICATION NUMBER FOR HEALTH CARE PROVIDER ORGANIZATIONS.] (a) ~~Not later than 24 months after the date on which a unique health identifier for health care providers is adopted or established under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), all group purchasers and health care providers in Minnesota shall use a unique identification number to identify health care provider organizations, except as provided in paragraph (b).

(b) ~~Small health plans, as defined by the federal Secretary of Health and Human Services under section 1175 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, section 1320d-4 (1996 and subsequent amendments), shall use a unique identification number to identify health provider organizations no later than 36 months after the date on which a unique health identifier for health care providers is adopted or established under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936 United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

(c) ~~The unique health identifier for health care providers adopted or established by the federal Secretary of Health and Human Services under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), shall be used as the unique identification number for health care provider organizations.

(d) Provider organizations required to have a unique health identifier are:

- (1) hospitals licensed under chapter 144;
- (2) nursing homes and hospices licensed under chapter 144A;
- (3) subacute care facilities;
- (4) individual providers organized as a clinic or group practice;
- (5) independent laboratory, pharmacy, surgery, radiology, or outpatient facilities;
- (6) ambulance services licensed under chapter 144;
- (7) special transportation services certified under chapter 174; and

(8) ~~other provider organizations as required by the federal Secretary of Health and Human Services under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

Provider organizations shall obtain a unique health identifier from the federal Secretary of Health and Human Services using the process prescribed by the Secretary.

(e) Only the unique health care provider organization identifier shall be used for purposes of submitting and receiving claims, and in conjunction with other data collection and reporting functions.

(f) The commissioner of health may contract with the federal Secretary of Health and Human Services or the Secretary's agent to implement this subdivision.

Subd. 2. [UNIQUE IDENTIFICATION NUMBER FOR INDIVIDUAL HEALTH CARE PROVIDERS.] (a) Not later than 24 months after the date on which a unique health identifier for health care providers is adopted or established under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), all group purchasers and health care providers in Minnesota shall use a unique identification number to identify an individual health care provider, except as provided in paragraph (b).

(b) Small health plans, as defined by the federal Secretary of Health and Human Services under ~~section 1175 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, section 1320d-4 (1996 and subsequent amendments), shall use a unique identification number to identify an individual health care provider no later than 36 months after the date on which a unique health identifier for health care providers is adopted or established under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

(c) The unique health identifier for health care providers adopted or established by the federal Secretary of Health and Human Services under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), shall be used as the unique identification number for individual health care providers.

(d) Individual providers required to have a unique health identifier are:

- (1) physicians licensed under chapter 147;
- (2) dentists licensed under chapter 150A;
- (3) chiropractors licensed under chapter 148;
- (4) podiatrists licensed under chapter 153;
- (5) physician assistants as defined under section 147A.01;
- (6) advanced practice nurses as defined under section 62A.15;
- (7) doctors of optometry licensed under section 148.57;
- (8) pharmacists licensed under chapter 151;

(9) individual providers who may bill Medicare for medical and other health services as defined in United States Code, title 42, section 1395x(s);

(10) individual providers who are providers for state and federal health care programs administered by the commissioner of human services; and

(11) other individual providers as required by the federal Secretary of Health and Human Services under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

Providers shall obtain a unique health identifier from the federal Secretary of Health and Human Services using the process prescribed by the Secretary.

(e) Only the unique individual health care provider identifier shall be used for purposes of submitting and receiving claims, and in conjunction with other data collection and reporting functions.

(f) The commissioner of health may contract with the federal Secretary of Health and Human Services or the Secretary's agent to implement this subdivision.

Subd. 3. [UNIQUE IDENTIFICATION NUMBER FOR GROUP PURCHASERS.] (a) Not later than 24 months after the date on which a unique health identifier for employers and health

plans is adopted or established under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), all group purchasers and health care providers in Minnesota shall use a unique identification number to identify group purchasers, except as provided in paragraph (b).

(b) ~~Small health plans, as defined by the federal Secretary of Health and Human Services under section 1175 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, section 1320d-4 (1996 and subsequent amendments), shall use a unique identification number to identify group purchasers no later than 36 months after the date on which a unique health identifier for employers and health plans is adopted or established under ~~sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

(c) ~~The unique health identifier for health plans and employers adopted or established by the federal Secretary of Health and Human Services under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), shall be used as the unique identification number for group purchasers.

(d) Group purchasers shall obtain a unique health identifier from the federal Secretary of Health and Human Services using the process prescribed by the Secretary.

(e) The unique group purchaser identifier, as described in this section, shall be used for purposes of submitting and receiving claims, and in conjunction with other data collection and reporting functions.

(f) The commissioner of health may contract with the federal Secretary of Health and Human Services or the Secretary's agent to implement this subdivision.

Subd. 4. [UNIQUE PATIENT IDENTIFICATION NUMBER.] (a) ~~Not later than 24 months after the date on which 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~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), all group purchasers and health care providers in Minnesota shall use a unique identification number to identify each patient who receives health care services in Minnesota, except as provided in paragraph (b).

(b) ~~Small health plans, as defined by the federal Secretary of Health and Human Services under section 1175 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, section 1320d-4 (1996 and subsequent amendments), shall use a unique identification number to identify each patient who receives health care services in Minnesota no later than 36 months after the date on which 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~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments).

(c) ~~The unique health identifier for individuals adopted or established by the federal Secretary of Health and Human Services under sections 1171 to 1179 of Public Law Number 104-191, 110 Statutes at Large 1936~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments), shall be used as the unique patient identification number, except as provided in paragraphs (e) and (f).

(d) The unique patient identification number shall be used by group purchasers and health care providers for purposes of submitting and receiving claims, and in conjunction with other data collection and reporting functions.

(e) 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~~ United States Code, title 42, sections 1320d to 1320d-8 (1996 and subsequent amendments);

(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) The commissioner of health may contract with the federal Secretary of Health and Human Services or the Secretary's agent to implement this subdivision.

Sec. 17. [CORRECTION 53.] Laws 1997, chapter 239, article 1, section 12, subdivision 4, is amended to read:

Subd. 4. Community Services

80,387,000 84,824,000

\$225,000 each year is for school-based probation pilot programs. Of this amount, \$150,000 each year is for Dakota county and \$75,000 each year is for Anoka county. This is a one-time appropriation.

\$50,000 each year is for the Ramsey county enhanced probation pilot project. The appropriation may not be used to supplant law enforcement or county probation officer positions, or correctional services or programs. This is a one-time appropriation.

\$200,000 the first year is for the gang intervention pilot project. This is a one-time appropriation.

~~\$50,000 the first year and \$50,000 the second year are~~ is for grants to local communities to establish and implement pilot project restorative justice programs. This is a one-time appropriation.

\$95,000 the first year is for the Dakota county family group conferencing pilot project established in Laws 1996, chapter 408, article 2, section 9. This is a one-time appropriation.

All money received by the commissioner of corrections pursuant to the domestic abuse investigation fee under Minnesota Statutes, section 609.2244, is available for use by the commissioner and is appropriated annually to the commissioner of corrections for costs related to conducting the investigations.

