

# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MN 55155

January 13, 1995

## Back to business

One of the Senate's own, former IR member and newly inaugurated Lt. Gov. Joanne Benson, opened the 79th Legislative Session Tues., Jan. 3.

Turning promptly to the inaugurations at hand, Sen. Mark Ourada (IR-Buffalo) was sworn in by Chief Justice A.M. "Sandy" Keith. Ourada comes to the Senate along with three other newcomers, including Sen. Kenric Scheevel (IR-Preston), Senator-elect David Kleis (IR-St. Cloud), and Senator-elect Don Kramer (IR-Brooklyn Center). A special election will be held on Feb. 2 to fill the seat recently held by Sen. Patrick McGowan (IR-Maple Grove).

Senate officers, including President of the Senate, Allen Spear (DFL-Mpls.), were also elected during the opening procedures. Spear, who has presided over the Senate since 1993, thanked his colleagues for their unanimous vote of confidence. "I promise to perform my duties to the best of my ability," Spear said.

Sen. Roger D. Moe (DFL-Erskine) remains Majority Leader, while Sen. Dean Johnson (IR-Willmar) continues on as Minority Leader. Serving as Assistant Majority Leader, is Sen. Ember Reichgott-Junge (DFL-New Hope), the first woman to hold the position.

Moe, the longest-standing Majority Leader, said that he hopes to see improvements in programs and services. He added that he expects changes to come quickly, and that he does not foresee tax increases.

In other action, Senators approved several routine opening day resolutions including endorsement of the standing committees and okaying provisions for postage, parking, and expenses. Additionally, members authorized reimbursement of \$50 to volunteer interns for each week of service during the Legislative Session.

Discussion concerning the stipend paid to interns ensued, and Sen. Leroy Stumpf (DFL-Thief River Falls) alerted members to his plans to ask for a housing allowance for Senate interns. Stumpf said that students from Greater Minnesota are less likely to participate in the program because they have the added financial burden of paying for housing in the Metropolitan Area.

The Senate also met briefly Weds., Jan. 4, for the purpose of introducing bills and assigning bills to committees.

## Senators sworn in

The Senate convened briefly on Mon., Jan. 9, to address mostly procedural matters. New Senators Dave Kleis from the 16th District and Don Kramer from the 47th District took the oath of office.

Kleis, an Independent Republican from St. Cloud, replaces Joanne Benson. Benson, who had served in the Senate since 1990, was elected Minnesota Lieutenant Governor in November.

Another Independent Republican, Kramer of Brooklyn Center, prevailed in the race for the seat previously held by William Luther. Luther stepped down from his District 47 seat after he won the Sixth Congressional District race.

In other floor action, the Senate passed S.R. 16. The resolution permits the reimbursement of Senate interns up to \$300 per month for lodging. The funding is intended to pay for costs incurred by students from Greater Minnesota during internships at the State Capitol.

Sen. Martha Robertson (IR-Minnetonka) opposed the resolution, questioning the need for reimbursement. Internships are intended to enhance a student's education while they are taking classes, and the resolution does not deal with this issue, Robertson said. In support of the resolution, Sen. LeRoy Stumpf (DFL-Thief River Falls) explained that the purpose is to enable students from Greater Minnesota to participate in the Senate along with Metropolitan Area students. The resolution was approved by a vote of 53 to 7.

## Resolutions adopted

The Thurs., Jan. 12, Senate floor session was dominated by discussion of two resolutions. The first, sponsored by Sen. Linda Berglin (DFL-Mpls.), commemorates the life and work of Dr. Martin Luther King, Jr.

The second resolution, directed at the United States Congress, generated more discussion. S.F. 66, co-sponsored by Majority Leader Roger Moe (DFL-Erskine) and Minority Leader Dean Johnson (IR-Willmar), memorializes Congress to continue its progress at reducing the federal deficit and provide to the state information on the impact that a

balanced federal budget will have on the State of Minnesota. Moe said that Senators needed to adopt the resolution promptly because discussions at the federal level are expected to result in passage of a balanced budget amendment within the next week. In addition, Moe said that Legislature needs to have as much information as possible as the state budget process advances. Johnson also emphasized the need for the state to have the necessary financial information in going about the budget development process. The resolution was passed unanimously 63-0.

## Legislative gopher

Now there is a new way to get information about the Minnesota Legislature. In a joint effort, the Legislative Reference Library, the Office of the Revisor of Statutes, the Senate and the House of Representatives have established a "gopher" information server. Information about weekly meeting schedules, member biographies, the full text of bills, House Journals and information on the legislative process may all be found on the Legislative Gopher. The Legislative Gopher is a dynamic entity and more information items are being added. The Legislative Gopher makes an incredible amount of information instantly available to anyone who has computer on-line capabilities.

There are several ways to access the Legislative Gopher. For gopher administrators: point you gopher to URL:gopher://gopher.revisor.leg.state.mn.us:70/1. This is the root server for the House and Senate Legislative Gopher. For individuals or systems with gopher client software: Point your gopher client to gopher.revisor.leg.state.mn.us (Port 70). For users without gopher client software: Telnet to consultant.micro.umn.edu (the University of Minnesota Gopher), login: gopher. Or, via dial access, 612-626-2400 (also the U of M Gopher), access>consultant.micro.umn.edu, login: gopher. Follow this path through the menus: Other Gopher and Information Servers/North America/U.S./Minnesota/Minnesota Legislature. Users with subscriptions to commercial on-line services should check with your service to see if gopher access is supported.

# Committee update

## Education

### Funding projections given

Status reports on education funding were presented to the Senate Education Committee, co-chaired by Sen. Larry Pogemiller (DFL-Mpls.) and Sen. LeRoy Stumpf (DFL-Thief River Falls), Wed. afternoon, Jan. 11.

Members of the Senate's fiscal and research staff gave reports on the current levels of funding for both K-12 and post-secondary education funding. While budget discussions will not begin until the governor presents his proposal, Pogemiller said he wanted to take an opportunity for the members to "get the numbers down so that we know what we're dealing with."

Mark Misukanis, the Senate's Fiscal Analyst for K-12 education, reviewed the state's budget forecasts and how it applies to education. He said that while general revenue is expected to grow by 5.9 percent from the last biennial budget, for fiscal years (FY) 1994 and 1995, general fund expenditures are projected to increase by 6.6 percent.

He said that K-12 education funding as projected will increase by 8.9 percent. That projection, Misukanis said, is largely driven by two factors - growth in the number of students and increases in the amounts of both compensatory and training and experience revenue districts will receive.

If current law remains in effect, he said that K-12 education would receive about \$450 million more in the FY 96/FY 97 budget than was made available in the previous budget.

Misukanis said that caps enacted in 1993 limit how much additional funding can be made available for K-12 education due to increasing enrollments. Pogemiller said that while budget projections show an increase in revenue for K-12 education, that amount is still short of what current law requires. "It will take \$770 million for us to do what we say we will do (in current law)," he said.

He said that even an additional \$770 million would not provide for any adjustment in amounts for inflation. "If we can't come up with \$770 million," Pogemiller said, "maybe we need to change the law, and start telling people the truth about what we are spending for education."

Like K-12 education, the public post-secondary systems also are subject to a spending cap, Dave Buelow, the Senate Fiscal Analyst for higher education, told the committee. He said that higher education funding is capped in current law at \$2.04 billion for the biennial budget. He added that the base amount of funding for the four higher education

systems, (the University of Minnesota, as well as the State University, Community College and Technical College Systems) as approved by the Legislature for the FY 94 and FY 95, is slightly higher than the cap, at \$2.115 billion.

Adding an inflationary increase of about three percent would raise that amount to \$2.2 billion. Buelow added that the budget requests for the coming biennium from the four systems totals just more than \$2.3 billion.

Funding for post-secondary education is largely enrollment driven, according to Maja Weidmann of Senate Counsel and Research. She said the trends indicate that enrollment at the University of Minnesota and in the State University System have remained fairly flat, while both the Technical College and Community College Systems continue to grow.

The relationship between state funding and enrollment levels affects tuition levels, Buelow explained. He said that the typical relationship has been that the state make more funding available for financial aid during those times when tuition amounts increase.

Budget discussions will begin in earnest after the governor's budget proposal is presented to the Legislature on Jan. 24.

### MnSCU statutes proposed

At a Thurs., Jan. 12 division meeting, members of the Higher Education Division heard a proposal for recodifying statutes dealing with the three post-secondary education systems.

John Ostrem, vice chancellor of the Technical College System, gave an overview of how statutes will apply to the three systems that will merge July 1, 1995 into one system, the Minnesota State Colleges and Universities (MnSCU). When the higher education merger law was approved by the Legislature in 1991 the law did not define which of the existing laws would apply to the new system.

The goals of the Statutory Recodification Project were to prepare legislation to transfer sections of state university, technical college and community college law into the MnSCU Statute, and to organize the MnSCU Statutes for efficient use by the system and the public, Ostrem said. The MnSCU Board of Trustees approved the project in December; Ostrem expects the project to be finalized by July 1995.

Ostrem said the new statutes were rewritten, but not changed in meaning; however, in some cases, existing statutes which deal only with one system are expanded to include all three systems. He said none of the proposed statutes expands the power of the MnSCU Board

beyond the power of what at least one system has currently.

Some committee members asked if, in those instances where the statutes were expanded to include all systems, the new law could identify where the statute originated.

The recodification process also attempts to simplify and reorganize the statutes dealing with the three systems, repeal obsolete language, change statutory references to the three systems to "Minnesota State Colleges and Universities," rewrite state laws related to federal statutes, and organize statutes and MnSCU policies with identical chapters.

At the meeting, Greg Braxton-Brown, interim-chancellor of the Community College System, objected to one of the proposed codes which specifically refers to the Fond du Lac campus of the community college system. He was concerned the proposed new language would alter the unique relationship the college has between the federal government and local tribal authorities.

Sen. LeRoy Stumpf (DFL-Thief River Falls), chair of the Higher Education Division, said discussion will continue regarding specific statutes. A bill regarding the recodification of statutes has been drafted but not introduced.

A summary of 11 reports related to the merger of the three higher education systems as required by 1993 legislation also was presented at the meeting.

## Jobs, Energy and Community Development

### Affordable housing issues reviewed

The issues surrounding affordable housing received extensive discussion and testimony at the Jobs, Energy and Community Development Subcommittee on Economic Development and Housing meeting, Weds., Jan. 11.

The subcommittee, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard from the Dept. of Trade and Economic Development, the Minnesota Housing Finance Agency (MHFA), The Minnesota Right to Housing Campaign, and representatives from several regional housing advocacy groups.

Peter Gillette, commissioner of trade and economic development, said he has traveled to many communities around the state, and has heard repeatedly from businesses in small communities that they are experiencing an economic resurgence but are hindered because there is nowhere for new workers to live. Gillette said businesses have difficulty recruiting workers because there are either no housing units available or the units available are not affordable for entry-level workers.

The gap between entry-level wages and the cost of entry-level housing emerged as a recurrent theme among the testifiers. Gillette said that workers making \$8 an hour and taking home \$1,000 per month cannot afford rent in many communities. Diana Faiella of the Minneapolis Lutheran Social Services Housing Resource Center said many working families are spending the majority of their incomes on housing, leaving little money for food and other necessities.

Kathy Kremer of the Southeast Minnesota Housing Network urged Senators to recognize that though the issues of lack of affordable housing and homelessness are often thought of as Metropolitan Area problems, they are present and increasing dramatically in Greater Minnesota. Kremer said the majority of rural homeless people agencies are seeing are women and children.

Kremer urged additional funding for the MHFA Family Homeless Prevention and Assistance Program and the Emergency Mortgage and Rental Assistance Program, saying that both have been effective in keeping families in housing and responding to emergency housing needs in Greater Minnesota.

Chip Halbach of the Right to Housing Campaign said that the agency proposes a \$31.5 million increase in appropriations to MHFA, bringing its budget to \$68.5 million. Halbach said the proposed budget increase would permit MHFA to provide approximately 1,860 opportunities for low-income families to buy homes, 1,400 affordable rental apartments and transitional housing for 8,640 homeless or about-to-be-homeless families.

### Workers' comp discussions begin

The Employment Subcommittee of the Jobs, Energy, and Community Development Committee began its discussions of workers' compensation Thurs. morning, Jan. 12, by hearing presentations on how the changes the Legislature made in 1992 have affected workers' compensations costs in Minnesota.

"The changes that were made in 1992 were largely focused on medical cost containments," said the subcommittee's chair, Sen. Kevin Chandler (DFL-White Bear Lake). "It makes sense that we find out whether those reforms have made any difference before we begin to talk about changing other aspects of workers' compensation."

Bob Johnson of the Insurance Federation of Minnesota told the division that the reforms enacted in 1992 are beginning to work. Citing a rate-making report for 1995 distributed to all licensed insurance providers in Minnesota, Johnson said that for the first time in four years, the report recommends that insurance providers reduce their workers' compensation rates

by 5.6 percent.

"This is the first meaningful report that reflects all of law and state rule changes that came from the 1992 legislation," Johnson said, "I directly attribute this drop in rate to the changes, especially in medical cost containment."

He said that other provisions of the 1992 law, particularly a mandated rate reduction of 16.7 percent followed by a one-year freeze on rates also had an effect. He added that not all employers may have recognized that drop in rate because of various factors, such as wage increases, new hires or increased benefit spending.

Pat Johnson, president of State Fund Mutual Insurance Co., one of the state's largest workers' compensation providers, said that rates are about 10 percent less costly for employers. She also attributed the rate reductions to medical cost containment.

She added that workers' compensation is a changing environment, which also has had effects on rates since 1992. "We've seen a slight increase in the number of claims," she said, "as well as higher initial costs but lower long-term cost. The kinds of claims have also been less severe."

Elizabeth Houlding of the Dept. of Employee Relations, discussed the impact that the 1992 changes has had on workers' compensation for public employees. She said that the total costs have declined by nearly 10 percent, from \$23.4 million in fiscal year (FY) 1993 to \$21.8 million the next year.

The reduction in state costs occurred in the areas of medical and rehabilitation benefits and in employee attorney fees, she said.

Kevin Wilkens, assistant commissioner in the Dept. of Labor and Industry, said that he does not yet have a clear picture of whether insurance companies did, in fact, reduce their rates as required by law, but that there has been a decline in the amounts of medical benefit pay-outs. "We are seeing about a \$13 million drop in pay-outs during the first six months of 1994 in comparison to the same period in 1993," he said.

## Rules and Administration

### Opening resolutions okayed

The first day of the new legislative session Tues., Jan. 3, began with a traditional meeting of the Rules and Administration Committee. The panel, chaired by Majority Leader Roger Moe (DFL-Erskine), considered and adopted a number of resolutions needed to begin the work of the Senate. The committee approved resolutions naming the majority and minority leaders, setting mileage and per diem allowances, establishing Senate committees, allocating postage, and naming committees to notify the other

body and the governor that the Senate was organized and ready to commence the session.

The panel also adopted temporary rules and temporary joint rules under which the Senate will operate until permanent rules and permanent joint rules are adopted. The only change to the Senate rules, other than changes in the committee roster, was a change to allow the use of the electric voting board, rather than voice roll call, for votes on overriding a governor's veto.

### Personnel matters heard

The Rules and Administration Subcommittee on Personnel, chaired by Sen. Roger D. Moe (DFL-Erskine), met Mon., Jan. 9, in order to approve the roster of temporary employees and the roster of permanent employees. Members also authorized a study to be conducted on staff classification and compensation.

Immediately following the subcommittee meeting, the full Rules and Administration Committee, chaired by Moe, met to adopt the report of the subcommittee.

### Panel reviews computerization

The Rules and Administration Ad Hoc Subcommittee on Senate Information Systems met Mon., Jan. 9, to review issues relating to further computerization in the Senate. The subcommittee, chaired by Sen. Len Price (DFL-Woodbury), also heard an update on the computer systems being implemented in the other body.

Members approved several action items to recommend to the full Rules and Administration Committee for further consideration. Among the action items approved by the members were proposals to upgrade computer workstations in Senators' offices, to provide Senators with dial-in access from their own personal home computers and to provide Internet e-mail addresses for Senators.

## Taxes and Tax Laws

### Financial picture presented

The Senate Tax and Tax Laws Committee, chaired by Sen. Douglas Johnson (DFL-Cook), began its work for the 1995 session Wed. afternoon, Jan. 11, with a review of the state's most recent revenue forecast, a report on the first Price of Government forecast, and an update on the Cambridge Bank refunds case.

Reporting that state revenues are projected to grow by 5.9 percent while expenditures will increase by 6.6 percent, Commissioner Laura King of the Dept. of Finance, told the committee that the November budget forecast indicates that there will be just less than \$1 billion in additional revenue available for the

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# 1995 Senate Committee Assignments

## Agriculture and Rural Development (11)

Chair: Bertram                      Vice Chair: Hanson  
Office: 323                              Telephone: 296-7405  
Meets: M, W; 12 noon-2 p.m.; Room 107

Berg	Morse	Scheevel
Dille	Murphy	Stevens
Lesewski	Sams	Vickerman

## Commerce and Consumer Protection (15)

Chair: Solon                              Vice Chair: Wiener  
Office: 303                              Telephone: 296-4158  
Meets: M, W; 12 noon-2 p.m.; Room 112

Anderson	Hottinger	Larson	Samuelson
Belanger	Janezich	Metzen	
Chandler	Johnston	Oliver	
Day	Kroening	Price	

## Crime Prevention (12)

Chair: Spear                              Vice Chair: Anderson  
Office: G-27                              Telephone: 296-4191  
Meets: M, W, Th; 2-4 p.m.; Room 15

Beckman	Kelly	Marty	Ranum
Belanger	Knutson	Merriam	
Cohen	Laidig	Neuville	

## Crime Prevention Finance Division (9)

Chair: Beckman  
Office: 306                              Telephone: 296-5713

Cohen	Knutson	Merriam	Ranum
Kelly	Laidig	Neuville	Spear

## Education (23)

Co-Chair: Pogemiller                      Co-Vice Chair: Krentz  
Co-Chair: Stumpf                              Co-Vice Chair: Price  
Office: 235                              Telephone: 296-4185  
Meets: T, W, Th; 10 a.m.-12 noon; Room 112

Beckman	Langseth	Olson	Robertson
Hanson	Larson	Ourada	Scheevel
Janezich	Moe, R.D.	Pappas	Solon
Kleis	Murphy	Ranum	Wiener
Knutson	Neuville	Reichgott Junge	

## Education Funding Division (15)

Chair: Pogemiller                              Vice Chair: Krentz  
Office: 235                              Telephone: 296-7809

Beckman	Langseth	Ranum	Stumpf
Hanson	Larson	Reichgott Junge	
Janezich	Olson	Robertson	
Knutson	Pappas	Scheevel	

## Environment and Natural Resources (18)

Chair: Lessard                              Vice Chair: Chandler  
Office: 111                              Telephone: 296-1113  
Meets: T 2-4 p.m., F 10-2 p.m.; Room 107

Anderson	Frederickson	Mondale	Pariseau
Berg	Johnson, J.B.	Morse	Price
Dille	Laidig	Novak	Riveness
Finn	Merriam	Olson	Stevens

## Environment and Natural Resources Finance Division (12)

Chair: Morse  
Office: G-24                              Telephone: 296-5649

Berg	Johnson, J.B.	Merriam	Price
Finn	Laidig	Olson	Riveness
Frederickson	Lessard	Pariseau	

## Ethics and Campaign Reform (11)

Chair: Marty                              Vice Chair: Reichgott Junge  
Office: G-9                              Telephone: 296-8866  
Meets: T, Th; 12 noon-2 p.m.; Room 107

Cohen	Johnson, D.J.	Pariseau
Day	Laidig	Pogemiller
Johnson, D.E.	Moe, R.D.	Sams

## Family Services (14)

Chair: Piper                              Vice Chair: Betzold  
Office: G-9                              Telephone: 296-9248  
Meets: T, Th; 12 noon-2 p.m.; Room 15

Berglin	Kiscaden	Ourada	Samuelson
Chandler	Kramer	Riveness	Solon
Johnson, J.B.	Krentz	Robertson	Stevens

## Finance (21)

Chair: Merriam                              Vice Chair: Kelly  
Office: 122                              Telephone: 296-4157  
Meets: M, T, W, Th; 4-6 p.m.; Room 123

Beckman	Johnston	Morse	Samuelson
Cohen	Kroening	Neuville	Spear
Frederickson	Laidig	Piper	Stumpf
Johnson, D.E.	Langseth	Ranum	Terwilliger
Johnson, J.B.	Larson	Riveness	

## Finance State Government Division (12)

Chair: Cohen                              Vice Chair: Riveness  
Office: 317                              Telephone: 296-5931

Frederickson	Kroening	Morse	Terwilliger
Johnston	Langseth	Neuville	
Kelly	Merriam	Piper	

**Gaming Regulation (9)**

Chair: Berg Vice Chair: Janezich  
 Office: 328 Telephone: 296-5539  
 Meets: T, W, F; 8-10 a.m.; Room 107

Johnson, D.E. Marty Neuville Spear  
 Lessard Mondale Scheevel

**Governmental Operations and Veterans (14)**

Chair: Metzen Vice Chair: Riveness  
 Office: 303 Telephone: 296-4175  
 Meets: T, W, F; 8-10 a.m.; Room 15

Beckman Kleis Pogemiller Stumpf  
 Bertram Kramer Runbeck Terwilliger  
 Hottinger Morse Stevens Wiener

**Higher Education Division (11)**

Chair: Stumpf Vice Chair: Price  
 Office: G-24 Telephone: 296-8660

Kleis Murphy Pogemiller  
 Larson Neuville Solon  
 Moe, R.D. Ourada Wiener

**Health Care (11)**

Chair: Berglin Vice Chair: Sams  
 Office: G-9 Telephone: 296-4151  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 15

Betzold Kramer Samuelson  
 Finn Oliver Terwilliger  
 Kiscaden Piper Vickerman

**Health Care and Family Services Finance Division (12)**

Chair: Samuelson  
 Office: 124 Telephone: 296-4875

Berglin Kramer Sams Terwilliger  
 Betzold Piper Solon Vickerman  
 Kiscaden Riveness Stevens

**Jobs, Energy and Community Development (13)**

Chair: Novak Vice Chair: Johnson, J.B.  
 Office: 322 Telephone: 296-1767  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 107

Anderson Dille Kelly Metzen  
 Chandler Frederickson Kroening Runbeck  
 Chmielewski Johnson, D.J. Lesewski

**Jobs, Energy and Community Development Finance Division (10)**

Chair: Kroening  
 Office: 124 Telephone: 296-4302

Anderson Dille Lesewski  
 Chandler Frederickson Metzen  
 Chmielewski Johnson, J.B. Novak

**Judiciary (12)**

Chair: Flynn Vice Chair: Finn  
 Office: G-29 Telephone: 296-4274  
 Meets: M, W; 12 noon-2 p.m.; Room 15

Berglin Kiscaden Krentz Spear  
 Betzold Kleis Reichgott Junge  
 Cohen Knutson Robertson

**Metropolitan and Local Government (15)**

Chair: Vickerman Vice Chair: Mondale  
 Office: 226 Telephone: 296-4150  
 Meets: M, W, Th; 2-4 p.m.; Room 107

Betzold Janezich Pappas Wiener  
 Day Langseth Pariseau  
 Flynn Lessard Robertson  
 Hottinger Oliver Runbeck

**Rules and Administration (28)**

Chair: Moe, R.D. Vice Chair: Reichgott Junge  
 Office: 208 Telephone: 296-4196  
 Meets: On call

Belanger Johnson, D.E. Merriam Solon  
 Berg Johnson, D.J. Metzen Spear  
 Berglin Knutson Neuville Stumpf  
 Bertram Laidig Novak Terwilliger  
 Chmielewski Larson Olson Vickerman  
 Flynn Lessard Piper  
 Frederickson Marty Pogemiller

**Taxes and Tax Laws (21)**

Chair: Johnson, D.J. Vice Chair: Pappas  
 Office: 205 Telephone: 296-4839  
 Meets: M, T, W, Th; 4-6 p.m.; Room 15

Belanger Flynn Novak Price  
 Berglin Hottinger Oliver Reichgott Junge  
 Bertram Marty Olson Runbeck  
 Day Mondale Pariseau Sams  
 Dille Murphy Pogemiller

**Transportation and Public Transit (14)**

Chair: Chmielewski Vice Chair: Ranum  
 Office: 325 Telephone: 296-4186  
 Meets: T, W, F; 8-10 a.m.; Room 112

Belanger Hanson Langseth Ourada  
 Day Johnston Lesewski Pappas  
 Flynn Krentz Murphy Vickerman

**Transportation and Public Transit Finance Division (8)**

Chair: Langseth  
 Office: G-24 Telephone: 296-3205

Belanger Day Hanson Vickerman  
 Chmielewski Flynn Johnston

# Committee update

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state's budget for fiscal years (FY) 1996 and 1997.

She said that the state's revenue for FY 94 and FY 95 totaled \$16.74 billion and an increase of \$17.73 for the coming biennium is forecast. King said that state expenditures for FY 94-95 came to \$16.85 billion and based on current law, expenditures are projected to grow to \$17.96 billion.

King said that the projected expenditure increases are driven by three areas - funding for the areas of education, health and human services, and corrections.

While she said she recognizes that a gap exists between the percentages of increases in revenue and spending, King said, "This is the closest that Minnesota has been to structural balance in a budget as we have been in a long time."

That gap between general fund revenues and general fund expenditures, she said, is largely attributable to changes in population, with fewer workers entering the work force and increasing numbers of older Minnesotans. King said that projections indicate an accelerating difference between revenues and expenditures in years ahead because of this shift in population.

Even though the it would appear additional funds are available, Johnson said, "The forecast doesn't point out that we have a budget problem."

"With our robust economy, I don't think that the public is aware of what is happening. They assume that we have the money," he said.

King also discussed a new portion of the forecast, projecting for the first time, the amount of state and local revenue used to support government. The new forecast, required by a Price of Government law the Legislature adopted in 1994, identifies public revenue for all levels of government and requires that a revenue goal be set to guide state and local governments in the spending decisions. That revenue is then shown in relationship to the amount of personal income earned by all Minnesotans.

"This gives us a lot of opportunity to show the connection between state spending and what the state takes in," King said, "It is not intended to measure all forms of funding at all levels, and it is just a revenue forecast, not an expenditure forecast."

She said that the forecast indicates that for calendar year (CY) 1994/FY 95, Minnesota's personal income amounts to about \$101 billion. State and local revenue will amount to 18.4 percent of that total. Personal income is projected to be about \$122 billion in CY 98/FY 99 and revenue amounts will represent about

17.4 percent of that total.

How much revenue state and local governments will need will depend on a variety of factors, particularly any impact that reductions in the federal budget would have on state and local spending, King said. She added that any federal-level reductions would not necessarily mean higher local taxes. "They won't have an effect unless local governments decide to raise revenue to replace the funding that was cut," she said.

The committee also heard a report on the impact of a recent State Supreme Court decision that requires the state to repay more than \$327 million to many of the state financial institutions.

The court ruling ends a 10-year litigation process, Pat Leehan, assistant commissioner for the Dept. of Revenue, told the committee. A lawsuit was originally filed in 1984, when a number of institutions sought repayment of a tax that had been imposed on certain kinds of municipal bonds. The original law that led to the suit had been adopted in 1957, amended in the 1960's and was finally corrected in 1984. After several rounds of appeal through the state and U.S. Courts, the case was resolved in December.

King told the committee that the court ruling allows the state to repay the amount over a four-year period, but that the funds needed to do so were not included in the budget forecast. She added that repayment provisions will be incorporated into the governor's budget proposal and included as part of future forecasts.

## Transportation and Public Transit

### STIP, rural transit needs presented

Officials from the Department of Transportation presented updates of the Statewide Transportation Improvement Program (STIP) and Greater Minnesota needs assessments to members of the Transportation and Public Transit Committee at a Tues., Jan. 10 meeting.

Al Schenkelberg of MnDOT presented an overview of the 1996-98 STIP which is required by the federal Intermodal Surface Transportation Efficiency Act (ISTEA). Enacted in 1991, the act focuses on the preservation and operational improvements of roads by giving states more authority and responsibility, along with funding. One of the goals of ISTEA is to improve local level transportation decisions.

As part of the state's improvement program, eight Areawide Transportation Partnerships (ATPs) were established throughout the state to implement local and regional planning with a mixture of

state and federal funds.

Senators questioned the possible impact on the program from unfunded federal mandates, President Clinton's proposal to reorganize the U.S. Dept. of Transportation, and the federal gas tax.

Committee members also heard a presentation from Donna Allan, director of the Office of Transit, regarding the Greater Minnesota Needs Assessment which provides guidance for creating public transit systems in counties outside of the Metro Area.

As directed by 1991 legislation, the office conducted a study determining how many counties offer public transit and how to improve the systems in place. Half of the 80 counties outside the Metro Area have limited or no public transportation, Allan said. Allan explained the Greater Minnesota Transit Plan helps set up networks of public transportation within 10 Regional Development Commissions.

The transit plan received \$20.6 million in state funds for the '94-'95 biennium, \$2.1 million of which was appropriated for setting up new public transit systems. Counties are required to provide between 35 percent and 55 percent of the total capital and operational funds; federal aid makes up about 15 percent of the funding, Allan said.

### State transportation plan discussed

Department of Transportation officials presented the Minnesota Statewide Transportation Plan and a preliminary look at development of an intermodal terminal in the Metro Area to members of the Transportation and Public Transit Committee at the Wed., Jan. 11 meeting.

According to Randy Halvorson of MnDOT, the statewide transportation plan meets goals of both the state Legislature and the federal Intermodal Surface Transportation Efficiency Act. The plan serves as a framework to make effective use of resources, to integrate different modes of transportation, and to advance the strategic goals and objectives for transportation in the state.

The preliminary draft of the plan was released in November 1994. After two months of public review and comment, the final draft is expected to be completed by the end of January. Completion of the final statewide plan is expected by January 1996.

Steve Alderson, an author of the plan, presented some of the demographic trends that affect transportation throughout the state, including changes in population, jobs, households and vehicle miles traveled. State exporting and how commodities are transported within and outside of the state also are considered in the plan.

Sen. Florian Chmielewski (DFL-Sturgeon Lake), committee chair, asked whether the planning involved people who used the state's transportation system, such as truck drivers or representatives from the shipping industry. Halvorson said more than 850 people are on a mailing list and some 3,000 brochures explaining the plan were mailed to various transportation-related groups throughout the state. He added there could be a move to bring more representatives to the planning table.

The committee also heard preliminary

plans for developing an intermodal terminal in the Metro Area which would accommodate various forms of transportation in the shipping industry, such as rail and trucking. The facility would allow businesses to move commodities more efficiently throughout the state and region, as well as internationally.

Cecil Selness, MnDOT, said that as the state's commodity and export businesses grow, the need for a central, multi-user facility increases. The Canadian-Pacific and Burlington-Northern railroad yards in the Metro Area are serving current needs,

but some improvements will be needed to fulfill future transportation needs, he said.

Possible sites for the terminal are located generally in a corridor running from the northwest to the southeast corners of the Metro Area, according to Selness. He said public comments will be considered throughout the planning process, including where a terminal would be located.

The planning process will continue with representatives of both public and private sectors of the transportation system.

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# Preview

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## The Minnesota Senate Week at a Glance

### Monday, January 16

Martin Luther King, Jr. Day.  
No meetings scheduled.

### Tuesday, January 17

#### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski

8 a.m. Room 112 Capitol

**Agenda:** Discussion on the Traffic Escort Services report, Major Glenn Gramse, Public Safety. Discussion on the digitized drivers license system, Katherine Burke-Moore, Public Safety. Discussion on motor vehicle safety, Kevin Walli, Motor Vehicle Safety Coalition.

#### Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities

Chair: Sen. Janet B. Johnson

10 a.m. Room 107 Capitol

**Agenda:** Not available.

The Senate will meet at 10 a.m.

#### Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities

Chair: Sen. Janet B. Johnson

After Senate session Room 107 Capitol

**Agenda:** Not available.

#### Ethics and Campaign Reform Committee

Chair: Sen. John Marty

12 noon Room 107 Capitol

**Agenda:** Discussion on the Growe Commission recommendations.

Discussion on S.F. 35-Marty: Absentee ballot bill.