\$750,000 each year is for an increase in community corrections act subsidy funding. The funding shall be distributed according to the community corrections aid formula in Minnesota Statutes, section 401.10.

\$4,000,000 the second year is for juvenile residential treatment grants to counties to defray the cost of juvenile residential treatment. Eighty percent of this appropriation must be distributed to noncommunity corrections act counties and 20 percent must be distributed to community corrections act counties. The commissioner shall distribute the money according to the formula contained in Minnesota Statutes, section 401.10. By January 15, counties must submit a report to the commissioner describing the purposes for which the grants were used.

\$60,000 the first year and \$60,000 the second year are for the electronic alcohol monitoring of DWI and domestic abuse offenders pilot program.

\$123,000 each year shall be distributed to the Dodge-Fillmore-Olmsted community corrections agency and \$124,000 each year shall be distributed to the Arrowhead regional corrections agency for use in a pilot project to expand the agencies' productive day initiative programs, as defined in Minnesota Statutes, section 241.275, to include juvenile offenders who are 16 years of age and older. This is a one-time appropriation.

\$2,000,000 the first year and \$2,000,000 the second year are for a statewide probation and supervised release caseload and workload reduction grant program. Counties that deliver correctional services through Minnesota Statutes, chapter 260, and that qualify for new probation officers under this program shall receive full reimbursement for the officers' salaries and reimbursement for the officers' benefits and support as set forth in the probations standards task force report, not to exceed \$70,000 per officer annually. Positions funded by this appropriation may not supplant existing services. Position control numbers for these positions must be annually reported to the commissioner of corrections.

The commissioner shall distribute money appropriated for state and county probation officer caseload and workload reduction, increased ~~intensive~~ supervised release and probation services, and county probation officer reimbursement according to the formula

contained in Minnesota Statutes, section 401.10. These appropriations may not be used to supplant existing state or county probation officer positions or existing correctional services or programs. The money appropriated under this provision is intended to reduce state and county probation officer caseload and workload overcrowding and to increase supervision of individuals sentenced to probation at the county level. This increased supervision may be accomplished through a variety of methods, including but not limited to: (1) innovative technology services, such as automated probation reporting systems and electronic monitoring; (2) prevention and diversion programs; (3) intergovernmental cooperation agreements between local governments and appropriate community resources; and (4) traditional probation program services.

\$700,000 the first year and \$700,000 the second year are for grants to judicial districts for the implementation of innovative projects to improve the administration of justice, including, but not limited to, drug courts, night courts, community courts, family courts, and projects emphasizing early intervention and coordination of justice system resources in the resolution of cases. Of this amount, up to \$25,000 may be used to develop a gun education curriculum under article 2. This is a one-time appropriation.

During fiscal year 1998, up to \$500,000 of unobligated funds available under Minnesota Statutes, section 401.10, subdivision 2, from fiscal year 1997 may be used for a court services tracking system for the counties. Notwithstanding Minnesota Statutes, section 401.10, subdivision 2, these funds are available for use in any county using the court services tracking system.

Before the commissioner uses money that would otherwise cancel to the general fund for the court services tracking system, the proposal for the system must be reviewed by the criminal and juvenile justice information policy group.

\$52,500 of the amount appropriated to the commissioner in Laws 1995, chapter 226, article 1, section 11, subdivision 3, for the criterion-related cross-validation study is available until January 1, 1998. The study must be completed by January 1, 1998.

Sec. 18. [CORRECTION 55.] Minnesota Statutes 1996, section 518.6111, subdivision 13, as added by Laws 1997, chapter 203, article 6, section 48, is amended to read:

formula and its formula limitation provisions to the legislature by January 15, 1998.

(b) Consumer Support Grants

1,757,000	1,757,000
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(c) Aging Adult Service Grants

7,900,000	7,928,000
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[OMBUDSMAN FOR OLDER MINNESOTANS.] Of this appropriation, \$150,000 in fiscal year 1998 and \$175,000 in fiscal year 1999 is for the board on aging's ombudsman for older Minnesotans to expand its activities relating to home care services and other noninstitutional services, and to develop and implement a continuing education program for ombudsman volunteers. This appropriation shall become part of base-level funding for the biennium beginning July 1, 1999.

[HEALTH INSURANCE COUNSELING.] (a) Of this appropriation, \$200,000 each year is for the board on aging for the purpose of health insurance counseling and assistance grants to be awarded to the area agencies on aging.

(b) Of the amount in paragraph (a), \$100,000 per year is for the area agencies in regions participating in the current health insurance counseling pilot program. The remaining funding shall be distributed on a competitive basis to area agencies on aging in other regions based on criteria developed jointly by the board on aging and the area agencies on aging.

(c) The board shall explore opportunities for obtaining alternative funding from nonstate sources, including contributions from individuals seeking health insurance counseling services.

[LIVING-AT-HOME/BLOCK NURSE PROGRAMS.] Of this appropriation, \$240,000 each fiscal year is for the commissioner to provide funding to 12 additional living-at-home/block nurse programs; \$70,000 for the biennium is for the commissioner to increase funding for certain living-at-home/block nurse programs so that funding for all programs is at the same level for each fiscal year; and \$50,000 each fiscal year is for the commissioner to provide additional contract funding for the organization awarded the contract for the living-at-home/block nurse program.

[CONGREGATE AND HOME-DELIVERED MEALS.] The supplemental funding for nutrition programs serving counties where

congregate and home-delivered meals were locally financed prior to participation in the nutrition program of the Older Americans Act shall be awarded at no less than the same levels as in fiscal year 1997.

[EPILEPSY LIVING SKILLS.] Of this appropriation, \$30,000 each year is for the purposes of providing increased funding for the living skills training program for persons with intractable epilepsy who need assistance in the transition to independent living. This amount must be included in the base amount for this program.

(d) Deaf and Hard-of-Hearing
Services Grants

1,524,000

1,424,000

[ASSISTANCE DOGS.] Of this appropriation, \$50,000 for the biennium is for the commissioner to provide grants to Minnesota nonprofit organizations that train or provide assistance dogs for persons with disabilities. This appropriation shall not become part of the base for the biennium beginning July 1, 1999.

[GRANT FOR SERVICES TO DEAF-BLIND CHILDREN AND PERSONS.] Of this appropriation, \$150,000 for the biennium is for a grant to an organization that provides services to deaf-blind persons. The grant must be used to provide additional services to deaf-blind children and their families. Such services may include providing intervenors to assist deaf-blind children in participating in their communities, and family education specialists to teach siblings and parents skills to support the deaf-blind child in the family. The commissioner shall use a request-for-proposal process to award the grants in this paragraph.

Of this appropriation, \$150,000 for the biennium is for a grant to an organization that provides services to deaf-blind persons. The grant must be used to provide assistance to deaf-blind persons who are working towards establishing and maintaining independence. The commissioner shall use a request-for-proposal process to award the grants in this paragraph.

An organization that receives a grant under this provision may expend the grant for any purpose authorized by this provision, and in either year of the biennium.