#### Family Services Committee

Chair: Sen. Pat Piper

12 noon Room 15 Capitol

**Agenda:** Continuation of Jan. 12 DHS overview, if necessary. Presentation and public testimony on S.F. 1-Samuels: Welfare reform.

#### Finance Committee

Chair: Sen. Gene Merriam

4 p.m. Room 123 Capitol

**Agenda:** Discussion on the Minnesota Planning report on long-term budget problems.

#### Legislative Commission on Minnesota Resources

Chair: Rep. Phyllis Kahn

7:30 p.m. Room 5 SOB

**Agenda:** Review of corrected December 1994 revenue forecast involving the Environment and Natural Resources Trust Fund and the Minnesota Future Resources Fund. Discussion on the LCMR 1995 recommendations for appropriation language as drafted and with changes offered by staff. Discussion on the planning and design portion of ML 94, Chapter 643, Section 34, Subdivision 28(h) - Prairie Woods Environmental Learning Center bonding work program \$34,500, Wayne Sames, DNR.

### Wednesday, January 18

#### Environment and Natural Resources Committee and Environment and Natural Resources Finance Division

Co-Chairs: Sen. Bob Lessard and Sen. Steven Morse

8 a.m. PCA Building/520 Lafayette Road  
**Agenda:** A Tour of PCA facilities. A bus will pick up Senate and House members at 8 a.m. in front of the Capitol and return to State Office Building at 11:30 a.m. in time for governor's State of the State address.

#### Governmental Operations and Veterans Committee

Chair: Sen. James P. Metzger

8 a.m. Room 15 Capitol

**Agenda:** Discussion on results from last year's reform legislation. Presentations from Human Resource Innovations Labor-Management Committee co-chairs Pete Benner, director, AFSCME Council 6, and Martha Watson, Human Resources director, Department of Human Services; Gene Jensen, MAPE; Jackie Lind, DOER.

#### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski

8 a.m. Room 112 Capitol

**Agenda:** Discussion on the Road Powered Electric Vehicle Technology study, Bob Works, MNDOT. Discussion on the E-Trans Saints Road Project report, Thomas Harens, director, Saints Road Project. E-Tran electric bus demonstration (outside in front of the Capitol steps).

## Senate Publications

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### Higher Education Division

*Chair: Sen. LeRoy A. Stumpf*

10 a.m. In front of Capitol

**Agenda:** Senators will take a tour of the St. Paul campus of Metro State University. They will return in time for session.

The Senate will meet at 11:30 a.m.

The Senate will meet in joint convention with the House of Representatives at 12 noon.

Thursday, January 19

### Education Funding Division

*Chair: Sen. Lawrence J. Pogemiller*

10 a.m. Room 112 Capitol

**Agenda:** Not available.

### Health Care Committee

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** Discussion on Minnesota Health Care Commission recommendations, Tom Swain, chair. Discussion on Mega Waiver, Trish McTaggart, Department of Human Services. Discussion on Minnesota Care enrollment and budget projections, Kathy Lamp, Department of Human Services.

### Jobs, Energy and Community Development Subcommittee on Economic Development and Housing

*Chair: Sen. Ellen R. Anderson*

10 a.m. Room 107 Capitol

**Agenda:** Not available.

### Ethics and Campaign Reform Committee

*Chair: Sen. John Marty*

12 noon Room 107 Capitol

**Agenda:** Discussion on S.F. 36-Marty: Campaign finance clean-up bill.

### Family Services Committee

*Chair: Sen. Pat Piper*

12 noon Room 15 Capitol

**Agenda:** Continuation of discussion on S.F.1-Samuelson: Welfare reform.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** Metropolitan Council overview including reorganization update, regional blueprint and legislative update.

Friday, January 20

### Legislative Commission to Review Administrative Rules

*Chair: Sen. John C. Hottinger*

1:30 p.m. Room 15 Capitol

**Agenda:** Preliminary assessment of Pollution Control Agency administrative penalty orders for asbestos removal violations. Report from Dept. of Human Services: Interpretive memoranda study and pilot projects.

# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MN 55155

January 20, 1995

## Governor addresses joint session

The Senate and the House met jointly Weds., Jan. 18 for Governor Arne Carlson's State of the State address. Speaking to both bodies in the House chambers, Carlson outlined objectives of his upcoming second term. Carlson pledged to work with the Legislature, stating that Minnesotans had given a clear message at the polls in November. This is the "year of the taxpayer," declared Carlson, and vowed no increase in general taxes for Minnesotans. Carlson called for an end to federal unfunded mandates, stating that they unduly burden Minnesota taxpayers.

The governor called for discussion this session on term limits. Barriers must be broken down between government and the people, Carlson stated. Carlson encouraged the Legislature to approve significant welfare reform this session and cited the Minnesota Family Investment Program as an exemplary initiative. Promoting responsibility and allowing recipients to work will increase the effectiveness of assistance, Carlson said. Repeating his campaign pledges, the governor highlighted the importance of educational programs, stating that technical knowledge will be essential in the future. Apprenticeships are an excellent way to educate and train youth, Carlson said.

Addressing concerns on crime, Carlson encouraged legislators and citizens to invest in the community. Through community pride, business support, and citizen action, Carlson said that real improvements can be made.

## New TV show to air

Senate Media Services, in cooperation with Greater Minnesota public broadcasting stations, is producing Capitol Report Live, a new interactive television program.

On the new program, state lawmakers from Greater Minnesota will answer questions concerning rural issues. The program will air live every Tuesday evening, beginning February 7, from 9 p.m. until 10 p.m. The channels are KWCM 10 (Appleton), KSMQ 25 (Austin), KAWE 9 (Bemidji), KAWB 22 (Brainerd), and WDSE 8 (Duluth).

Viewers will be able to ask questions via fax, telephone and internet e-mail. The

telephone number is 1-800-657-3635. The internet e-mail address is studio@lakes.senate.leg.state.mn.us.

## Affordable housing testimony

Members of the Jobs, Energy and Community Development Subcommittee on Economic Development and Housing convened Thurs., Jan. 19, to listen to testimony about the supply of affordable housing in three of Minnesota's largest communities.

The subcommittee, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard the testimony of representatives from Duluth, Minneapolis, and St. Paul about the housing issues and challenges those communities face and the approaches they are taking to deal with them.

Katie Lindblad, city of St. Paul, said St. Paul is focusing on encouraging home ownership and rehabilitating properties that are older but sound. The representative from Duluth, Pam Cramer, said that city is attempting to address its low vacancy rate without overbuilding. Daryl Stokesbary, city of Minneapolis, said the city is attempting to continue to serve populations who live in Minneapolis, but is not necessarily aiming to increase the city's the stock of affordable housing.

Much of the discussion centered around the issue of communities' willingness and ability to provide housing for very low income households -- those earning less than \$12,000 per year. That income level is one-third of the \$36,000 median household income in the Metro Area. Several testifiers pointed to the shortage of such housing in the three cities.

Several of the testifiers highlighted the need for housing assistance by noting that waiting lists for federal Section 8 housing subsidies and other housing assistance programs are very long, sometimes involving waits of more than two years.

The subcommittee also heard from several other groups concerned with housing needs in the three cities, taking testimony from the Dept. of Economic Security, the Urban Coalition, and Legal Aid of Minneapolis.

Members also heard a presentation by Pat Bugenstein, League of Women Voters of Minnesota. Bugenstein urged Senators to pay particular attention to the housing needs of people with mental illness.

## Welfare testimony heard

In anticipation of welfare reform legislation this session, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), heard public testimony from several women receiving assistance.

At the committee meeting Tues., Jan. 17, Eileen Benton, a welfare recipient, explained that the current welfare system contains too many barriers for employment, resulting in a system that punishes participants for improving their situation. For example, Benton said, benefits were denied to her upon enrollment in school. Benton asked the committee to consider the effect that reforms would have on families particularly those with a parent working at several jobs to survive. Others agreed, noting that the current system forces recipients to choose between necessities, such as food and health insurance, for their families.

The committee also heard the continued overview of the Dept. of Human Services. Anne Damon, assistant commissioner, outlined the children's initiatives, designed to ensure that welfare reform is coordinated with other programs that help families maximize the effectiveness of agency resources. The initiatives attempt to balance the protection of children with the preservation of families, Damon said. Programs include the children's trust fund, family and children's services, and social service information systems. Designed to develop and improve the system's response to families, programs provide crisis services, foster care and grants administration, referrals, and data analysis.

Deborah Huskins, assistant commissioner, presented the services offered by the Family Self-Sufficiency Administration in the department. The administration supervises the state's public assistance programs, including Aid to Families with Dependent Children (AFDC), food stamps, and the Minnesota Investment Program (MFIP).

MFIP, Huskins explained, is a very successful pilot program rewarding work, emphasizing responsibility and strengthening families and communities. MFIP cases show a higher percentage of employment, Huskins noted.

# Committee update

## Education

### Metro State tour

Members of the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) toured the St. Paul campus of Metro State University on Weds., Jan. 18.

### Working plan discussed

The Education Funding Division of the Senate Education Committee reviewed a proposal defining an organizational framework for their work at the first meeting of the session, Thurs., Jan. 19.

Sen. Lawrence Pogemiller (DFL-Mpls.), chair of the division, presented a document identifying a goal statement and eight objectives that he proposes the division use as it makes its funding decisions during the course of the session.

"This is an attempt to communicate to people around the state what it is that we think we are doing," Pogemiller said. "If we get a consensus on an objective, which I hope to do, that objective sets a framework for our discussions."

The plan, which Pogemiller said is being distributed to school board members and administrators across the state, presents a goal that the division, as it sets state policy, ensure each student reach their highest potential and attain the educational achievement needed to be an informed and productive citizen.

To reach that goal, the plan identifies objectives to: provide personalized instruction; establish and maintain high standards with fair, measurable and understandable outcomes; support a well-trained and prepared faculty and staff; and hold both faculty and staff accountable for student achievement.

Other objectives in the work plan suggest the division members work to: provide and maintain a nurturing and safe learning environment; optimize parental involvement and provide support to families in helping children be successful learners; provide adequate and equitable funding; and maintain a system adaptable to societal and student changes.

Telling the division members that the goal and objectives are offered as a way to make them be rigorous in their decision-making, Pogemiller said "I will be held accountable, this committee will be held accountable for our decisions, but I need to know what it is that I am being held accountable for."

The proposal sparked a wide-ranging discussion, including comments about the role of the state in public education. Expressing concern about the language of the objectives, Sen. Gen Olson (IR-Minnetrissa) said the plan requires the division to be responsible for elements beyond its control.

Citing the State Constitution, which requires the Legislature to "establish a general and uniform system of public schools", Olson said the Legislature has a framework in place. "We have a powerful statement as the basis for our decisions in the State Constitution," she said, "If we lock ourselves into a framework, my concern is that we limit ourselves to what we can do."

The division's work plan, Pogemiller said, will continue to be revised as suggestions from members and the general public are presented.

## Environment and Natural Resources

### PCA facilities tour

Members of the Environment and Natural Resources Committee and its finance division, co-chaired by Sen. Bob Lessard (DFL-Int'l. Falls) and Sen. Steven Morse (DFL-Dakota), were joined by their House counterparts for a morning tour of the Minnesota Pollution Control Agency facility, Weds., Jan. 18.

## Ethics and Campaign Reform

### Ethical Practices Board bill

The Senate Ethics and Campaign Reform Committee began review of S.F. 36 at the first meeting Thurs., Jan. 12. The bill, authored by the committee's chair, Sen. John Marty (DFL-Roseville), incorporates changes recommended by the Ethical Practices Board. "What is before you is identical to S.F. 943, which was passed out of this committee last year," Marty told the members. Marty presented an overview of the bill, and along with Jeanne Olson, a representative of the Ethical Practices Board, answered questions from Senators regarding S.F. 36. The bill provides for increases in both civil fines and criminal penalties for failure to comply with filing procedures. In the past, the board has had difficulty enforcing policies, and the bill's intent is to strengthen the board's powers.

Senators Gary Laidig (IR-Stillwater) and Pat Pariseau (IR-Farmington) expressed concerns regarding provisions that make non-compliance with regulations a criminal offense. Laidig argued that criminal penalties were too harsh for such offenses, and that civil action, rather than criminal penalties should apply. Marty pointed out that the criminal penalty provision is not new, and that it has been in place for 20 years. Sen. Lawrence Pogemiller (DFL-Mpls.) suggested removal of the lobbyist's registration number instead of imposing criminal penalties.

John Knapp, of Winthrop and Weinstine, expressed concerns about a provision in the bill that requires support staff to register as lobbyists. Marty proposed an amendment specifying that only those who directly communicate with officials need to comply with registration mandates. The committee approved the amendment.

Another amendment, offered by Marty and adopted by members, increases the amount an individual must spend before being required to register as a lobbyist from \$250 to \$1000. "This spending limit hasn't been adjusted since 1976," Marty said, "and it's not a realistic dollar amount," he added, referring to the \$250 figure.

Sen. Ember Reichgott Junge (DFL-New Hope) raised concerns about a proposed provision that treats requests for opinions, and the opinions themselves, as public information. Presently the board handles the matters confidentially. Reichgott Junge said that a change in the procedure would discourage persons from seeking opinions and moved to strike the provision. The motion passed, retaining current confidentiality measures.

No final action was taken on the bill.

### Absentee ballot bill heard

The Senate Ethics and Campaign Reform Committee met Tues., Jan. 17, to begin review of the absentee ballot bill, S.F. 35. The committee, chaired by Sen. John Marty (DFL-Roseville), also listened to recommendations of the Growe Commission aimed at increasing voter participation.

Secretary of State Joan Growe presented an overview of the commission's recommendations. "Our main concern is that too few participate in the political process," Growe said. "From the first step of attending party caucuses, right on through to election day, we are seeing a steady decline in voter participation. We hope to reverse that trend."

Growe said that the commission adopted three basic principles to guide its action: the first was to recognize the importance of political parties in the process, while at the same time acknowledging a need to generate greater interest in the community at large, and finally, making the entire process more "user friendly."

Growe outlined the major conclusions of the commission, beginning with date changes for both precinct caucuses and primary elections. In a draft distributed to members, the commission recommended that the first weekend in April be designated for daytime precinct caucuses. Secondly, state primary elections be held sometime during the first two weeks of August, either on a Saturday or Tuesday.

Responding to a question raised by Sen. Dallas Sams (DFL-Staples) regarding the conflict between daylight hours for caucuses and the spring planting season, Growe answered, "There is no perfect answer." She added that what is good for one, is often inconvenient for another. "The goal is to have a process which doesn't keep you away," Growe said.

Another recommended change is to restrict ballot access to those candidates who have demonstrated party support. To be placed on the ballot, a candidate must have received at least 20 percent of the party vote.

Voter information and education is crucial to improved citizen participation, Growe said, particularly when changes are made. In an attempt to encourage community involvement, a voter's guide, prepared by the Secretary of State's office, would be distributed to households statewide.

The committee plans to take action on the commission's recommendations at a later date.

Turning to other election issues, the committee began review of S.F.35, the absentee ballot bill. Authored by Marty, the bill attempts to encourage greater voter participation by making it easier to vote by absentee ballot. Various provisions prompted concerns from different members.

The elimination of the witness requirement was questioned by Sen. Pat Pariseau (IR-Farmington). Marty said that 21 states have done so thus far, and that verifying the voter's name, address, signature and date of birth guards against voter fraud.

An amendment, offered by Marty, that allows "basically any eligible voter to vote absentee without having to give a reason," sparked discussion among members. Sen. Ember Reichgott Junge (DFL-New Hope) voiced strong concerns about the amendment. "An unrestricted absentee ballot opens the door to special interest groups and allows for manipulation of votes," Reichgott Junge said. The amendment passed, 4-3.

A provision that allows for voting by fax was challenged by Pariseau. Joe Mansky, director of the Election Division of the Secretary of State's office, said that the provision grew out of the Persian Gulf conflict, when the voting venue available to military personnel was the fax machine. "By making it easier and easier for people, we are placing our freedoms at stake," Pariseau said. "There is too much tinkering and we're practically lifting the pencil for them," she continued.

Marty disagreed, saying that the voter incurs cost, inconvenience and loss of privacy when voting via fax. "The purpose is to allow citizens to access their rights," Marty countered.

S.F. 35 was laid over, and discussion of the bill will continue at a later date.

## Family Services

### Human Services overview

In its first meeting of the 1995 session, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), heard an overview by the Dept. of Human Services. John Petraborg, deputy commissioner, enumerated the department's priorities for families, children, older Minnesotans and Minnesotans with disabilities.

The departmental priorities include increasing access and flexibility in the health care system, improving department infrastructure, and providing appropriate and affordable housing to Minnesotans. Other objectives encompass welfare reform and the implementation of reforms that reward families for working, reinforce responsibility and maximize support from community, family and other institutions outside the welfare system.

Anne Damon, assistant commissioner, described the department's children's initiatives. Damon explained that the reforms needed include ensuring economic security for families, mobilizing communities and resources, and protecting vulnerable populations.

Sen. Linda Berglin (DFL-Mpls.) expressed concern regarding the availability of services for children with disabilities in the educational system. Other committee members said that they are concerned about the effects of violent situations on children, and hope to increase mechanisms for the protection of these children.

## Finance

### Long-term budget outlook given

A report, warning that tough budget choices lay ahead, was presented to the Senate Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), Tues. afternoon, Jan. 17.

"The issue here is that we get some sense of what expenditure growth will be in relationship to revenue growth," Merriam said. "Some of us have been saying that we keep patching things up from one year to the next, and that what we need to do is to take a longer view."

The report, "Within Our Means," was prepared by Minnesota Planning as a way to provide legislators and the governor with a long-term 10-year view of the state's financial condition, Linda Kohl, Minnesota Planning Director, told the committee.

She told the members that the key finding of the report is that there will "a structural gap" in each biennial budget over the next 10 years.

The gap, Kohl said, is caused by the

difference in what the state will receive in revenue and what current law requires be spent. Projection for each of the next four biennial budget cycles indicate that the Legislature will face an average shortfall of about \$625 million in each biennia through the year 2005.

"Assuming that the Legislature balances the state budget in each biennium and that there are no new spending or tax initiatives in addition to what is now in law," she said, "there is a \$2.5 billion cumulative effect on the budget that will need to be reduced over that period of time."

Kohl, along with State Demographer Tom Gillaspay and State Economist Tom Stinson, told the members that several forces drive the gap between revenue and expenditures: increasing numbers of older Minnesotans; eligibility for and levels of services, particularly in the area of health care; standards and regulations set by federal and state government for public services; the increasing costs of labor and materials; and the need for investment in the state's infrastructure, such as highways and public schools.

The aging of the work force was the most significant of these forces, Gillaspay said. "Most of our economic growth has been due to the greater number of workers that have entered the work force since the 1970s," he said. "We are reaching a point in the next 10 years where most of those workers will be reaching their peak earning years."

Stinson agreed. He said that economists look at growth by considering two factors, the amount of machinery and equipment used and how many people are available to run that equipment. "The situation is that we're not going to have a huge kick in the numbers of people entering the work force," he said. He added that having fewer people entering the work force does not necessarily indicate a decline in the state's economic health. He told the committee that worker productivity will continue to increase due to new equipment that allows people to be more efficient in their work. Stinson said that the difference will be in the rate of growth that will be seen in Minnesotan's personal income. "Assuming that Minnesota maintains its share of economic growth, we're just not going to see the rates of growth in personal income as we have in the past," Stinson said.

John Hustad, MN Planning deputy director, told the committee that several options are offered in the report for legislators to consider. Those options, he said, call for targeting the types, levels and delivery of services, as well as the eligibility for services.

Hustad also said that lawmakers should redefine the state's standards used in

# Committee update

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funding programs, and control input costs while moving to invest in technology. Another option, he said, would be to target government infrastructure investments.

Kohl and State Budget Director Judith Johnson told the committee that they expect these recommendations to be reflected in the budget proposal that the governor will present to the Legislature next week.

## Governmental Operations and Veterans

### Reform efforts reported

Changes in the state government employment practices are in the works the Governmental Operations and Veterans Committee learned during presentations at the committee's first meeting of the 1995 session, Wed. morning, Jan. 18.

In opening the meeting, chair James Metzner (DFL-South St. Paul), told the members that one of their primary tasks in the months ahead will be to look at how state government is working and at efforts to make it more efficient.

To that end, the committee heard a presentation from the Human Resource Innovations Labor-Management Committee (HRILMC), a group made up by representatives of the state employee labor unions, state agency management, and human resource professionals.

Bruce Johnson, commissioner of the Dept. of Employee Relations (DOER), said that this committee is made up by individuals who have often found themselves in adversarial positions. But those people, he said, "have worked very hard to build a trust relationship."

The work of the HRILMC is essential to any efforts to reform state government, Johnson said. "As we approach government reform," he said, "any effort must include sound human resources reforms. The committee has given us the seeds of a remarkable new era of reform."

Peter Brenner, executive director of AFSCME Council 6 and HRILMC co-chair, said the group's work focused on Minnesota's current system of civil service. "The system has been seen as becoming less and less responsive," he said.

The HRILMC's first hurdle, Brenner explained, was in determining what the system's purpose is and who are its stakeholders. Once it was agreed that the system should create a work force with skills and support needed to provide quality public services to the people of the state, Brenner said the group was able to move ahead.

Martha Watson, who also co-chairs the HRILMC and serves as human resources director for the Dept. of Human Services,

told the members that the committee has begun to think of the state's employment system in a different way. "We have tended to think that the human resource management system is just that, a management system," she said. "We never thought of employment and employees as an essential outcome of that system."

By changing the thinking and approach to human resources, Watson said, efforts are being made to looking at issues such as worker dislocation and retraining in a different light.

Jackie Lind, DOER training manager, told the committee that several state agencies received grants to run pilot projects that will help determine how to best approach retraining state employees. She said the HRILMC distributed \$200,000 that had been appropriated to DOER in 1993 to run the pilot projects, and that early returns show it is more cost-effective to retrain state workers who will be dislocated, rather than simply lay them off when their positions are eliminated.

Citing one project, run by the Dept. of Military Affairs, she said that a \$38,000 grant to the agency is being used to assist 20 employees whose positions are at-risk. Lind said the agency has been able to successfully retrain and place seven of the employees in other positions in state government. "Given the costs that would go with laying those employees off," she said, "we have seen a savings to the state of about \$58,000."

The HRILMC has also looked at performance management issues and Gene Jensen, representing the Minnesota Association of Professional Employees, said the group "is taking incremental steps" in developing a new approach to management. He said performance management principles are intended to develop a culture that supports good performance.

Brenner told the committee that his group is now beginning to get at the heart of the issues. One of their goals by the start of the 1997 session, he said, is to develop a proposal that will streamline the state's human resources system, making it more accessible for both the users and for those who seek state employment.

Another issue, Watson said, will be in re-examining the state's job classification system. "There are more than 2,200 job classifications in the state employment system," she said. "In the past, we have added new classifications without getting rid of some of the old ones. Many classifications have different titles but do essentially the same thing, and we need to look at reducing that number."

The most positive result of the HRILMC's work, Brenner said, was the

discussion that has grown out of their work. "There is dialogue about the human resource system taking place at the leadership level that I haven't seen in 20 years," he said. "I hope that when local bargaining units and management see what is going on at the state level, they will follow that leadership."

## Jobs, Energy and Community Development

### Prairie Island update heard

The Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities met Tues., Jan. 17, to hear an update on last year's legislation allowing NSP to store spent nuclear waste above ground at its Prairie Island facility. Panel members, chaired by Sen. Janet Johnson (DFL-North Branch), questioned NSP representative, Jim Alders, manager of regulatory projects, about the various provisions of the law and the ways in which NSP was implementing those provisions.

Alders briefed members on the status of the federal government's establishment of a permanent storage site, the status of the implementation of wind and biomass alternative energy production provisions of the law, the status of the search for an alternative site for storage of the nuclear waste and of the status of NSP's negotiations for a storage site with the Mescalero Indian Tribe and local government officials in New Mexico.

## Transportation and Public Transit

### Changes in archaeology program

Members of the Transportation and Public Transit Finance Division heard testimony Fri., Jan. 13, regarding the Department of Transportation's change in contracting for its archeological program.

In early 1993, MnDOT changed the contracting process for archaeological projects from using only archaeologists at the Minnesota Historical Society (MHS) to allowing private contractors to bid on individual projects.

Sen. Keith Langseth (DFL-Glyndon), chair of the division, said he arranged the hearing because he had received numerous calls on the issue and because 18 archaeologists were laid off from the Historical Society in December.

For some 25 years, archaeologists with MHS had worked with MnDOT on road reconstruction projects to determine whether archaeological sites or historic properties were present and/or would be affected by a proposed project. In 1994, MnDOT began using T-contracting, a consulting process in which seven firms

are used, including MHS, and each work assignment is processed as a single contract.

) According to John Sandahl, division director/assistant chief engineer with MnDOT, the department changed to T-contracting to allow for more flexibility and accountability of the work, and timely delivery.

According to Sandahl, some of the problems with the previous agreement with MHS included lack of on-time delivery of needed reports, lack of accounting for project costs and schedules, and failure of principal investigators to meet federal requirements. With T-contracting, those problems were corrected, he said.

Although in the last year, costs for completing archeological projects have increased, Sandahl said they were due to a backlog of projects and should level off.

Among several people who testified against the changes was Bob Clouse, head of the archeology department at MHS, who disputed some of the concerns Sandahl presented. He said on the issue of timeliness, any delays were authorized by MnDOT officials. "To my knowledge, no project was delayed due to the historical society," he said.

He said Sandahl's claims of lack of qualified personnel were unfounded because federal standards were not requirements, but simply guidelines, and that MHS had exceeded those guidelines.

Clouse also said when MnDOT changed its requirements for tracking scheduling and costs of individual projects in 1993, MHS complied.

Joe Day, executive director of the Indian Affairs Council, testified supporting the work done by MHS and the relationship the society has with Native American groups. The Indian Affairs Council's main concern is protection and preservation and if there is any investigation, it should be the least intrusive, he said. Archaeologists at MHS "helped ensure the protection of the ancient resting places of our ancestors," Day said.

Sen. Florian Chmielewski (DFL-Sturgeon Lake) asked whether communication about various projects had changed since MHS was not the sole archeological contractor. Day said communication could get more complicated if citizens don't know exactly who to contact with questions regarding a project.

Elisse Aune, of the Mille Lacs Band of Chippewa Indians, also testified against the change, asking why the state would want to spend more money to implement a program when the MHS program worked well for so long.

Les Peterson, of MHS, outlined the strengths and weaknesses of both programs and suggested a hybrid program as a replacement.

After nearly three hours of testimony, Langseth said members of the division would continue to discuss the issue.

### Troubles in licensing

At a Tues., Jan. 17, Transportation and Public Transit Committee meeting, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), officials from the Department of Public Safety outlined some of the problems citizens are having because of a transition to a digitized drivers licensing system.

Alice Gonzalo, assistant director of Driver and Vehicle Services, said the problems of late or defective driver's licenses stem from a change to a digitized system in July 1994. The department was forced to begin operation without adequate testing because of disputes in the bidding process for the new system last spring, she said. Also, not all of the offices had the new cameras installed when the program began.

Gonzalo said about 30,000 of the 350,000 applications received since July were defective or lost. Some applicants still have not received a license after six months; the typical wait is about two months. The department notified law enforcement and rental car agencies throughout the country because of the problems some residents are encountering.

According to Gonzalo, all of the costs associated with the transition are being covered by the company that installed the system.

Sen. Arlene Lesewski (R-Marshall) said that during hearings last year, the department indicated the transition to the new system would be easy. "I'm happy they're doing it, but discouraged it's taking so long," she said.

Gonzalo said the department is trying to catch up on a back-log of applications; she did not estimate when they would be completed.

In other business, the committee heard testimony supporting regular safety inspections in conjunction with the state's emissions testing.

Ron Lischeid, owner and operator of two service stations and president of the Automotive Service Association of Minnesota, last year had suggested legislation to establish a vehicle safety inspection program. He is seeking legislation this year as well and suggested the state offer voluntary, free safety inspection lanes at all emissions testing sites to determine whether a mandatory program is needed.

Lischeid also encouraged committee members to keep the current emissions testing but base participation on mileage instead of years. Sen. Pat Pariseau (R-Farmington) has introduced S.F. 71, a bill which would exempt some newer cars from emissions inspection and eventually repeal the testing requirement.

### E-Tran project proposal

Members of the Transportation and Public Transit Committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake) got to see and ride on the first step in new technology for a road powered electric vehicle (RPEV) being developed by a Minnesota-based company.

At the Weds., Jan. 18, meeting, E-Tran Inc. President Nick Musachio and Vice-president Thomas Harens presented the latest findings in the technology study and a proposal for additional funding for the project. Committee members also were shown a demonstration of an electric-powered bus on the E-Tran rail in front of the Capitol.

The unique E-Tran concept for electric-powered vehicles uses a small, electric rail which is attached to the road surface. The rail is divided into sections which are turned alternately off and on to power a battery-equipped car or bus. According to Harens, as part of the Saints Road Project, the E-Tran concept could be developed into a safe, environment-friendly transportation system connecting Greater Minnesota to the Metro Area.

In 1994, Harens said, the group received \$200,000 in a legislative grant and \$250,000 in private funds for safety and winter testing. Snow and ice testing is expected to be completed by February.

Harens presented a request for \$1.2 million for the next two years through the Dept. of Transportation, some of which is contingent upon matching of private funds.

Some committee members asked whether extensive testing with snow and icy conditions was done, and whether the rail system could withstand salt and sand. Others were concerned about plowing around or on top of the rubber and steel rail.

According to Harens and Musachio, the system should be able to handle application of salt. Also, the rails are heated to prevent snow and ice build-up. In an evaluation report, the group suggests snow plows designed to clear snow without damaging the strips, possibly rotating brush plows.

Musachio also assured members the system was safe to pedestrians or bicyclists. The rails are "on" only if a vehicle is traveling on them. To get shocked, a person would have to touch two sections of the rails at the same time within about 100 feet of a traveling vehicle. And most of the rails would be used on freeways which are fenced in, he said.

E-Tran representatives also presented future plans for the project, including a 45-mile mass-transit loop in the Metro Area connecting St. Paul, Minneapolis, Bloomington and the airport.

Discussion for possible introduction of a bill will continue.

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# Preview

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## The Minnesota Senate Week at a Glance

Monday, January 23

The Senate will meet at 11 a.m.

### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

12 noon Room 107 Capitol

Agenda: S.F. 106-Morse: Relating to ethanol, modifying provisions relating to the ethanol producer payments.

### Judiciary and Crime Prevention Joint Subcommittee on Privacy

Co-Chairs: Sen. Jane Ranum and Sen.

Harold "Skip" Finn

12 Room 15, Capitol

Agenda: Discussion on the Information Policy Office's history, mission and vision for information and data practices policy in Minnesota, Beverly Schuft, asst. commissioner, Department of Administration. Discussion on the activities of the Government Access Council, Tom Satre, director, Government Access Council.

### Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: Juvenile programming evaluation and planning task force report, Task Force Chair Richard Mulcrone, deputy commissioner, Corrections for Community Services. Probation Standards Task Force report, Task Force Co-chairs Mark Carey, Dakota County Community Corrections and Steve Holmquist, Stearns County Community Corrections.

### Metropolitan and Local Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: Presentations by the League of Minnesota Cities and the Association of Minnesota Counties.

### Legislative Commission on Waste Management

Co-Chairs: Sen. Janet Johnson and Rep.

Jean Wagenius

6 p.m. Room 10 SOB

Agenda: Biennial report on the State Resource Recovery Program, Department of Administration. Report on mercury in products, Pollution Control Agency. Update on landfill assessments, Pollution Control Agency.

Tuesday, January 24

### Gaming Regulation Committee

Chair: Sen. Charles Berg

8 a.m. Room 107 Capitol

Agenda: S.F. 91-Finn: Providing eligibility for participation as a provider in the state compulsive gambling program. S.F. 92-Bertram: Reducing the minimum age to participate in bingo games in certain circumstances. S.F. 46-Metzen: Increasing the percentage of gross profit that may be expended for allowable expenses.

### Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 107 Capitol

Agenda: To be announced.