[GRANT FOR SERVICES TO DEAF PERSONS WITH MENTAL ILLNESS.] Of this

appropriation, \$100,000 the first year and \$50,000 the second year is for a grant to a nonprofit agency that currently serves deaf and hard-of-hearing adults with mental illness through residential programs and supported housing outreach activities. The grant must be used to continue or maintain community support services for deaf and hard-of-hearing adults with mental illness who use or wish to use sign language as their primary means of communication.

[ASSESSMENTS FOR DEAF, HARD-OF-HEARING AND DEAF-BLIND CHILDREN.] Of this appropriation, \$150,000 each year is for the commissioner to establish a grant program for deaf, hard-of-hearing and deaf-blind children in the state. The grant program shall be used to provide specialized statewide psychological and social assessments, family assessments, and school and family consultation and training. Services provided through this program must be provided in cooperation with the Minnesota resource center; the department of children, families, and learning; the St. Paul-Ramsey health and wellness program serving deaf and hard-of-hearing people; and greater Minnesota community mental health centers.

(e) Mental Health Grants

48,796,000	49,896,000
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[ADOLESCENT COMPULSIVE GAMBLING GRANT.] \$125,000 for fiscal year 1998 and \$125,000 for fiscal year 1999 shall be transferred by the director of the lottery from the lottery prize fund created under Minnesota Statutes, section 349A.10, subdivision 2, to the general fund. \$125,000 for fiscal year 1998 and \$125,000 for fiscal year 1999 is appropriated from the general fund to the commissioner for the purposes of a grant to a compulsive gambling council located in St. Louis county for a statewide compulsive gambling prevention and education project for adolescents.

[CAMP.] Of this appropriation, \$30,000 for the biennium is from the mental health special projects account, for adults and children with mental illness from across the state for a camping program which utilizes the Boundary Waters Canoe Area and is cooperatively sponsored by client advocacy, mental health treatment, and outdoor recreation agencies.

(f) Developmental Disabilities
Support Grants

6,448,000 6,398,000

(g) Medical Assistance Long-Term
Care Waivers and Home Care

249,512,000 299,186,000

[COUNTY WAIVERED SERVICES RESERVE.] Notwithstanding the provisions of Minnesota Statutes, section 256B.092, subdivision 4, and Minnesota Rules, part 9525.1830, subpart 2, the commissioner may approve written procedures and criteria for the allocation of home- and community-based waived services funding for persons with mental retardation or related conditions which enables a county to maintain a reserve resource account. The reserve resource account may not exceed five percent of the county agency's total annual allocation of home- and community-based waived services funds. The reserve may be utilized to ensure the county's ability to meet the changing needs of current recipients, to ensure the health and safety needs of current recipients, or to provide short-term emergency intervention care to eligible waiver recipients.

[REIMBURSEMENT INCREASES.] (a) Effective for services rendered on or after July 1, 1997, the commissioner shall increase reimbursement or allocation rates by five percent, and county boards shall adjust provider contracts as needed, for home and community-based waiver services for persons with mental retardation or related conditions under Minnesota Statutes, section 256B.501; home and community-based waiver services for the elderly under Minnesota Statutes, section 256B.0915; community alternatives for disabled individuals waiver services under Minnesota Statutes, section 256B.49; community alternative care waiver services under Minnesota Statutes, section 256B.49; traumatic brain injury waiver services under Minnesota Statutes, section 256B.49; nursing services and home health services under Minnesota Statutes, section 256B.0625, subdivision 6a; personal care services and nursing supervision of personal care services under Minnesota Statutes, section 256B.0625, subdivision 19a; private duty nursing services under Minnesota Statutes, section 256B.0625, subdivision 7; day training and habilitation services for adults with mental

retardation or related conditions under Minnesota Statutes, sections 252.40 to 252.47; physical therapy services under Minnesota Statutes, sections 256B.0625, subdivision 8, and 256D.03, subdivision 4; occupational therapy services under Minnesota Statutes, sections 256B.0625, subdivision 8a, and 256D.03, subdivision 4; speech-language therapy services under Minnesota Statutes, section 256D.03, subdivision 4, and Minnesota Rules, part 9505.0390; respiratory therapy services provided in an outpatient or clinic setting under Minnesota Statutes, section 256B.0625, subdivision 4, and 256D.03, subdivision 4, and Minnesota Rules, part 9505.0295; dental services under Minnesota Statutes, sections 256B.0625, subdivision 9, and 256D.03, subdivision 4, except that this increase does not apply to dental services provided under the MinnesotaCare program and the provisions of Minnesota Statutes, section 256.9362, subdivision 1, do not apply; alternative care services under Minnesota Statutes, section 256B.0913; adult residential program grants under Minnesota Rules, parts 9535.2000 to 9535.3000; adult and family community support grants under Minnesota Rules, parts 9535.1700 to 9535.1760; and semi-independent living services under Minnesota Statutes, section 252.275, including SILS funding under county social services grants formerly funded under Minnesota Statutes, chapter 256I. The commissioner shall also increase prepaid medical assistance program capitation rates as appropriate to reflect the rate increases in this paragraph. Section 13, sunset of uncodified language, does not apply to this paragraph.

(b) It is the intention of the legislature that the compensation packages of staff within each service be increased by five percent.

(h) Medical Assistance Long-Term Care Facilities

570,291,000

598,115,000

[ICF/MR AND NURSING FACILITY INFLATION.] The commissioner shall grant inflation adjustments for nursing facilities with rate years beginning during the biennium according to Minnesota Statutes, section 256B.431, and shall grant inflation adjustments for intermediate care facilities for persons with mental retardation or related conditions with rate years beginning during the biennium according to Minnesota Statutes, section 256B.501.

[MORATORIUM EXCEPTIONS.] Of this appropriation, \$500,000 each year shall be disbursed for the medical assistance costs of moratorium exceptions approved by the commissioner of health under Minnesota Statutes, section 144A.073. Unexpended money appropriated for fiscal year 1998 does not cancel but is available for fiscal year 1999.

(i) Alternative Care Grants

General	48,355,000	32,278,000
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[PREADMISSION SCREENING TRANSFER.] Effective the day following final enactment, up to \$40,000 of the appropriation for preadmission screening and alternative care for fiscal year 1997 may be transferred to the health care administration account to pay the state's share of county claims for conducting nursing home assessments for persons with mental illness or mental retardation as required by Public Law Number 100-203.

[ALTERNATIVE CARE TRANSFER.] Any money allocated to the alternative care program that is not spent for the purposes indicated does not cancel but shall be transferred to the medical assistance account.

[PREADMISSION SCREENING AMOUNT.] The preadmission screening payment to all counties shall continue at the payment amount in effect for fiscal year 1997.

[PAS/AC APPROPRIATION.] The commissioner may expend the money appropriated for preadmission screening and the alternative care program for these purposes in either year of the biennium.

(j) Group Residential Housing

General	65,974,000	69,562,000
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(k) Chemical Dependency Entitlement Grants

General	36,634,000	38,741,000
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[CHEMICAL DEPENDENCY FUNDS TRANSFER.] \$11,340,000 from the consolidated chemical dependency general reserve fund available in fiscal year 1998 is transferred to the general fund.

(l) Chemical Dependency Nonentitlement Grants

General	5,000,000	5,000,000
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Sec. 21. [CORRECTION 58.] Minnesota Statutes 1996, section 254B.03, subdivision 1, as amended by Laws 1997, chapter 203, article 7, section 17, is amended to read:

\$1,050,000 the first year and \$1,050,000 the second year is for youth intervention programs under Minnesota Statutes, section 268.30. Funding from this appropriation may be used to expand existing programs to serve unmet needs and to create new programs in underserved areas. This appropriation is available until spent.

\$1,500,000 the first year and \$1,500,000 the second year is to supplement the activities of the Job Training Partnership Act Title II-A program as described in United States Code, title 29, sections 1501 to 1792. The commissioner may use up to five percent of this amount of state operations. The balance of the amount is for services to temporary assistance for needy families (TANF) recipients. This is a one-time appropriation and may not be included in the budget base for the biennium ending June 30, 2001.

\$75,000 the first year is for the PLATO education partnership pilot program. If the commissioner favorably evaluates the demonstration implementation of PLATO in Fairmont and Owatonna, the commissioner shall select two other communities in which PLATO will be implemented. Of this amount, not more than \$10 is for the demonstration implementations. This appropriation is available until June 30, 1999. This is a one-time appropriation and may not be included in the agency's budget base for the biennium ending June 30, 2001.

\$250,000 the first year and \$250,000 the second year is for the learn to earn summer youth employment program established under Laws 1995, chapter 224, sections 5 and 39. This appropriation is available until spent.

\$10,000 the first year and \$10,000 the second year are for one-time grants to independent school district No. 2752, Fairmont, for community initiatives.

Of the money appropriated for the summer youth program for the first year, \$750,000 is immediately available. Any remaining balance of the immediately available money is available for the year in which it is appropriated. In addition to the base appropriation, \$6,000,000 the first year is for the summer youth program. If the appropriation in either year is insufficient, the appropriation for the other year is available.

\$700,000 the first year and \$700,000 the second

year is for the Youthbuild program under Minnesota Statutes, sections 268.361 to 268.366. A Minnesota YOUTHBUILD program funded under this section as authorized in Minnesota Statutes, sections 268.361 to 268.367, qualifies as an approved training program under Minnesota Rules, part 5200.0930, subpart 1.

\$250,000 the first year is for a one-time grant to the displaced homemaker program in the department of economic security and \$125,000 the first year and \$125,000 the second year are for one-time grants to the St. Paul district 5 planning council. These grants are to operate a community work empowerment support group demonstration project. A project consists of empowerment groups of individuals that are in the process of obtaining or have obtained jobs, including those in the welfare-to-work programs, or are working out problems of attaining self-sufficiency. The groups must separately meet at least monthly for at least two hours. Each group meeting must include empower mentors whose responsibility will be to conduct the meeting. Group members must be paid at least \$20 for each meeting attended. The sites will report to the commissioner on a semiannual basis regarding the progress achieved at the meetings. The purpose of the group is to:

- (1) share information among group members as to the successes and problems encountered in the individual's employment goals;
- (2) provide a forum for individuals involved in moving to self-sufficiency to share their experiences and strategies and to support and empower each other; and
- (3) to provide feedback to the commissioner concerning the best strategies to achieve the empowerment support group's objectives.

Notwithstanding Minnesota Statutes, section 268.022, subdivision 2, the commissioner of finance shall transfer to the general fund from the dedicated fund \$3,500,000 in the first year and \$3,500,000 in the second year of the money collected through the special assessment established in Minnesota Statutes, section 268.022, subdivision 1.

~~\$30,000~~ \$15,000 the first year and \$15,000 the second year is for a grant to the city of Champlin for creating and expanding curfew enforcement. The program must have clearly established neighborhood, community, and family measures

of success and must report to the commissioner of economic security on the achievement of these outcomes on or before June 30, 1998.

\$250,000 the first year is for a one-time grant to Ramsey county to expand the sister-to-sister mentoring, support, and training network program countywide. This appropriation is in addition to money appropriated under Minnesota Statutes, sections 256J.62 and 256J.76.

\$500,000 is for a grant to the center for victims of torture to design and develop training to educate health care and human service workers on levels of sensitive care and how to make referrals and to establish a network of care providers to do pro bono care for torture survivors so as to enable a rapid integration into communities and labor markets by torture victims. This is a one-time appropriation requiring a one-to-one nonstate, in-kind match, and is available until expended.

Sec. 23. [CORRECTION 68.] 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. 24. [EFFECTIVE DATE.]

Unless provided otherwise, each section of this act takes effect at the time that the section of law enacted in 1997 that it amends or cites takes effect. Section 23 (Correction 68) is effective July 1, 1997."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knutson then moved to amend S.F. No. 5 as follows:

Page 9, after line 8, insert:

"Sec. 5. [CORRECTION 33.] Laws 1997, chapter 231, article 3, section 3, subdivision 5, is amended to read:

Subd. 5. [SPECIAL LEVIES.] "Special levies" means those portions of ad valorem taxes levied by a local governmental unit for the following purposes or in the following manner:

(1) to pay the costs of the principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due on municipal liquor store bonds in the year preceding the year for which the levy limit is calculated;

(2) to pay the costs of principal and interest on certificates of indebtedness issued for any corporate purpose except for the following:

(i) tax anticipation or aid anticipation certificates of indebtedness;

(ii) certificates of indebtedness issued under sections 298.28 and 298.282;

(iii) certificates of indebtedness used to fund current expenses or to pay the costs of extraordinary expenditures that result from a public emergency; or

(iv) certificates of indebtedness used to fund an insufficiency in tax receipts or an insufficiency in other revenue sources;

(3) to provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(4) to fund payments made to the Minnesota state armory building commission under section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(5) for unreimbursed expenses related to flooding that occurred during the first half of calendar year 1997, as allowed by the commissioner of revenue under section 275.74, paragraph (b);

(6) for local units of government located in an area designated by the Federal Emergency Management Agency pursuant to a major disaster declaration issued for Minnesota by President Clinton after April 1, 1997, and before April 21 June 11, 1997, for the amount of tax dollars lost due to abatements authorized under section 273.123, subdivision 7, and Laws 1997, chapter 231, article 2, section 64, to the extent that they are related to the major disaster and to the extent that neither the state or federal government reimburses the local government for the amount lost;

(7) property taxes approved by voters which are levied against the referendum market value as provided under section 275.61;

(8) to fund matching requirements needed to qualify for federal or state grants or programs to the extent that either (i) the matching requirement exceeds the matching requirement in calendar year 1997, or (ii) it is a new matching requirement that didn't exist prior to 1998; and

(9) to pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes, in accordance with standards formulated by the emergency services division of the state department of public safety, as allowed by the commissioner of revenue under section 275.74, paragraph (b).