### Ethics and Campaign Reform Committee

Chair: Sen. John Marty

12 noon Room 107 Capitol

Agenda: S.F. XXX-Sams: School board elections. S.F. 100-Janezich: Polling place in Makinen.

### Family Services Committee

Chair: Sen. Pat Piper

12 noon Room 15 Capitol

Agenda: Continuation of testimony on S.F.1-Samuelson: Welfare reform.

### Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

2 p.m. Room 107 Capitol

Agenda: S.F. 102-Morse: Appropriating bill for Minnesota critical habitat

matching account, expanding the availability of money in the Minnesota environment and natural resources trust fund for certain purposes.

### Family Services Committee

Chair: Sen. Pat Piper

6 p.m. Room 15 Capitol

Agenda: S.F. 1-Samuelson: Welfare reform - continuation of afternoon agenda.

Wednesday, January 25

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

8 a.m. Room 15 Capitol

Agenda: Report on civil service reform, Kit Hadley, commissioner, Minnesota Housing Finance Agency. Presentations from Rick Hokanson, MN Quality Initiative and Greg Hubinger, Legislative Commission on Employee Relations.

### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski

8 a.m. Room 112 Capitol

Agenda: Discussion on Metropolitan Council transit operations, Jim Solem, regional administrator; Tom Sather, director of operations; Natalio Diaz, director of planning. A demonstration of inter-city electric vehicle transportation, Michael Hambrock and Dave Johnson, Minnesota Power; Ken Nicholls, Schott Power Systems.

### Education Funding Division

Chair: Sen. Lawrence Pogemiller

10 a.m. Room 112 Capitol

Agenda: Overview of the governor's K-12 funding recommendations. Department of Education annual performance report for 1994. Discussion on the governor's budget recommendations for the Department of Education.

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### Health Care Committee

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** Introduction of the new assistant commissioners, organization and priorities: Maria Gomez, commissioner, Human Services Department. Discussion of medical assistance forecasts: George Hoffman, division director, Reports and Forecasts, Department of Human Services. Discussion of the Long Term Care Options Project waiver: Pamela Parker, director of project, Department of Human Services.

### Jobs, Energy and Community Development Committee

*Chair: Sen. Steven Novak*

10 a.m. Room 107 Capitol

**Agenda:** To be announced.

### Judiciary and Crime Prevention Joint Subcommittee on Privacy

*Co-Chairs: Sen. Jane Ranum and Sen.*

*Harold "Skip" Finn*

12 noon Room 15 Capitol

**Agenda:** Report on the commissioner's opinion, Don Gemberling, director, Public Information Policy Analysis Division, Dept. of Administration. Overview of the Health Data Institute's work, Dale Schaller, director, Health Data Institute.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** Presentations by the Minnesota Association of Townships. Other agenda items.

### Crime Prevention Finance Division

*Chair: Sen. Tracy L. Beckman*

2 p.m. Room 15 Capitol

**Agenda:** Discussion of Department of Corrections priorities.

### Finance Committee

*Chair: Sen. Gene Merriam*

4 p.m. Room 123 Capitol

**Agenda:** Overview of the governor's budget, Department of Finance.

### Taxes and Tax Laws Committee

*Chair: Sen. Douglas Johnson*

4 pm Room 15 Capitol

**Agenda:** S.F. 87-Price: Tax technical corrections bill. S.F. 94-Morse: Solid waste assessment technical corrections bill.

### Thursday, January 26

### Rules and Administration Committee

*Chair: Sen. D. Roger Moe*

8 a.m. Room 15 Capitol

**Agenda:** Discussion on personnel issues. A report from the Audit Subcommittee. A report from the Subcommittee on Senate Information Systems.

### The Senate will meet at 9 a.m.

### Health Care Committee

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** Discussion of the anesthesia study: Lynn Blewett, Ph.D., Health Economics Program and Mary Kennedy, acting director Health Care Delivery, Minnesota Department of Health. S.F. 95-Piper: Board of Medical Practice housekeeping bill. S.F. 73-Piper: Requiring reporting of insurance settlements to the Board of Medical Practice.

### Higher Education Division

*Chair: Sen. LeRoy Stumpf*

10 a.m. Room 112 Capitol

**Agenda:** Budget overview. Discussion on future HECB functions, roles and responsibilities.

### Jobs, Energy and Community Development Committee

*Chair: Sen. Steven Novak*

10 a.m. Room 107 Capitol

**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*

2 p.m. Room 15 Capitol

**Agenda:** S.F. 39-Knutson: Limiting court stays of drug sentences. S.F. 64-Betzold: Community notice prior to DOC delinquent foster care facility licensure.

### Metropolitan and Local Government

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** Presentations by the Coalition of Greater Minnesota Cities and the Association of Metropolitan Municipalities.

### Legislative Commission on Waste Management

*Co-Chairs: Sen. Janet B. Johnson and Rep.*

*Jean Wagenius*

6 p.m. Room 10 SOB

**Agenda:** Salvage yard study, Pollution Control Agency. Panel discussion on loose form packing materials. Overview of 1995 Waste Management Act amendments (draft available at meeting).

### Friday, January 27

### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzen*

9 a.m. Room 15 Capitol

**Agenda:** Joint meeting of Senate Governmental Operations and Veterans Committee and House Governmental Operations Committee. Special presentation by visiting Professor Bonfield, expert on the subject of administrative rulemaking.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*

10 a.m. Department of Agriculture, 90 W Plato Blvd.

**Agenda:** On-site tour of the Department of Agriculture.

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Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	5537	Anderson, Ellen R.	G-27	Cap. 66	DFL	4154	Merriam, Gene	122	Cap. 49
DFL	5713	Beckman, Tracy L.	306	Cap. 26	DFL	4370	Metzen, James P.	303	Cap. 39
IR	5975	Belanger, William V., Jr.	113	SOB 41	DFL	2577	Moe, Roger D.	208	Cap. 2
DFL	5094	Berg, Charles A.	328	Cap. 13	DFL	7-8065	Mondale, Ted A.	226	Cap. 44
DFL	4261	Berglin, Linda	G-9	Cap. 61	DFL	5649	Morse, Steven	G-24	Cap. 32
DFL	2084	Bertram, Joe, Sr.	323	Cap. 14	DFL	4264	Murphy, Steve L.	301	Cap. 29
DFL	2556	Betzold, Don	G-24	Cap. 48	IR	1279	Neuville, Thomas M.	123	SOB 25
DFL	9307	Chandler, Kevin M.	111	Cap. 55	DFL	4334	Novak, Steven G.	322	Cap. 52
DFL	4182	Chmielewski, Florian	325	Cap. 8	IR	4837	Oliver, Edward C.	121	SOB 43
DFL	5931	Cohen, Richard J.	317	Cap. 64	IR	1282	Olson, Gen	119	SOB 34
IR	9457	Day, Dick	105	SOB 28	IR	5981	Ourada, Mark	145	SOB 19
IR	4131	Dille, Steve	103	SOB 20	DFL	1802	Pappas, Sandra L.	G-27	Cap. 65
DFL	6128	Finn, Harold R. "Skip"	306	Cap. 4	IR	5252	Pariseau, Pat	109	SOB 37
DFL	4274	Flynn, Carol	G-29	Cap. 62	DFL	9248	Piper, Pat	G-9	Cap. 27
IR	8138	Frederickson, Dennis R.	139	SOB 23	DFL	7809	Pogemiller, Lawrence J.	235	Cap. 59
DFL	3219	Hanson, Paula E.	328	Cap. 50	DFL	7-8060	Price, Leonard R.	235	Cap. 57
DFL	6153	Hottinger, John C.	G-29	Cap. 24	DFL	7-8061	Ranum, Jane B.	325	Cap. 63
DFL	8017	Janezich, Jerry R.	328	Cap. 5	DFL	2889	Reichgott Junge, Ember D.	205	Cap. 46
IR	3826	Johnson, Dean E.	147	SOB 15	DFL	7-8062	Riveness, Phil J.	317	Cap. 40
DFL	8881	Johnson, Douglas J.	205	Cap. 6	IR	4314	Robertson, Martha R.	125	SOB 45
DFL	5419	Johnson, Janet B.	322	Cap. 18	IR	1253	Runbeck, Linda	107	SOB 53
IR	4123	Johnston, Terry D.	117	SOB 35	DFL	7-8063	Sams, Dallas C.	G-9	Cap. 11
DFL	5285	Kelly, Randy C.	122	Cap. 67	DFL	4875	Samuelson, Don	124	Cap. 12
IR	4848	Kiscaden, Sheila M.	143	SOB 30	IR	3903	Scheevel, Kenric J.	129	SOB 31
IR	6455	Kleis, Dave	151	SOB 16	DFL	4188	Solon, Sam G.	303	Cap. 7
IR	4120	Knutson, David L.	133	SOB 36	DFL	4191	Spear, Allan H.	G-27	Cap. 60
IR	8869	Kramer, Don L.	131	SOB 47	IR	8075	Stevens, Dan	127	SOB 17
DFL	7061	Krentz, Jane	235	Cap. 51	DFL	8660	Stumpf, LeRoy A.	G-24	Cap. 1
DFL	4302	Kroening, Carl W.	124	Cap. 58	IR	6238	Terwilliger, Roy W.	115	SOB 42
IR	4351	Laidig, Gary W.	141	SOB 56	DFL	5650	Vickerman, Jim	226	Cap. 22
DFL	3205	Langseth, Keith	G-24	Cap. 9	DFL	7-8073	Wiener, Deanna	303	Cap. 38
IR	5655	Larson, Cal	153	SOB 10	6511	DFL Senators' Fax			
IR	4125	Lesewski, Arlene J.	135	SOB 21	9441	IR Senators' Fax			
DFL	4136	Lessard, Bob	111	Cap. 3	0250	TDD number			
DFL	5645	Marty, John	G-9	Cap. 54	0504	Senate Information Office			

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# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MN 55101

January 27, 1995

## Girls, women in sports noted

During a brief floor session on Mon., Jan. 23, the Senate concurred with a House resolution marking Thurs., Feb. 2, as Girls and Women in Sports Day in Minnesota.

The resolution, presented by Sen. Jane Krentz (DFL-May Township) and adopted on a voice vote, recognizes the work being done by amateur sports groups in developing opportunities for girls and women to be involved in sports activities.

The Senate also met briefly on Thurs., Jan. 26, adopting committee reports on four bills passed by the Ethics and Campaign Reform Committee. Those proposals will be taken up later.

## Governor's budget outlined

The governor's proposal for \$18 billion in state spending in the next biennium was outlined to the members of the Senate Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), Weds. afternoon, Jan. 25.

Laura King, commissioner of the Dept. of Finance, presented the governor's budget recommendations for fiscal year (FY) 1996 and FY 1997 to the committee and told the members that the proposal represents just more than \$1 billion in new spending above the previous biennial budget.

King told the members the proposal is based on no new tax or annual fee increases and maintaining a \$350 million budget reserve. She said the governor also required that existing budgets be used to pay for the state Supreme Court judgement against the state in the Cambridge bank case.

That ruling requires the state to repay as much as \$327 million to those financial institutions that had been subject to an excise tax between 1957 and 1981. King said the governor is recommending that about \$160 million from the FY 96-97 budget be taken from existing funds to begin making that reimbursement.

Reviewing the amount of revenue that is available for state expenditures, King said the state will begin FY 96-97 with a balance of \$765 million and that \$17.8 billion in revenue will come in during the biennium. The total revenue that will be available for the budget, reduced by \$160 million for the Cambridge bank

settlement and \$25 million from other changes, amounts to about \$18.35 billion.

The commissioner said some uncertainties exist in the revenue amounts. "First, we don't know what the final total will be on the Cambridge judgement and that we probably won't know until May or June," she said. "We also don't know what kind of budget reductions may occur at the federal level and what kind of federal tax code changes there may be."

Under the governor's budget proposal, most of the state's spending would occur in four major areas, King said. Those areas - K-12 education, health and human services, post-secondary education, and local government aids and credits - account for nearly 85 percent of the budget.

The commissioner said the recommendations include a K-12 education budget of \$5.457 billion for the next biennium and just under \$5.1 billion for health and human services programs. Another \$2.36 billion has been designated for local aids and credits while a \$2.119 billion budget is proposed for post-secondary education. All other state-funded programs, including criminal justice and state agency funding, accounts for the remaining \$2.9 billion in the budget proposal.

Along with the new funding, she said the governor recommends eliminating a number of programs and redirecting funds into several major initiatives. Among those proposals is creation of a County Homestead Block Grant Program. That program, King said, would take about 60 percent of the local government aid now in four categories and combine them into one program. How that aid is spent will be left up to a committee, made up by representatives of the local units of government in each county.

The proposal includes a \$440 million increase for K-12 education to support increasing enrollments, elimination of a number of education categorical grant programs, and additional money to help implement a statewide graduation rule. Post-secondary education would receive an additional \$79 million under the governor's budget, including a \$61 million funds to the University of Minnesota.

An additional \$169 million is

recommended to expand the criminal justice system. King said that this recommendation would restore most of the appropriation the governor vetoed in 1994.

Other proposals include a \$21 million increase in child care funding, \$15 million towards a rural revitalization program, and \$20 million more to support Metro Area transit services.

Several of the governor's initiatives, most notably the County Block Grant Program, sparked some discussion. Calling the program "an abdication of our responsibility," Sen. Phil Riveness (DFL-Bloomington) said that he does not believe the program gets at the need to reform how local units of government make their spending decisions. But the program would encourage local governments to work together, Sen. Cal Larson (IR-Fergus Falls) argued. "I think that this would be the best thing that has come out of here since we got electric lights in the country," he said.

Merriam said that because state spending is projected to exceed the amounts of available revenue, the Legislature should consider their spending decisions. "Given the amount of dollars we're spending and the drivers that we've put into the system, I think it's clear that we need to do something this year," he said. Various funding divisions will examine the budget proposal in detail.

## Ethanol bill advances

The ethanol bill, sponsored by Sen. Steven Morse (DFL-Dakota) was approved by the Agriculture and Rural Development Committee Wed., Jan 25. Following lengthy debate surrounding the provision that phases out the blenders credit, the committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), re-referred S.F.106 to the Environment and Natural Resources Committee.

The bill raises the present \$10 million cap to \$30 million, clarifies payment procedures, and expands the definition of closed loop biomass. "Our intentions are to nurture the industry, get everyone up and running, and send a clear message," said Morse. "We're making a long term commitment to the ethanol market, but we're not going to fund this program forever," he added.

# Committee update

## Agriculture and Rural Development

### Ethanol bill heard

A bill that would raise the funding available for ethanol programs to \$30 million per year, was heard in the Senate Agriculture and Rural Development Committee Mon., Jan. 23. Authored by Sen. Steven Morse (DFL-Dakota), S.F. 106 changes certain provisions of the 1994 legislation.

Besides raising the annual cap of funding from the existing \$10 million to \$30 million, the bill phases out the blenders credit, clarifies payment procedures, and expands the definition of closed-loop biomass to include organic material planted for multiple purposes. "We in Minnesota are on the cusp of a major expansion in a major industry," Morse said, "and this is a roadmap to take us into the future, to keep our state and rural regions thriving."

The committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), heard testimony from several citizens involved in the ethanol industry. Speaking in support of the bill was Jerry Jacoby, president of the Minnesota Ethanol Coalition and chairman of the board of Minnesota Corn Processors. "We don't have a lot of choices when speaking about rural development," Jacoby said, "but there is a prairie fire out in Southwestern Minnesota and the buzzword is ethanol." Jacoby said that MCP has contributed to the community and state by creating jobs and broadening the tax base. He urged committee members to view the bill as an investment, rather than a subsidy. "We have returned much more to the state than we have received," Jacoby said, "and this industry will continue to return a thousandfold on what it receives."

Sen. Arlene Lesewski (IR-Marshall) agreed with Jacoby, saying that the presence of the Marshall based plant has greatly contributed to the well-being and growth of her district. Built in 1987 as a 10 million gallon facility, MCP has grown significantly, and currently produces 30 million barrels of ethanol a year.

As part of an effort to end importation of out-of-state ethanol, the bill has a defined goal of producing 100 percent of all ethanol needed to comply with upcoming mandates. Morse said that in Oct. of 1995 the Metro region moves to year round requirements for using oxygenates, and in Oct. of 1997, those requirements will be in place statewide.