Sec. 6. [CORRECTION 34.] Laws 1997, chapter 231, article 3, section 4, subdivision 2, is amended to read:

Subd. 2. [LEVY LIMIT BASE.] (a) The levy limit base for a local governmental unit for taxes levied in 1997 shall be equal to the sum of:

(1) the amount the local governmental unit levied in 1996, less any amount levied for debt, as reported to the department of revenue under section 275.62, subdivision 1, clause (1), and less any tax levied in 1996 against market value as provided for in section 275.61;

(2) the amount of aids the local governmental unit was certified to receive in calendar year 1997 under sections 477A.011 to 477A.03 before any reductions for state tax increment financing aid under section 273.1399, subdivision 5;

(3) the amount of homestead and agricultural credit aid the local governmental unit was certified to receive under section 273.1398 in calendar year 1997 before any reductions for tax increment financing aid under section 273.1399, subdivision 5;

(4) the amount of local performance aid the local governmental unit was certified to receive in calendar year 1997 under section 477A.05; and

(5) the amount of any payments certified to the local government unit in 1997 under sections 298.28 and 298.282; and.

~~(6) the amount of any adjustments authorized under section 275.72.~~

If a governmental unit was not required to report under section 275.62 for taxes levied in 1997, the commissioner shall request information on levies used for debt from the local governmental unit and adjust its levy limit base accordingly.

(b) The levy limit base for a local governmental unit for taxes levied in 1998 is limited to its adjusted levy limit base in the previous year, subject to any adjustments under section 275.72.

Sec. 7. [CORRECTION 34A.] Laws 1997, chapter 231, article 3, section 4, subdivision 3, is amended to read:

Subd. 3. [ADJUSTED LEVY LIMIT BASE.] For taxes levied in 1997 and 1998, the adjusted levy limit is equal to the levy limit base computed under subdivision 2 or section 275.72, multiplied by:

(1) one plus a percentage equal to the percentage growth in the implicit price deflator; and

(2) for all cities and for counties outside of the seven-county metropolitan area, one plus a percentage equal to the percentage increase in number of households, if any, for the most recent 12-month period for which data is available; and

(3) for counties located in the seven-county metropolitan area, one plus a percentage equal to the greater of the percentage increase in the number of households in the county or the percentage increase in the number of households in the entire seven-county metropolitan area for the most recent 12-month period for which data is available.

Sec. 8. [CORRECTION 34B.] Laws 1997, chapter 231, article 3, section 5, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENTS FOR ANNEXATION.] If a local governmental unit increases its tax base through annexation of an area which is not the area of an entire local governmental unit, the levy limit base of the local governmental unit in the first year in which the annexation is effective shall be equal to its adjusted levy limit base from the previous established before the adjustment under section 275.71, subdivision 3, for the current levy year multiplied by the ratio of the net tax capacity in the local governmental unit after the annexation compared to its net tax capacity before the annexation.

Sec. 9. [CORRECTION 35.] Laws 1997, chapter 231, article 8, section 16, is amended to read:

Sec. 16. [USE OF PRODUCTION TAX PROCEEDS.]

~~The amount distributed to the iron range resources and rehabilitation board under Minnesota Statutes, section 298.28, subdivision 7, that is attributable to the tax increase due to the implicit price deflator increase as provided in Minnesota Statutes, section 298.24, subdivision 1, paragraph (c), for concentrates produced in 1997 shall be distributed to the iron range resources and rehabilitation board and used by the board to make a grant to the city of Hoyt Lakes to be used for the establishment of an industrial park in the city.~~

Sec. 10. [CORRECTION 45.] Laws 1997, chapter 162, article 2, section 31, subdivision 9, is amended to read:

Subd. 9. [DRUG POLICY AND VIOLENCE PREVENTION PROGRAMS.] For drug policy, violence prevention, and family visitation programs:

\$3,000,000	1998
\$3,000,000	1999

Any balance in the first year does not cancel but is available in the second year.

\$197,000 is appropriated from the state government special revenue fund to the commissioner of children, families, and learning for visitation facilities under Minnesota Statutes, sections 256F.09 and 517.08, subdivision 1c. \$96,000 is available for the fiscal year beginning July 1, 1997, and \$96,000 is available for the fiscal year beginning July 1, 1998.

Any balance in the first year does not cancel, but is available in the second year.

Up to \$400,000 each year is for grants for mentoring at-risk youth. Of the fiscal year 1998 appropriation, up to \$138,000 and of the fiscal year 1999 appropriation up to \$100,000 is for grants under Laws 1995, chapter 226, article 3, section 62.

Up to \$75,000 each year is for grants to community-based violence prevention councils.

Sec. 11. [CORRECTION 51.] Minnesota Statutes 1996, section 119A.04, subdivision 6, as amended by Laws 1997, chapter 162, article 3, section 2, is amended to read:

Subd. 6. [FUNDING FOR TRANSFERRED PROGRAMS.] State appropriations for programs transferred under this section may not be used to replace appropriations for K-12 programs. State and federal appropriations for programs under section 119A.15, subdivision 5a, transferred from the department of economic security, may not be used to replace, supplement, or supplant federal or state appropriations for any other program in the department.

Sec. 12. [CORRECTION 59A.] Laws 1997, chapter 84, article 3, section 9, is amended to read:

Sec. 9. [EFFECTIVE DATE.]

Section 1 is effective for refund claims filed for bad debts recognized for federal income tax purposes after June 30, 1997.

Section 2 is effective for returns filed after January 1, 1998.

Sections ~~3 to~~ 4, 5, and 8 are effective July 1, 1997.

Section 3 is effective for sales made or leases entered into after June 30, 1997.

Sections 6 and 7 are effective for sales and purchases occurring after June 30, 1997.

Sec. 13. [CORRECTION 59B.] Laws 1997, chapter 106, article 1, section 19, is amended to read:

Sec. 19. [297F.19] [CIVIL PENALTIES.]

Subdivision 1. [CIVIL ACTION; GENERAL RULE.] The commissioner may recover the amount of any tax due and unpaid under this chapter, as well as interest, and any penalty in a civil action. The collection of the tax, interest, or penalty is not a bar to any prosecution under this chapter.

Subd. 2. [PENALTY FOR FAILURE TO PAY TAX.] If a tax imposed by this chapter is not paid within the time specified for payment, a penalty is added to the amount required to be shown as tax. The penalty is five percent of the tax not paid on or before the date specified for payment of the tax if the failure is for not more than 30 days, with an additional penalty of five percent of the

amount of tax remaining unpaid during each additional 30 days or fraction of 30 days during which the failure continues, not exceeding 15 percent in the aggregate.

Subd. 3. [PENALTY FOR FAILURE TO MAKE AND FILE RETURN.] If a taxpayer fails to make and file a return within the time prescribed, including an extension, a penalty of five percent of the amount of tax not timely paid is added to the tax.

Subd. 4. [COMBINED PENALTIES.] When penalties are imposed under subdivisions 2 and 3, the penalties imposed under both subdivisions combined must not exceed ~~38~~ 20 percent in the aggregate.

Subd. 5. [PENALTY FOR INTENTIONAL DISREGARD OF LAW OR RULES.] If part of an additional assessment is due to negligence or intentional disregard of the provisions of the applicable tax laws or rules of the commissioner, but without intent to defraud, there must be added to the tax an amount equal to ten percent of the additional assessment.