Sen. Charles Berg (DFL-Chokio) expressed concern over the blenders tax

credit phase out. Beginning Oct. 1, 1995, the bill reduces the tax credit from 15 cents per gallon to 5 cents per gallon ending Oct. 1, 1997. Berg opposed the graduated reduction, saying that the tax credit should be removed entirely and at a much faster pace than the bill provides for.

Several other farmers, co-op members, producers and concerned citizens testified in favor of S.F. 106. No opposing testimony was heard. The committee agreed to lay the bill over.

## Crime Prevention

### Task force reports heard

In its first meeting of the session, Mon., Jan 23, the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), heard the findings of two task forces.

As co-chairs of the Probation Standards Task Force, Mark Carey and Steve Holmquist presented the results of the task force. Established by the Legislature last year to study probation services, the task force recommended several improvements to the probation system.

The primary reform calls for an increase in the number of probation officers by adding 564 officers around the state at a cost of \$41 million. "The effectiveness of the probation system has been eroded" by the enormous caseload of officers, Holmquist said. Carey explained that caseloads have doubled in the past ten years, while the offenders are more violent and dangerous than they have ever been. The situation has compromised public safety, Carey said. Casey continued, "Unless changes are made, the system is and will continue to be crisis driven."

Sen. Jane Ranum (DFL-Mpls.) questioned the task force solution of solely increasing the number of officers to make the community safer. There are many components in the community which contribute to public safety that are "so entwined that it's like half of the solution is missing," Ranum said. Carey agreed, but noted that the probation system is under such severe stress that it needs to be improved to meet minimum standards.

Other recommendations include funding of the Correctional Authority Responsible for Delivering Services organizations (CARDS) through a single state funding formula. The intent is to equalize and simplify the system, Carey explained. The task force encouraged the Legislature to require CARDS to develop a system to target the use of resources and to report specific outcome results. Carey noted that this would create funding

mechanisms linked to outcomes. Also, the report stated that local jurisdictions should continue to determine the method of offender accountability standards. The task force expects the changes will create state-wide standards, simplify funding mechanisms and distribute funds more equally based on need, and provide temporary county funding relief.

Members also heard the Juvenile Programming Evaluation and Planning Task Force Report. Charged with identifying service needs and planning processes for extended jurisdiction juveniles (EJJ), Task Force Chair Richard Mulcrone explained the need for improvements, citing that half of all serious crimes in 1993 were committed by youths under 18. Mulcrone provided guideline recommendations for all juvenile justice programming. Programs should be based on the concept of restorative justice, offer a continuum of services with a family focus, be culturally sensitive, and provide a balanced approach including the community as integral to the rehabilitation process.

Recommendations were forwarded by three sub-committees of the task force. The program committee suggested establishing an educational program about the juvenile justice system for youth and families involved in the system, providing gender-specific programming, developing crime prevention pilot projects, and requiring offenders to attend school. The sub-committee also recommended the establishment of a committee to develop licensing and programming rules and standards for facilities.

The rules and licensing sub-committee advised the creation of statewide advisory rules, which are to be considered prior to post-adjudication secure placement. The legislature should require the adoption of rules regarding policies and procedures of the facilities, Mulcrone explained. Licensing rules need to be amended to admit 18 and 19 year old EJJ's in juvenile facilities, the report states. The report also calls for a clarification of the termination of the juvenile status of the EJJ.

Suggestions of the funding subcommittee include the shared responsibility of the state and local government for the care and treatment of the EJJ, a minimum level of intensive supervision and programming for EJJ's by counties, and funding of the task force's recommendations.

Mulcrone also presented the results of the juvenile programming survey. Mulcrone noted that most of the 340 statewide programs were over-capacity. Discussion of the findings will continue.

## Corrections priorities heard

Members of the Crime Prevention Finance Division met Weds., Jan. 25, to hear Deputy Commissioner Jim Bruton, of the Dept. of Corrections, give an overview of the department's priorities. Bruton's comments emphasized the rapid growth in prison populations and the fact that, despite completion of currently funded expansions, the population growth rates is exceeding capacity.

Bruton also commented on the impact of sentencing law changes enacted in recent years on the growth of prison populations. Increases in the volume of offenders committed to the corrections department from the courts and increases in sentence lengths are the primary reasons for prison population growth, according to materials furnished by Bruton.

The panel, chaired by Sen. Tracy Beckman (DFL-Bricelyn), will begin in depth discussions of the budget needs of the department in the next few weeks.

## Education

### MnSCU statutes

Members of the Higher Education Division met with their House counterparts Thurs., Jan. 19, for a joint hearing on merging the post-secondary education systems.

Chaired by LeRoy Stumpf (DFL-Thief River Falls), the panel considered changes in the statutes governing the state universities, and the technical and community colleges. The three systems will merge July 1, 1995 to form the Minnesota State Colleges and Universities (MnSCU).

John Ostrem, vice-chancellor of the Technical College System, presented a proposal for recodifying the statutes that will apply to the merged system. According to Ostrem, the revised statutes were rewritten but not altered in meaning, however in some cases, existing statutes that deal with only one system are expanded to include all three systems. An updated version of the proposal dated Jan. 19, outlines where each statute originated.

As part of the recodification process, Ostrem said many statutes that are obsolete would be repealed. Rep. Lyndon Carlson (DFL-Crystal) said many of the laws to be repealed are historical and the committee may want to consider keeping them in the statutes for future reference.

### Governor's budget proposal

Marking the beginning of their budget setting work, the Education Funding Division of the Senate Education Com-

mittee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), was given a presentation on the governor's proposal for the state's K-12 education budget, Weds., Jan. 25.

Telling the members that "new fiscal realities require new fiscal thinking," Linda Powell, commissioner of the Dept. of Education, presented the major elements of the governor's budget proposal.

Powell said the budget recommendations are based on several principles. She said the governor asked that the proposal be consistent with appropriation limits set in 1993 and that it continue efforts to move K-12 education towards a results-based system. The proposal was to also give school districts more flexibility in deciding how they use their revenue and that there be no changes in the total school property tax.

Along with adhering to those principles, Powell said the costs associated with the Cambridge Bank court decision also were added to the budget proposal. Late last year, the state Supreme Court ruled the state had wrongfully assessed an excise tax on financial institutions between 1957 and 1981. The court order requires the state to reimburse effected financial institutions about \$327 million over the next four years. The governor is recommending that \$160 million be set aside towards that settlement by calling for a one-percent reduction in each area of the state budget. About \$26.4 million represents K-12 education's share of that reduction, Powell said.

The governor is recommending increasing the amount of state aid for K-12 education by \$449 million, from a total of \$5.2 billion for fiscal year (FY) 1994 and 1995 to \$5.6 billion for FY 96 and FY 97.

The amount of total education revenue, made up by state aid and local tax levy, increases at a lower rate over the next two fiscal years in comparison to FY 95, Powell said. She said that for the current fiscal year, districts are receiving \$5,994 per pupil in total education revenue. Under the governor's proposal, the total amount of education revenue, on a per pupil basis, grows by about 2.9 percent for FY 96 over the previous year and by another 1.3 percent for FY 97.

Outlining several major initiatives in the budget proposal, Powell said the governor recommends an appropriation of \$15 million over the biennium to accelerate development and implementation of statewide gradation standards, and establishing an incentive program that provides \$7 per pupil in FY 97 for districts to use in moving towards results-based system. Another \$7.5 million from the

education budget, along with a like amount from the human services budget, is recommended for use in strengthening inter-agency family collaboration efforts.

Along with that program, Powell said the governor is recommending abolishing the the Dept. of Education in FY 97, and replacing it with a Dept. of Children and Education Services. "This is an effort to get programs that serve children in four different agencies all in one agency," she said.

Included in the governor's recommendations were proposals to eliminate as many as 20 categorical aid programs, repeal a number of mandates on how revenue is used, and reallocate those funds in other areas, Powell said. "We need to give districts more flexibility and control over the resources they have," she said. By reallocating existing resources, the general education formula amount, which districts receive on a per pupil basis, would increase from its current level of \$3,150 to \$3,220 for FY 96 and \$3,240 for FY 97.

By using a combination of new resources and additional reallocated funds, the commissioner said the governor is recommending use of \$244 million as Learning Gap Revenue, providing districts with \$60 per pupil as Learner Improvement Revenue, and creating an Instructional Technology Program with \$9.6 million available over the biennium.

As a way to increase accountability for education costs, Powell said the governor is recommending changes in the Truth-in-Taxation laws, requiring property tax notice to identify a statewide uniform education levy amount on a separate line. The change would allow taxpayers to know which property taxes are set by the state and which are set by the local district.

The governor is also recommending changes to current law, maintaining teachers' right to strike unless they refuse enter into arbitration when a school board has already agreed to do so, changing the formula to reduce the amount school district contribute to the Teachers Retirement Association, and that the special education funding formula be tied to pupil unit growth. The state's share of special education funding would also be set at 60 percent of the formula.

The commissioner told the members that throughout the process of developing the budget, "I've been looking for that pot of gold that we can use, but I can't find one."

"We are facing fiscal difficulties and this is not a situation that can be solved in two years," she said. "It is a long-term problem."

# Committee update

Bob Wedl, assistant commissioner, and Tom Melcher, the Dept. of Education's Director of Finance, provided the Senators with additional detail about the recommendations. The division's discussion of the governor's proposal will continue in upcoming meetings.

## HECB's new role discussed

At a Thurs., Jan. 26 meeting, the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), discussed the future and changing role of the Higher Education Coordinating Board (HECB).

According to Vern Long, HECB president, the HECB formed a task force in late 1993 to examine the board's role and mission and how those might change with the merger of the state universities, and community and technical colleges, scheduled to occur July 1. The board also conducted a study, as directed by the 1994 Legislature, to determine the board's future functions and responsibilities.

Out of that process, in which some 51 policy-makers, students, and higher education and community leaders were interviewed, the board created a new mission statement and several strategies to implement it.

The board's current role is to provide leadership in the areas of student financing and telecommunications, to conduct policy and data research and analysis, to regulate some functions of private institutions, and to oversee a variety of services and programs, such as student aid and grant programs.

The proposed new HECB mission reduces the focus on coordinating functions and gives greater emphasis to policy leadership for public and private higher education systems throughout the state, according to Vice President of the Board Buzz Cummings. The board is not seeking budget increases, but plans to reallocate some 20 percent of its operating budget to several different areas, he said.

Some members questioned the proposed changes in the HECB's function, asking if the responsibilities are being met through different boards or state departments. Sen. Lawrence Pogemiller (DFL-Mpls.) said the majority of the HECB's responsibilities are not policy-making and asked if the HECB was needed at all.

Cummings said the HECB has developed some creative ideas for serving the higher education systems that have not come out of the traditional systems, like the University of Minnesota. He said the new role of the HECB could provide a structure for long-range planning for the

future of higher education in the state. He added that 50 of the 51 people who were interviewed said the HECB was needed.

In other business, the division was presented an overview of the governor's proposed budget for higher education. A meeting of the Finance Committee is scheduled for next week to discuss the higher education budget in detail.

## Environment and Natural Resources

### LCMR grants

The Environment and Natural Resources Finance Division convened with a discussion on S.F. 102, a bill that appropriates nearly \$35 million for 86 environment-related projects.

Although Sen. Steven Morse (DFL-Dakota), chair of the division and sponsor of the bill, said he had hoped the division would approve the bill at the Fri., Jan. 20, meeting, other members wanted more discussion on the individual project proposals. Sen. Phil Riveness (DFL-Bloomington) said he wanted to see the governor's budget first.

The bill is a summary of how to spend money overseen by the Legislative Commission on Minnesota Resources (LCMR) that is dedicated to environment education, management and preservation projects. Most of the funds are proceeds from the state lottery and cigarette tax, according to Morse, who also is a member of the LCMR. The grant program was designed to give local control over various environmental issues, while meeting state, regional and local environmental goals. The funds are available to any public or private organization through a yearly application process through the LCMR.

If the bill is approved, projects dealing with parks and trails would receive more than \$12 million, including \$4.5 million for the Metropolitan Regional Park System. Nearly \$5 million would go to environment management initiatives and some \$4 million would go toward educational projects.

About 60 percent of the projects are processed through a state agency, such as the Departments of Natural Resources or Agriculture, Morse said, because an agency is needed for appropriation of the grants.

Riveness said he wanted to wait before approving the bill until he sees the governor's budget proposal as well as agency budgets since some of the grant projects may affect agency programs. "Maybe we shouldn't see these issues as separated out from the other state

agencies," he said.

Morse said the other agencies, like the DNR, have reviewed the LCMR grant proposals during the application process; the grants are used to pursue priorities of specific agencies as well as to provide opportunities for private citizens or other local governments to participate. But he added the LCMR funds shouldn't be considered as part of any agency's budget.

Morse agreed that any member's questions should be answered and comments considered before the division votes on the bill.

## Ethics and Campaign Reform

### Two election bills approved

The Senate Ethics and Campaign Reform Committee, chaired by Sen. John Marty (DFL-Roseville), made quick work of two bills at its meeting, Thurs., Jan. 19.

The absentee ballot bill, S.F. 35, which is authored by Marty, was unanimously approved by the committee after adopting an amendment that permits certain individuals to vote by fax. The amendment, offered by Sen. Richard Cohen (DFL-St. Paul), allows a voter who is hospitalized or confined to a health care facility during the seven days immediately preceding an election, or a voter who resides temporarily outside the U.S., to vote by fax. The bill was sent to the floor.

Also approved and sent to the Senate floor was Marty's campaign clean-up bill, S.F. 36. Various amendments were incorporated into the measure.

The first amendment, offered by Sen. Lawrence Pogemiller (DFL-Mpls.), affects lobbyists who fail to comply with filing policies and procedures of the Ethical Practices Board. "It removes criminal penalties, but increases civil fines," explained Pogemiller. The change allows the Ethical Practices Board to impose a late filing fee of \$25 per day, totaling not more than \$500, on a lobbyist who fails to file.

Another change incorporated into the bill was offered by Sen. Pat Pariseau (IR-Farmington). The committee deleted the section that extends the ban on contributions to a candidate for constitutional office during the 14 days immediately following the adjournment of the legislative session.

Sen. Roger Moe (DFL-Erskine) successfully offered an amendment that permits political parties to solicit dues from their members during the legislative session. Under the Moe amendment, a member's campaign committee can pay party dues.

## School Board elections bill approved

A bill that requires school boards to prepare a plan for the orderly reduction of board-seats to no more than seven members was heard by the Senate Ethics and Campaign Reform Committee Tues., Jan. 24. Authored by Sen. Dallas Sams (DFL-Staples), the bill also stipulates that a plan for the establishment or dissolution of election districts be developed. In turn, the plans must be submitted to the secretary of state for review and comment.

The committee, chaired by Sen. John Marty (DFL-Roseville) listened to testimony supporting S.F. 141. Joe Mansky, from the Secretary of State's Office, said "currently there are a number of 21-member boards out there, and we'd like to see that reduced." Also on hand to support the bill, was Anne Higgins from the League of Minnesota Cities.

Another provision of the bill is that county auditors may retain materials from school district elections. Marty pointed out, however, that they are not required to do so.

A Marty amendment allows school districts that had been using combined polling places to continue doing so during the transition period. The provision, which was approved by the committee, states that no other elections can be held on such date.

Bob Meeks, from the School Board Association urged the committee to approve the bill. "We have March elections coming up and without this bill we'll really have a mess to face," said Meeks.

The committee unanimously approved the bill, which now proceeds to the floor.

## Family Services

### Welfare reform bill introduced

As anticipated, Sen. Don Samuelson (DFL-Brainerd) introduced a welfare reform bill, S.F. 1, at the Family Services Committee meeting Thurs., Jan. 19.

As sponsor of the bill, Samuelson explained the need for reform and noted several misconceptions about the welfare system. The majority, about 58 percent, of recipients stay on AFDC (Aid to Families with Dependent Children) less than two years, Samuelson said. Of the children on AFDC, 46 percent of their mothers are under 20 years old.

The bill permits AFDC recipients to work in excess of 99 hours per month and remain eligible for assistance. Samuelson explained that many people are discouraged from working because of the current system's restrictions.

In addition, the bill requires written

agreements between the county agency and the recipient that sets time lines for personal employability plans. For participants in work and training programs such as STRIDE, the provision confirms that there is a market for the recipient's training and that the training will provide an improvement over their current wages.

The bill also requires AFDC recipients who have received AFDC for at least 36 months out of the last 60 months to participate in a job search program. Sen. Phil Riveness (DFL-Bloomington) questioned the length of time of the provision, stating that job searches should start earlier, soon after a person's situation has stabilized. Samuelson explained that the provision permits flexibility, which is needed in some situations.

To continue reform efforts, the bill requires reports by the Dept. of Human Services on restructuring plans for public assistance and STRIDE programs.

In another section, the bill requires pregnant or parenting teens to live with the teen's parent or guardian in order to receive AFDC. There are some exceptions to the requirement. Samuelson noted that in the past 12 years, Minnesota has experienced a 150 percent increase in the number of births to teens under 15 years old. The requirement would provide stability, Samuelson said.

The committee, chaired by Sen. Pat Piper (DFL-Austin), also heard public testimony on the bill. Martha Larson, resident of Winona, objected to the provision requiring a teen to live at home in order to receive AFDC benefits. Larson said that there are many situations in which the provision would be inappropriate. For example, a teen is not as likely to take responsibility and develop mothering skills while living with her own mother, Larson said. Larson also stated that the living situation also discourages the child's father to connect with the child and establish early contact and parenting skills.

Sanford Schram of Macalaster College testified that experimenting with the welfare system continues to have dangerous consequences on the lives of the participants. Schram encouraged members to follow the results of past research and successes. Public testimony and discussion will continue.

### Welfare testimony given

Public testimony on the welfare reform bill, S.F. 1, continued at the Family Services Committee meeting Tues., Jan. 24. Representatives from state and local service agencies commented on several provisions of the bill, sponsored by Sen.

Don Samuelson (DFL-Brainerd).

Mark Andrew, Hennepin County Commissioner, urged the committee not to eliminate work readiness programs, saying that the programs discourage welfare dependency and have been quite effective in Hennepin County. Andrew strongly supported the Minnesota Family Investment Program (MFIP) as significant welfare reform, noting that employment of MFIP participants is three times higher than AFDC recipients not in the program. The employment component within the welfare structure gives "an assurance to the people on AFDC that the government won't pull the rug out from underneath their feet," Andrew said.

Chair Sen. Pat Piper (DFL-Austin) and the committee also heard testimony from Aviva Breen, Director of the Legislative Commission on the Economic Status of Women. Breen supported the bill's package of waivers, including the car value increase waiver and the start work waiver. Breen also favored a study of STRIDE (Success Through Reaching Individual Development and Employment) restructuring, however, Breen cautioned against implementation without knowing what upcoming federal legislation may require.

Regarding the sliding fee scale for child care, Breen said that there are currently 7,700 people waiting for the service. To provide services for this population on the waiting list would cost \$38 million, she said. Sen. Martha Robertson (IR-Minnetonka) requested clarification of current spending on the sliding fee and the unmet need. Breen explained that the program currently costs \$29 million, of which \$9.8 million is state funded. The \$38 million additional cost for the waiting list would be entirely state funded, due to federal funding limits.

Gary Sorenson of the Department of Economic Security also testified before the committee. Sorenson stated that all welfare recipients should have the opportunity to alleviate their poverty, and, if they have the opportunity to work, must do so. Sorenson stated that last month there were over 24,000 unfilled job openings available through the department. A balance must be struck between taking care of recipient needs and allowing supplementation of their income.

"It is perfectly acceptable for people to take the wages at a lower salary," Sorenson said, noting that participating in the labor market is productive and supplements the work force as well as economic development.

The committee adjourned until the evening.

# Committee update

## Welfare testimony continues

The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), reconvened Tues. evening, Jan. 24, to resume testimony on S.F. 1, the welfare reform bill sponsored by Sen. Don Samuelson (DFL-Brainerd).

Among the numerous testifiers was Brian Rusche of the Joint Religious Legislative Coalition. Rusche encouraged members to keep reforms flexible to respond to various needs of recipients. Rusche supported the waivers and the child care programs in the bill as examples of built-in flexibility. The work first program, however, "wrongly assumes people need a kick to get started. People do want to work," Rusche explained.

Both Eunice Collette and Mary Devitt testified about the unrecognized value of mothers in society, in the economy, and in the current welfare legislation. Devitt, of the Mothers Union, said that a full-time mother provides essential services to the community as well as to her children that are not taken into account.

"The well-being of a child depends on the well-being of the mother," Collette stated. Collette urged members to carefully consider the bill's effects on the lives of the children.

Choua Vang and several other members of the Hmong community commented on the work components of the welfare system. Choua expressed a strong desire to work and contribute to society, but has found that current programs such as STRIDE are unsuccessful. The restrictions on education defeat the long-term goal of self-sufficiency and improvement, Choua said.

Another testifier, Linden Gawboy, echoed the criticism of STRIDE. Gawboy said that the bill changes the focus from a program promoting higher education to a program concerned with placing recipients in jobs quickly.

Gawboy added, "it is impossible to work, go to school, be a full-time parent," and complete required welfare paperwork. Gawboy also commented on the provision requiring teens to live at home in order to receive AFDC, saying that the provision "buys into the myths about AFDC mothers", and that teens should have several living options.

## Gaming Regulation

### Lawful gambling bill to floor

The Senate Gaming Regulation Committee approved one bill, referred a second to another committee, and laid over a third at its meeting Tues., Jan 24.

The committee, chaired by Sen. Charles Berg (DFL-Chokio) approved S.F. 46, a bill that increases the gross profit percentage allowable for expenses incurred by lawful gambling organizations. The five percent increase comes after approximately eight years of no adjustments to the amount operators are allowed to claim for expenses, said the bill's author, Sen. James Metzen (DFL-South St. Paul).

In response to Berg's concern that increasing the dollar amount for expenses results in less revenue for the charity, Metzen responded, "If they can't pay their expenses, and we put them out of business, both the state and the charity lose." The bill proceeds to the floor.

S.F. 91, a bill that widens the circle of services and providers with whom the commissioner of Human Services may contract to provide services in the state's compulsive gambling program, was approved by members and re-referred to the Health Care Committee. Sen. Harold "Skip" Finn (DFL-Cass Lake), the bill's author, said that there are presently just six centers in the state that provide counseling for compulsive gamblers. For various reasons--distance, expense, time away from work--those who need help are not able to avail themselves of the programs. Finn emphasized that S.F. 91 does not allocate additional funding, but only allows additional facilities to be eligible for the monies presently available.

A bill, sponsored by Sen. Joe Bertram, Sr. (DFL-Payneville), that allows a person under the age of 18 to play Bingo in a church or school if accompanied by a parent or guardian, was laid over by the committee. Sen. Allen Spear (DFL-Mpls.) raised concerns about contributing further to the already existing problem of teenage gambling, saying that the language of the bill in its present form is too broad. "The intentions are fine, but the language is too broad, and I don't think this is a good idea," said Spear. "We have a lot of problems in this state with kids gambling and this bill just opens up more options for kids to gamble at an earlier age."

## Governmental Operations and Veterans

### Government reform reviewed

A new approach to how one state agency is being reorganized was laid out to the Governmental Operations and Veterans Committee, Wed., Jan. 25.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also heard a presentation on a initiative to focus

Minnesota state agencies on quality management and reviewed the recommendations from a study conducted by the Legislative Commission on Employee Relations at the meeting.

A law passed in 1993 required the Minnesota Housing Finance Agency (MHFA) to review its organizational structure and propose changes that will make it more efficient. Commissioner Kit Hadley and other MHFA staff members told members that while more work remains, the agency is ready to implement a new structure on July 1, 1995.

Hadley said after the law took effect, a committee made up of MHFA staff, representatives of various state bargaining units and members of the Dept. of Employee Relations began to discuss the issues that affect the agency organization. Terry Schwartz of the MHFA said the group focused on employee classification, training and development, promotional opportunities, hiring and recruitment, compensation and performance evaluation.

From those areas, Schwartz said the agency's committee began using a broad-banding concept by considering its employees as groups of paraprofessionals, professional staff, and management, rather than considering them as being members of particular classifications. "The point is that we want to look at the jobs that are being done, not at what the classification is," he said.

The resulting plan, named "Promoting Growth and Recognizing Experiences", will place agency staff into tracks, enable them to advance in those tracks, and be recognized for their performance, Renee Dickenson of the MHFA said.

Judy Marter, the MHFA's human resources director, said the proposal will reduce the number of classifications that apply to the 165 members of the staff down to seven categories, based on the skills of the employees.

Hadley said the agency will be seeking an exemption from current state law which requires the Dept. of Employee Relations to establish a uniform system of employee classification in order to allow the agency to reorganize its human resources system.

"I had said that this was a pilot project and that it was not about compensation," Haldey said. "But I realize that I was not entirely right. This is not about increasing compensation, but awarding compensation to employees in different ways and using a different set of values."

The Senators also heard a report on the Minnesota Quality Initiative (MQI) and

efforts to implement the principles of Total Quality Management (TQM) in state government.

Rick Hokanson, former co-chair of the MQI steering committee, explained the MQI was created more than six years ago when a group of state employees voluntarily began meeting to discuss how quality principles could be applied to public service. The MQI has since developed a series of rules that are based on those concepts, he said. Among those rules are the recognition that quality is everyone's job, that it comes from prevention, not inspection, and that it means meeting the needs of the customer, Hokanson said.

While it may take several years for the concepts of quality to take effect in all agencies, Hokanson said "we are seeing immediate results in many areas. They are an opportunity to improve service to the state and service within the system."

The preliminary findings and recommendations from a study on the use of arbitration in contract negotiations were presented by Greg Hubinger, director of the Legislative Commission on Employee Relations (LCER).

Hubinger said the commission, which reviews public employee contracts and negotiating processes, studied various types of arbitration and how they were used in settling public employee contracts. The preliminary recommendations call for removing some groups from the list of "essential" employees, those who are prevented from going on strike during contract negotiations, and to prohibit school districts from adding days to the school year to make up for time lost because of a teacher's strike.

Hubinger said the LCER will be considering the recommendations in the near future. Once the commission acts, those recommendations will again be presented for the committee's consideration and action.

## Health Care

### Commission recommendations

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), convened Thurs., Jan. 19, to hear recommendations of the Minnesota Health Care Commission.

Tom Swain, chair of the commission, presented the suggestions to members, citing the positive results that have already been achieved. "Rate increases have subsided, market forces are working, and private coverage is more affordable," Swain stated. The commission reiterated its goal of universal coverage in the state, where every Minnesotan has a source of payment for health care, and where all

Minnesotans pay into the system according to their ability.

One recommendation of the commission provides for a freeloader penalty for voluntarily uninsured persons, to serve as an incentive to buy health coverage. Swain explained that of the uninsured population in Minnesota, 70 percent is single, 63 percent is male, and 48 percent is between the ages of 18 and 34. The statistics concur with the perception that some young, single males have the belief that they are indestructible, said Swain. Funds retrieved from the penalty would be pooled into the Community Health Insurance Pool (CHIP) to help defray unreimbursed costs to providers of treating uninsured persons.

Insurance reforms that have been implemented so far have been successful, Swain noted, but community ratings need to be reviewed. The commission also recommended an increase in tobacco taxes and allocating the revenues for existing access, information, and prevention programs. Sen. Harold "Skip" Finn (DFL-Cass Lake) questioned the tax, asking how many already-insured smokers will be paying twice for their habit. The tax, estimated by Swain at about 40 cents, is "not a fair approach to financing," Finn said.

Committee members also heard an explanation of the health care reform waiver. Trish McTaggart of the Dept. of Human Services explained that the proposed waiver is a partnership between the state and the federal governments to integrate Medical Assistance (MA), General Assistance Medical Care (GAMC), and MinnesotaCare. The waiver would link Medicaid and Medicare rate setting and data collection to Minnesota's health care system reform efforts as well as expand managed care under Medicaid using Community Integrated Service Networks (CISNs) and ISNs. The integration would add MinnesotaCare children and families with incomes up to 275 percent of the poverty level to MA and eliminate mandatory county referrals for MA. The reforms would be more efficient and provide continuity of care, McTaggart said. Discussion of the waiver will continue at a later meeting.

### Department presents plans

In order to reacquaint committee members, Commissioner of the Dept. of Human Services Maria Gomez outlined the department's priorities for the Health Care Committee, Weds., Jan. 25.

An innovative project introduced by the department is the Long Term Care Options Project (LTCOP). Pamela

Parker explained that the program integrates Medicare and Medicaid funds for the elderly enrolling in the Prepaid Medical Assistance Program (PMAP) in the Metropolitan Area. The first of its kind in the nation to be reviewed by the federal government, LTCOP "demonstrates a new way of doing business," by reorganizing the delivery system and controlling cost growth, Parker stated. The current policies create "a fragmented clinical system, poor clinical incentives, and duplicative administration," Parker explained, resulting in confused providers and consumers.

LTCOP would provide geriatrically focused health plan options through health plans and long term care provider networks. In addition, PMAP contractors are expected to participate. LTCOP increases the elements required by clinics, including patient and family input and a cross-disciplinary approach. The Office of Management and Budget is currently reviewing the proposal and implementation is expected by January 1996.

Gomez outlined departmental objectives including increasing access and flexibility in the health care system, improving department infrastructure, and providing appropriate and affordable housing to Minnesotans. Gomez stated that increasing access to quality health care and simplifying Medical Assistance (MA), General Assistance Medical Care (GAMC) and MinnesotaCare will assist many low and middle income people.

Focusing on health care concerns, Helen Yates, assistant commissioner, explained to Chair Linda Berglin (DFL-Mpls.) and members that the Health Care Administration division is responsible for overseeing the administration of MinnesotaCare, maintaining and administering long term care services, and processing call claims in Minnesota.

The department provided members with projections of MinnesotaCare costs. George Hoffman, of the Reports and Forecasts Division, told the committee that MinnesotaCare costs increased annually by approximately ten percent. The increase in expenditures is due to both an increase in the number of people enrolled in the program and an increase in the average cost of delivery per person, Hoffman said.

## Jobs, Energy and Community Development

### Workers' comp testimony

The Jobs, Energy and Community Development Subcommittee on Employment continued to hear testimony

# Committee update

regarding workers' compensation at the Tues., Jan. 24, meeting.

The subcommittee, chaired by Sen. Kevin Chandler (DFL-White Bear Lake), heard first from Jay Benanav, of the Workers' Compensation Reinsurance Association (WCRA). Benanav testified that the WCRA's rates have declined 40 to 60 percent since 1992. The number of claims seen by the WCRA is constant, he said, but claim costs have dropped. Benanav attributed the decline to the changes in workers' comp law made in 1992, particularly the lowering of the cap on cost of living adjustments for wage replacement from 6 to 4 percent, and to favorable returns on WCRA investments. He said the WCRA expects further declines in its rates as the cases affected by the law changes go through the process and reach the WCRA. The WCRA is the agency that re-insures insurance companies and self-insured employers against large workers' comp claims.

An injured worker and the husband of an injured worker, both affected by catastrophic work-related injuries, testified about the numerous difficulties injured workers face. One of the testifiers said that despite six favorable court rulings, including a Minnesota Supreme Court ruling, his wife's employer has avoided financial responsibility for treatment and rehabilitation for a severe injury.

Joe Wild of the Injured Workers Alliance, said that many of the changes made to workers' comp law in the past few years have made the system worse for injured workers. Wild said that the problems with workers' compensation are so complex that no one piece of legislation is going to solve them. He urged legislators to make no further changes for the next several years and suggested that instead, they spend the time talking to affected people, identifying problems with the system, and then setting out to solve them one at a time.

The subcommittee also heard an overview from Mort Bostrom, Dept. of Labor and Industry, describing the department's workers' compensation fraud unit. Bostrom said that since the unit began operating in January 1993, 31 independent contractors, insurance agents, employers and individuals have been charged with felony crimes, and six convictions have been obtained.

## Biomass options discussed

The topic of discussion at the Weds., Jan. 25, meeting of the Jobs, Energy and Community Development Committee

was biomass energy production and Senators heard from several potential producers of plant-based energy.