Subd. 6. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of the tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Subd. 7. [PENALTY FOR FALSE OR FRAUDULENT RETURN; EVASION.] If a person files a false or fraudulent return, or attempts in any manner to evade or defeat a tax or payment of tax, there is imposed on the person a penalty equal to 50 percent of the tax due for the period to which the return related, less amounts paid by the person on the basis of the false or fraudulent return.

Subd. 8. [PAYMENT OF PENALTIES.] The penalties imposed by this section are collected and paid in the same manner as taxes.

Subd. 9. [PENALTIES ARE ADDITIONAL.] The civil penalties imposed by this section are in addition to the criminal penalties imposed by this chapter.

Sec. 14. [CORRECTION 59C.] Laws 1997, chapter 231, article 7, section 47, is amended to read:

Sec. 47. [EFFECTIVE DATES.]

Section 1 is effective for refund claims filed after June 30, 1997.

Sections 2, 6, 7, 9, 13, 15, 16, 17, 18, 20, 21, 25, 31, and 32 are effective for purchases, sales, storage, use, or consumption occurring after June 30, 1997.

Section 3 is effective ~~on July 1, 1997, or upon adoption of the corresponding rules, whichever occurs earlier~~ with the applicable refunds being retroactive to July 1, 1997.

Section 4, paragraph (i), clause (iv), is effective for purchases and sales occurring after September 30, 1987; the remainder of section 4 is effective for purchases and sales occurring after June 30, 1997.

Section 5, paragraph (h), is effective for purchases and sales occurring after June 30, 1997, and paragraph (i) is effective for purchases and sales occurring after December 31, 1992.

Sections 8 and 46 are effective July 1, 1998.

Sections 10 and 22 are effective for purchases, sales, storage, use, or consumption occurring after August 31, 1996.

Sections 11, 12, 33, 34, and 35 are effective July 1, 1997.

Sections 14 and 19 are effective for purchases and sales after June 30, 1999.

Section 23 is effective January 1, 1997.

Section 24 is effective for purchases, sales, storage, use, or consumption occurring after April 30, 1997.

Sections 26 and 45 are effective for purchases, sales, storage, use, or consumption occurring after July 31, 1997, and before August 1, 2003.

Section 27 is effective for purchases, sales, storage, use, or consumption occurring after May 31, 1997.

Section 28 is effective for sales made after December 31, 1989, and before January 1, 1997. The provisions of Minnesota Statutes, section 289A.50, apply to refunds claimed under section 28. Refunds claimed under section 28 must be filed by the later of December 31, 1997, or the time limit under Minnesota Statutes, section 289A.40, subdivision 1.

Section 29 is effective for sales or first use after May 31, 1997, and before June 1, 1998.

Sections 30, 42, and 43 are effective the day following final enactment.

Sections 36 to 39 are effective the day after compliance by the governing body of Cook county with Minnesota Statutes, section 645.021, subdivision 3.

Section 40 is effective for STAR funds collected after June 30, 1997.

Sec. 15. [CORRECTION 59D.] Minnesota Statutes 1996, section 273.126, subdivision 2, as added by Laws 1997, chapter 231, article 1, section 4, is amended to read:

Subd. 2. [INCOME LIMITS.] (a) In order to qualify under class 4d, a unit must be occupied by an individual or individuals whose income is at or below 60 percent of the median area gross income. If the resident's income met the requirement when the resident first occupied the unit, the income of the resident continues to qualify. If an individual first occupied a unit before January 1, 1998, the individual's income for purposes of the preceding sentence is the income for calendar year 1996.

(b) For purposes of this section, "median area gross income" means ~~the greater of (1) the median gross income for the area determined under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1996, or (2) the median gross income for the state.~~

(c) The median gross income must be adjusted for family size.

(d) Vacant units qualify as meeting the requirements of this subdivision in the same proportion that total units in the building are subject to rent restriction agreements under subdivision 3 and meet minimum housing standards under subdivision 4. This paragraph applies only to the extent that units subject to a rent restriction agreement and meeting the minimum housing quality standards are vacant.

(e) The owner or manager of the property may comply with this subdivision by obtaining written statements from the residents that their incomes are at or below the limit.

Sec. 16. [CORRECTION 59E.] Laws 1997, chapter 231, article 1, section 16, is amended to read:

Sec. 16. [PROPERTY TAX REBATE.]

(a) A credit is allowed against the tax imposed on an individual under Minnesota Statutes, chapter 290 equal to 20 percent of the qualified property tax paid in calendar year 1997 for taxes assessed in 1996. The credit is allowed only to the individual and spouse, if any, who paid the tax, whether directly, through an escrow arrangement, or under a contractual agreement for the purchase or sale of the property, and without regard to whether the individual qualifies as a claimant under Minnesota Statutes, chapter 290A.

(b) For property owned and occupied by the taxpayer, qualified tax means property taxes payable as defined in Minnesota Statutes, section 290A.03, subdivision 13, assessed in 1996 and payable in 1997.

(c) For a renter, the qualified property tax means the amount of rent constituting property taxes under Minnesota Statutes, section 290A.03, subdivision 11, based on rent paid in 1997. If two or more renters could be claimants under Minnesota Statutes, chapter 290A with regard to the rent constituting property taxes, the rules under Minnesota Statutes, section 290A.03, subdivision 8, paragraph (f), applies to determine the amount of the credit for the individual.

(d) For an individual who both owned and rented principal residences in calendar year 1997, qualified taxes are the sum of the amounts under paragraphs (a) and (b).

(e) If the amount of the credit under this subdivision exceeds the taxpayer's tax liability under this chapter, the commissioner shall refund the excess.

(f) To claim a credit under this subdivision, the taxpayer must attach a copy of the property tax statement and certificate of rent paid, as applicable, and provide any additional information the commissioner requires.

(g) An amount sufficient to pay refunds under this subdivision is appropriated to the commissioner from the general fund.

(h) This credit applies to taxable years beginning after December 31, 1996, and before January 1, 1998.

(i) Payment of the credit under this section is subject to Minnesota Statutes, chapter 270A, and any other provision applicable to refunds under Minnesota Statutes, chapter 290.

Sec. 17. [CORRECTION 59F.] Laws 1997, chapter 231, article 1, section 19, subdivision 1, is amended to read:

Subdivision 1. [TIF GRANTS.] (a) The commissioner of revenue shall pay grants to municipalities for deficits in tax increment financing districts caused by the changes in class rates under this act. Municipalities must submit applications for the grants in a form prescribed by the commissioner by no later than March 1 for grants payable during the calendar year. The maximum grant equals the lesser of:

(1) for taxes payable in the year before the grant is paid, the reduction in the tax increment financing district's revenues derived from increment resulting from the class rate changes in this article; or

(2) the municipality's total tax increments, including unspent increments from previous years, less the amount due during the calendar year to pay (i) bonds issued and sold before the day following final enactment of this act and (ii) binding contracts entered into before the day following final enactment of this act, less the municipality's total tax increments, including unspent increments from previous years.

(b) The commissioner of revenue may require applicants for grants or pooling authority under this section to provide any information the commissioner deems appropriate. The commissioner shall calculate the amount under paragraph (a), clause (2), based on the reports for the tax increment financing district or districts filed with the state auditor on or before July 1 of the year before the year in which the grant is to be paid.

(c) This subdivision applies only to deficits in tax increment financing districts for which:

(1) the request for certification was made before the enactment date of this act; and

(2) all timely reports have been filed with the state auditor, as required by Minnesota Statutes, section 469.175.

(d) The commissioner shall pay the grants under this subdivision by December 26 of the year.

(e) \$2,000,000 is appropriated to the commissioner of revenue to make grants under this section. This appropriation is available until expended or this section expires under subdivision 3, whichever is earlier. If the amount of grant entitlements for a year exceed the appropriation, the commissioner shall reduce each grant proportionately so the total equals the amount available.

Sec. 18. [CORRECTION 59G.] Minnesota Statutes 1996, section 270.60, subdivision 4, as added by Laws 1997, chapter 231, article 16, section 6, is amended to read:

Subd. 4. [PAYMENTS TO COUNTIES.] (a) The commissioner shall pay to a qualified county in which an Indian gaming casino is located ten percent of the state share of all taxes generated from activities on reservations and collected under a tax agreement under this section with the tribal government for the reservation located in the county. If the tribe has casinos located in more than one county, the payment must be divided equally among the counties in which the casinos are located.

(b) A county qualifies for payments under this subdivision only if one of the following conditions is met:

(1) the county's per capita income is less than 80 percent of the state per capita personal income, based on the most recent estimates made by the United States Bureau of Economic Analysis; or

(2) 30 percent or more of the total market value of real property in the county is exempt from ad valorem taxation.

(c) The commissioner shall make the payments required under this subdivision by February 28 of the year following the year the taxes are collected.

(d) An amount sufficient to make the payments authorized by this subdivision, not to exceed \$1,100,000 in any fiscal year, is annually appropriated from the general fund to the commissioner. If the authorized payments exceed the amount of the appropriation, the commissioner shall proportionately reduce the rate so that the total amount equals the appropriation.

Sec. 19. [CORRECTION 59I.] Minnesota Statutes 1996, section 124.239, subdivision 5, as amended by Laws 1997, chapter 231, article 1, section 2, is amended to read:

Subd. 5. [LEVY AUTHORIZED.] A district, after local board approval, may levy for costs related to an approved facility plan as follows:

(a) if the district has indicated to the commissioner that bonds will be issued, the district may levy for the principal and interest payments on outstanding bonds issued according to subdivision 3 after reduction for any alternative facilities aid received receivable under subdivision 5 5a; or

(b) if the district has indicated to the commissioner that the plan will be funded through levy, the district may levy according to the schedule approved in the plan.

Sec. 20. Minnesota Statutes 1996, section 124.239, subdivision 5a, as added by Laws 1997, chapter 231, article 1, section 3, is amended to read:

Subd. 5a. [ALTERNATIVE FACILITIES AID.] A district's alternative facilities aid is the amount equal to the district's annual debt service costs qualifying for aid under subdivision 3a, provided that the amount does not exceed the amount certified to be levied for those purposes for taxes payable in 1997.

Sec. 21. Minnesota Statutes 1996, section 124.239, is amended by adding a subdivision to read:

Subd. 5b. [ALTERNATIVE FACILITIES APPROPRIATION.] (a) An amount not to exceed \$17,000,000 is appropriated from the general fund to the commissioner of children, families, and learning for fiscal year 2000 and each year thereafter for payment of alternative facilities aid under subdivision 5a. The 2000 appropriation includes \$1,700,000 for 1999 and \$15,300,000 for 2000.

(b) The appropriation in paragraph (a) must be reduced by the amount of any money specifically appropriated for the same purpose in any year from any state fund.

Sec. 22. [REPEALER.]

Laws 1997, chapter 231, article 1, section 1, is repealed.

Sec. 23. [CORRECTION 59J.] Minnesota Statutes 1996, section 297A.25, subdivision 71, as added by Laws 1997, chapter 231, article 7, section 28, is amended to read:

Subd. 71. [FIREWOOD.] The gross receipts from the sale of and the storage, use, or consumption of wood used for fires for heating, cooking, or any other purpose, ~~except for the generation of electricity, steam, or heat to be sold at retail,~~ are exempt.

Sec. 24. [CORRECTION 59K.] Laws 1997, chapter 231, article 2, section 65, is amended to read:

Sec. 65. [DISASTER AREA; DUE DATE EXTENDED FOR BUSINESS PROPERTY TAXES.]

(a) Notwithstanding Minnesota Statutes, section 279.01, subdivision 1, a penalty shall not accrue if (1) because of a natural disaster, a taxpayer is unable to pay the first half of the payable 1997 property taxes on class 3a or 3b property, classified under Minnesota Statutes, section 273.13, subdivision 24, located in an area designated by the Federal Emergency Management Agency pursuant to a major disaster declaration issued for Minnesota by President Clinton between April 1, 1997, and April 14, 1997, and (2) the taxpayer pays the first half of the payable 1997 taxes by October 15, 1997.

(b) If the first one half payment is paid after October 15, 1997, then all penalties that would have occurred ~~on~~ after the due date under Minnesota Statutes, section 279.01, subdivision 1, shall be charged on the amount of the unpaid tax.

(c) The property taxpayer shall attach to the payment a statement that the property is located in a disaster area and qualified for an extension under this section.

Sec. 25. [CORRECTION 59L.] Laws 1997, chapter 231, article 16, section 31, is amended to read:

Sec. 31. [EFFECTIVE DATE.]

Section 9 is effective for decrees of marriage dissolution, deeds, or other instruments executed and delivered after July 1, 1997.

Section 10 is effective for assessments made on or after the effective date of Laws 1996, chapter 471, article ~~2~~ 3, section 32.

Section 19 is effective the day following final enactment.

Sec. 26. [CORRECTION 59M.] Minnesota Statutes 1996, section 273.1382, subdivision 1, as added by Laws 1997, chapter 231, article 1, section 12, subdivision 1, as amended by Laws 1997, chapter 251, section 20, subdivision 1, is amended to read:

Subdivision 1. [EDUCATION HOMESTEAD CREDIT.] Each year, beginning with property taxes payable in 1998, the respective county auditors shall determine the ~~local~~ initial tax rate for each school district for the general education levy certified under section 124A.23, subdivision 2 or 3. That rate plus the school district's education homestead credit tax rate adjustment under section 275.08, subdivision 1e, shall be the general education homestead credit local tax rate for the district. The auditor shall then determine a general education homestead credit for each homestead within the county equal to 32 percent of the general education homestead credit local tax rate times the net tax capacity of the homestead for the taxes payable year. The amount of general education homestead credit for a homestead may not exceed \$225. In the case of an agricultural homestead, only the net tax capacity of the house, garage, and surrounding one acre of land shall be used in determining the property's education homestead credit.

Subd. 2. Subdivision 1 is effective for taxes levied in 1997, payable in 1998, and thereafter."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knutson then moved to amend S.F. No. 5 as follows:

Page 9, after line 8, insert:

"Sec. 5. [CORRECTION 64.] Laws 1997, chapter 203, article 1, is amended by adding sections to read:

Sec. 15. [AUTHORITY TO WAIVE REQUIREMENTS DURING DISASTER PERIODS.]

The commissioner of children, families, and learning may waive requirements under Minnesota Statutes, chapter 119B, for up to nine months in areas where a federal disaster has been declared under United States Code, title 42, section 5121, et seq., or the governor has exercised authority under chapter 12.

Sec. 16. [AUTHORITY TO WAIVE REQUIREMENTS DURING DISASTER PERIODS.]

The commissioner of children, families, and learning may waive requirements under Minnesota Statutes, section 268.38 for up to nine months for grantees in areas where a federal disaster has been declared under United States Code, title 42, section 5121, et seq., or the governor has exercised authority under chapter 12.

Sec. 17. [AUTHORITY TO WAIVE REQUIREMENTS DURING DISASTER PERIODS.]

The commissioner of children, families, and learning may waive requirements under Minnesota Statutes, sections 268.912 to 268.916, for up to nine months for Head Start grantees in areas where a federal disaster has been declared under United States Code, title 42, section 5121, et seq., or the governor has exercised authority under chapter 12.

Sec. 18. [WAIVER OF LIMITATION FOR FACILITY CHANGES.]

The limitation under Minnesota Statutes 1996, section 268.362, subdivision 1, paragraph (a), on the type of facilities which may be rehabilitated, improved, or constructed as part of a work experience component to provide education and work experience to targeted youth is waived and shall include low-income private residences, private businesses, municipal parks, and other land areas impacted by the major natural disaster (flood) declared by President Clinton in the spring of 1997.

Sec. 19. [WAIVER ON DEFINITION OF AT-RISK YOUTH.]

The limitation on the definition of an at-risk youth under the Minnesota youth program, in Minnesota Statutes 1996, section 268.56, subdivision 3, is waived to include a youth affected by the major natural disaster (flood) declared by President Clinton in the spring of 1997. The waiver is effective until May 30, 1998.

Sec. 20. [NOTIFICATION.]

The commissioner shall notify the chairs of the senate health and family security committee, health and family security budget division, human resources finance committee, the house health and human services committee, health and human services finance division, and ways and means committee ten days prior to the effective date of any waiver or variance granted under sections 15, 16, and 17."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knutson then moved to amend S.F. No. 5 as follows:

Page 9, after line 8, insert:

"Sec. 5. [CORRECTION 44.] Minnesota Statutes 1996, section 124.2601, subdivision 5, as amended by Laws 1997, chapter 162, article 2, section 19, is amended to read:

Subd. 5. [AID.] Adult basic education aid is equal to the difference between an approved program's adult basic education revenue and its adult basic education levy. Beginning with levies payable in 1998, if the district does not levy the full amount permitted, the adult education aid must be reduced in proportion to the actual amount levied.

Sec. 6. [CORRECTION 46.] Minnesota Statutes 1996, section 119B.13, subdivision 6, as added by Laws 1997, chapter 162, article 4, section 4, is amended to read:

Subd. 6. [PROVIDER PAYMENTS.] Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses. If payments for child care assistance are made to providers, the provider shall bill the county for services provided within ten days of the end of the month of service. If bills are submitted in accordance with the provisions of this subdivision 6, a county shall issue payment to the provider of child care under the child care fund within 30 days of receiving an invoice from the provider. Counties may establish policies that make payments on a more frequent basis. A county's payment policies must be included in the county's child care plan under section 119B.08, subdivision 3.

Sec. 7. [CORRECTION 47.] Minnesota Statutes 1996, section 119B.05, subdivision 1, as amended by Laws 1997, chapter 162, article 4, section 19, is amended to read:

Subdivision 1. [ELIGIBLE RECIPIENTS.] Families eligible for child care assistance under the AFDC child care program are:

(1) persons receiving services under sections 256.031 to ~~256.04~~ 256.0361 and 256.047 to 256.048;

(2) AFDC recipients who are employed or in job search and meet the requirements of section 119B.10;

(3) persons who are members of transition year families under section 119B.01, subdivision 16;

(4) members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation;

(5) AFDC caretakers who are participating in the STRIDE and non-STRIDE AFDC child care program;

(6) families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K; and

(7) MFIP-S families who are participating in work activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J. Child care assistance to support work activities as described in section 256J.49 must be available according to sections 119B.01, subdivision 8, 121.882, 256E.08, 268.916, and 611A.32 and titles IVA, IVB, IVE, and XX of the Social Security Act.

Sec. 8. [CORRECTION 48.] Laws 1997, chapter 162, article 4, section 63, subdivision 5, is amended to read:

Subd. 5. [CHILD CARE DEVELOPMENT.] For child care development grants according to Minnesota Statutes, section 119B.21:

\$5,865,000	1998
\$1,865,000	1999

Any balance in the first year does not cancel but is available in the second year.

Of the fiscal year 1998 appropriation, up to \$2,000,000 is for the following grants:

(1) a grant to the Minnesota licensed family child care association for statewide implementation of the family child care mentorship model developed by the association;

(2) a grant to the Minnesota child care apprentice/mentor program to modify the apprentice/mentor program for statewide implementation through the child care careers program of the community/technical college system;

(3) a grant to expand project impact, which prepares child care providers and staff who are members of a community of color, as that term is defined in Minnesota Statutes, section 257.076, subdivision 3, to meet or exceed the education and experience requirements of assistant teachers, teachers, and family day care providers in licensed child care programs;

(4) expansion of the Minnesota child care apprentice/mentor program, which prepares child care center staff to meet or exceed the education and experience requirements of teachers in licensed child care centers;

(5) grants to the regional child care resource and referral programs under Minnesota Statutes, section 119B.18, and education and training loans made by the regional child care resource and referral programs under the loan program established in section 119B.18. No more than 2.5 percent of this appropriation may be used for administration of the loan program; and

(6) a grant to a nonprofit corporation under Minnesota Statutes, section 119B.25. Up to five percent of the grant may be used by the department and the nonprofit corporation to administer the loan program including costs associated with setting up an information system to administer child care and early childhood education facility loans."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 5 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

Ms. Johnson, J.B. introduced--

S.F. No. 9: A bill for an act relating to utilities; providing for environmental quality board jurisdiction over transmission lines less than 200 kilovolts; adding a high voltage transmission line that crosses the state boundary to the definition of a large energy facility; making technical change; amending Minnesota Statutes 1996, section 216B.2421, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 116C.

Mr. Moe, R.D. moved that S.F. No. 9 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED**Messrs. Moe, R.D. and Johnson, D.E. introduced--**

Senate Resolution No. 3: A Senate resolution relating to adjournment of the Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the Governor and the House of Representatives that the Senate is about to adjourn the Special Session sine die.

The Secretary of the Senate may correct and approve the Journal of the Senate for the Special Session.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

MEMBERS EXCUSED

Mr. Hottinger was excused from the Session of today. Ms. Robertson was excused from the Session of today at 3:00 p.m. Ms. Wiener was excused from the Session of today at 3:30 p.m. Ms. Hanson was excused from the Session of today from 4:00 to 4:15 p.m.

ADJOURNMENT

Ms. Anderson moved that the Senate do now adjourn sine die. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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