The committee, chaired by Sen. Steven Novak (DFL-New Brighton), first heard a presentation by Chris Hanson, Center for Alternative Plant and Animal Products at the University of Minnesota. Hanson outlined the program's evaluation of a process that creates electricity by burning gas produced from alfalfa stems. Hanson said his group calculates that the process produces three units of energy for every unit that is put into it. Currently, he said, electricity can be produced for 6.5 cents per kilowatt, and the group hopes to approach 5 cents. Hanson stressed that in terms of legislation, it is important that the definition of biomass specify that the raw materials be farm-grown, rather than allowing waste products to be used.

L. David Velde, a farmer and board member of Minnesota Valley Alfalfa Producers, said that moving toward biomass energy production will increase the market for agricultural products and control the migration of farmers off the land.

Mike Holly, Sorgo Fuels and Chemicals, testified that his company's process, which produces ethanol and electricity from sweet sorghum plants, is cheaper and cleaner than traditional processes used by utilities. Holly called for changes in the regulation structure of the energy industry to allow for free market production and sales of energy.

Finally, Rick Peterson, an NSP engineer, presented a report on the utility's progress toward acquiring the biomass resources mandated by the legislature in last year's Prairie Island nuclear storage law. Peterson said that NSP has filed its Request for Proposals with the Public Utilities Commission and expects to complete negotiations with vendors by the end of 1995.

## Judiciary

### Information policy overviews

Members of the Joint Judiciary and Crime Prevention Subcommittee on Privacy met for the first time this session Mon., Jan. 23, to hear an overview of the Information Policy Office and an update on the activities of the Government Access Council.

Assistant Commissioner Beverly Schuft of the Dept. of Administration briefed members on the history and objectives of the Information Policy Office. According to Schuft, the office was created in 1987 to ensure that the state's information

resources are well managed to avoid duplication and waste of resources, developed and operated to maximize technology benefit for citizens and responsive to requirement of public policy related to information. The mission statement of the office provides that the Information Policy Office is to assert leadership in the management of information resources through the development and advocacy of policies that support effective government and ensure citizens' rights to access and privacy.

Tom Satre, director of the Government Access Council, provided the panel with an update on the council's activities. According to Satre, the council is part of the Information Policy Office structure and is charged with improving public access to government information and the democratic process through information technology while, at the same time, helping government become more efficient, effective and responsive to the public through the use of information technology. Much of the discussion during Satre's presentation focused on the size of the council and the composition of its membership. Satre agreed that at first glance the 29 member board may seem unwieldy but he said the number of interests represented by the 29 members ensured a broad spectrum of views in the board's activities.

### Commissioner's opinions discussed

The Weds., Jan. 25, meeting of the Joint Judiciary and Crime Prevention Subcommittee on Privacy was devoted to a report on the issuance of commissioner's opinions in data privacy matters and an overview of the Minnesota Health Data Institute's work.

The panel, co-chaired by Sen. Jane Ranum (DFL-Mpls.) and Sen. Harold "Skip" Finn (DFL-Cass Lake), began by hearing a history of the issuance of commissioner's opinions on data privacy matters. Don Gemberling, director of the Public Information Policy Analysis Division of the Dept. of Administration, outlined the process involved in providing commissioner's opinions on questions relating to public access to government data, rights of subjects of data, or classification of data. Gemberling said that to date, most of the feedback the division has received on the issuance of opinions has been positive. Gemberling gave a brief synopsis of some of the 75 opinions the division has written thus far and outlined the legislative recommendations he would be bringing to the finance division this year. Gemberling said that

the recommendations included removing the sunset date of the authority to give opinions, removing the \$200 fee charged to governmental entities that requested a fee, specifying that data transmitted to the commissioner keep its classification and clarifying the treatment of data sent by citizens to the commissioner for an opinion.

The subcommittee also heard a presentation by Dale Shaller, executive director of the Minnesota Health Data Institute. Shaller said that the institute was created as a public-private partnership to gather and analyze data necessary for reforming the health care system. Shaller outlined the data privacy and disclosure policy of the institute and emphasized that the policy included protections to guard against publication of patient identifiable data, provisions for a secure database and network environment and accountability to the Legislature.

## Metropolitan and Local Government

### Met Council overview

The first meeting of the Senate Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy) convened Thurs., Jan. 19. On hand to present an overview of the Metropolitan Council were outgoing Chairperson Dottie Rietow and Regional Administrator Jim Solem.

Rietow briefly summarized the process that transformed the Metropolitan Council from a planning board to the group responsible for operation and management of the region's public transit and wastewater control systems. "Because of the excellent teams, their willingness to work and meld together, we were able to have a smooth transition with no disruptions of service to our customers," said Rietow.

The transformation, which resulted from legislation signed into law during 1994, eliminated the governing boards of the Regional Transit Board, the Metropolitan Transit Commission and the Metropolitan Waste Control Commission, placing them under the direction of the newly-established Transportation Division and Environment Division. Solem praised the legislators for the outcome of their efforts, saying "the law you passed works."

Turning to the regional blueprint, "an action plan which will take us into the next century," Rietow and Solem responded to various questions from the committee.

Sen. Carol Flynn (DFL-Mpls.) congratulated Rietow and Solem for being

instrumental in the transition. "This is a drastic change by putting planning and operations together," Flynn said, "and as a former member of the Met Council, I'm pleased to see the right hand talking to the left." She added, however, that she had concerns about certain positions that remain vacant. Solem acknowledged that staffing transitions have been challenging, but emphasized the council's commitment to retaining personnel. "We are trying to find places in the new organization for those who held similar jobs under the old Met Council, and to retain as many people as we can," said Solem.

Questions regarding economic development were raised by Sen. Linda Runbeck (IR-Circle Pines). Solem said that the council is committed to helping existing businesses, along with courting emerging businesses. Rietow added that a regional economic strategy is imperative, if Minnesota is to compete in the global market.

Looking at the priorities of the council for the 1995 Legislative Session, Rietow pointed to the 800 megahertz radio system and transit funding. In addition to safety considerations, the council urges action on the emergency communications matter because the opportunity to share the 800 megahertz channel through a regional system expires in June.

The other priority item Rietow said, is transit funding. She told members that the council is asking for \$103.3 million for upcoming projects.

### Overviews presented

The League of Minnesota Cities and the Association of Minnesota Counties presented overviews of 1995 legislation policies and goals to the Metropolitan and Local Government Committee Mon., Jan. 23. On hand making the presentation were Mayor Chuck Winkelmann of St. Cloud, League President; Mayor Karen Anderson of Minnetonka, League Vice President; and Gary Carlson, Director of Intergovernmental Relations for the League.

The committee, chaired by Sen. Jim Vickerman (DFL-Tracy), heard the League's positions on major issues, including its opposition to unfunded mandates and urban sprawl. Anderson said that the League hopes to see legislation passed that reinstates the Homestead Agricultural Credit Aid growth adjustment factor, and an inflationary adjustment factor similar to the Local Government Aid index. Furthermore, "we support workers comp initiatives which will make Minnesota competitive with neighboring states," Anderson added.

Sen. Deanna Wiener (DFL-Eagan)

asked for clarification concerning the League's support of an increase in the gas tax. Anderson said that the revenues would be targeted for road improvements, as well as transit programs. "For example, it could either be spent on an additional traffic light at a certain intersection, or perhaps on extra bus stops or shelters," Anderson explained.

Colleen Landkamer, President of the Association of Minnesota Counties, presented a slide program that outlined the operation of AMC. "County government is first and foremost an administrative arm of the state that delivers state authorized services," said Landkamer.

Previously, funding for state and federal programs has accompanied mandates, Landkamer said. As of late, however, counties are receiving less revenue to provide more services. Additionally, the shift toward administering human services has made the job of county government even more difficult in recent years, Landkamer added.

While acknowledging that the purview of counties has expanded, Sen. Carol Flynn (DFL-Mpls.) pointed out that counties asked for many of the responsibilities that they currently handle. "We're all going to have to learn to get along with less," Vickerman said.

### Town, small cities priorities

At a Weds., Jan. 25 meeting, members of the Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), heard presentations by three municipal government organizations outlining their issues and priorities for the legislative session.

Dave Fricke, executive director of the Minnesota Association of Townships, presented a list of legislative issues they would like to see addressed, including continued promotion of fairness in the annexation process.

Bob Orth, representative of the Metropolitan Inter-County Association (MICA), said its top legislative issues are intergovernmental finance reform which would more clearly link funding with responsibility, and dealing with out-of-home placement of children in the 10 member counties.

According to Nancy Larson, executive director of the Minnesota Association of Small Cities, changes are needed in the distribution of Local Government Aid and the Homestead and Agricultural Credit Aid to benefit smaller cities.

Group representatives also expressed some concern with a gubernatorial proposal designed to streamline funding going to local governments and counties. Fricke of the township association and

# Committee update

Larson of the small cities group both said the communities they represent may find it harder to compete for the funding.

Vickerman said he would meet with Sen. John Hottinger (DFL-Mankato) to sponsor a bill addressing some of the groups' concerns as soon as possible.

## Rules and Administration

### Information system policy discussed

The Rules and Administration Committee, chaired by Sen. Roger Moe (DFL-Erskine), met Thurs., Jan. 26, to consider several items relating to the internal operations of the Senate. Senators adopted the recommendations of an Ad Hoc Subcommittee on Senate Information Systems relating to computer backup tapes and electronic mail backup. In addition, the Senators also approved a series of Internet policy recommendations based on policy recommendations used by the Library of Congress.

Finally, the panel approved an action plan to upgrade computer workstations for those Senators who have requested the upgrades. The action plan includes directions to the Senate Information Systems Department to investigate the costs of implementing an 800 number for constituents to call the capitol and to implement several other technological improvements for Senate operations. Members also approved additions to the temporary employee roster and began discussions of a charter outlining the responsibilities of the Rules and Administration Audit Subcommittee.

## Taxes and Tax Laws

### Technical bills okayed

Two technical tax bills were advanced to the full Senate at the Weds., Jan. 25, meeting of the Taxes and Tax Laws Committee. The panel, chaired by Sen. Douglas Johnson (DFL-Cook), approved both measures with little debate. S.F. 94, authored by Sen. Steven Morse (DFL-Dakota), merges two conflicting amendments to the solid waste generator assessment law that were enacted in 1994. Morse said that the bill was necessary because of the timing of two bills passed last year.

The bill corrects and clarifies terminology in the statutes dealing with the assessment of solid waste. S.F. 87, carried by Sen. Len Price (DFL-Woodbury), makes a variety of technical corrections to a number of tax laws. Both measures were approved and sent to the Senate floor.

## Transportation and Public Transit

### Transit system update

One of the challenges facing the Metropolitan Council Transit Operations is a shortfall of more than \$20 million if the governor's budget for the department is adopted, according to Jim Solem, regional administrator for the council.

Solem presented the Met Council's transit planning and budget projections to members of the Transportation and Public Transit Committee, chaired by Florian Chmielewski (DFL-Sturgeon Lake) at a Weds., Jan. 25, meeting.

In 1994, the Met Council replaced the Metropolitan Transit Commission and began planning and operating the transit system for the seven-county Metro Area. Some of the services the council oversees are regular route and express bus service, suburban "opt-outs," small urban and rural bus services, Metro Mobility services for persons with disabilities, and ride share programs.

The council had requested \$93.9 million for the next biennium to maintain current services, plus \$16.5 million for an improvements project. According to Solem, the governor's proposed budget, introduced Tues., Jan. 24, allocates \$89 million without the additional funding for improvements; it is a \$20 million increase over the current budget. Because of legislation prohibiting the council to lay off transit employees in FY 1995, Solem said the council may have to consider reducing transit services if more funding is not approved.

One of the major transportation issues of the metro transit system is an increased demand for travel, said Natalio Diaz, director of Planning. From 1970 to 1990, the population of the Metro Area increased about 20 percent, while the number of vehicle miles traveled increased 130 percent.

Diaz said other issues are an increased reliance on cars resulting in traffic congestion, a decline in the use of mass transit services, increasingly limited funding for transportation, and airport capacity and its impacts on surrounding communities.

Tom Sather, director of operations for the council, outlined some of the customer-driven challenges the metro transit system faces, including heightened customer expectations for more improvement over this year's improvements, and additional actions taken to ensure safety for both drivers and passengers.

Sen. Keith Langseth (DFL-Glyndon) said since budget projections for the state are tight, maybe the council shouldn't depend on even the \$20 million increase next biennium. He suggested creating some sort of a budget package paid with a gas tax to cover both transit and highway needs throughout the state. "We need to do something together, for both systems," he said.

The committee also heard a presentation of the progress of an inter-city electric vehicle project which is designed to show electric vehicles could be used long-distance commuting.

Kenicholls of Minnesota-based Schotwer Systems said the project, the first of its kind, involves the development of three battery charging stations located in St. Paul, Hinckley and Duluth. It was the first demonstration of electric travel in northern Minnesota.

Although further development is needed in the areas of infrastructure and battery technology, Nicholls said, electric cars are available from several makers.

Developing a working electric vehicle project provides both environmental and economic benefits, he said. "But the main benefit of the project is that of education to the people of Minnesota." At each of the demonstrations, public demonstrations will be held.

The group applied for a \$150,000 grant from the Legislative Commission on Minnesota Resources (LCMR) received initial approval from the Legislature. If the Legislature approves the LCMR budget, the project could start in July, Nicholls said.

## Legislator

Several ways to access the Legislator. For gopher administrator go to URL: gopher://gopher.leg.state.mn.us:70/1. This is the URL for the House and Senate Gopher. For individuals with gopher client software: Point your client to gopher.leg.state.mn.us (Port 70). For gopher client software: Telnet to micro.umn.edu (the University of Minnesota Gopher), login: gopher, dial access, 612-626-2400 (also gopher), accept: micro.umn.edu, login: gopher, this path through the menu: gopher and Information Services/Minnesota/Minnesota Legislature.

# Preview

## The Minnesota Senate Week at a Glance

**Monday, January 30**

The Senate will meet at 11:30 a.m.

### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.  
12 noon Room 107 Capitol  
Agenda: Presentation on the Minnesota Education in Agriculture Leadership Council. Report and recommendations of the Commission on Agriculture Policy.

### Judiciary Committee

Chair: Sen. Carol Flynn  
12 noon Room 15 Capitol  
Agenda: S.F. 75-Betzold: Filing of notice of mechanics' liens. S.F. 77-Betzold: Clarifying the limitation on actions after a dispute settlement. S.F. 57-Marty: Statute of limitations for certain human rights act violations. S.F. 74-Reichgott Junge: Revisor's bill of 1994.

### Crime Prevention Committee

Chair: Sen. Allan Spear  
2 p.m. Room 15 State Capitol  
Agenda: S.F. 114-Merriam: Jail credit restrictions. S.F. 146-Hanson: DOC standards for county work crews.

**Tuesday, January 31**

### Gaming Regulation Committee

Chair: Sen. Charles Berg  
8 a.m. Room 107 Capitol  
Agenda: Confirmation hearings to the Gambling Control Board: Allan Fonfara, Peggy Moon and Howard Register. Overview of the lottery budget.

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzgen  
8 a.m. Room 15 Capitol  
Agenda: Presentation on the Board of Government Innovation and Cooperation, Jim Gelbmann, executive director; Audrey Krebs, commissioner, Wilkin County; Roberta Anderson, administrator, Norwood City; Cheri Merritt, Hennepin County Elderly and Disabled Assistance Division; Ellen Larson, county auditor, Lake of the Woods.

### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski  
8 a.m. Room 112 Capitol  
Agenda: S.F. 33-Bertram: Permitting certain licensees to wear headwear in drivers' license and I.D. card photographs. S.F. 132-Bertram: Prohibiting headwalls in highway

rights-of-way. S.F. 42-Vickerman: Repealing sunset provision concerning recreational vehicle combinations. S.F. 50-Ourada: Designating a bridge as the Betty Adkins Bridge.

### Education Funding Division

Chair: Sen. Lawrence Pogemiller  
10 a.m. Room 112 Capitol  
Agenda: Performance report for the Department of Education. Discussion on the governor's budget recommendations for Department of Education.

### Jobs, Energy and Community Development Subcommittee on Economic Development and Housing

Chair: Sen. Ellen Anderson  
10 a.m. Room 107 Capitol  
Agenda: To be announced.

### Ethics and Campaign Reform

Chair: John Marty  
12 noon Room 107 Capitol  
Agenda: S.F. 168-Solon: Relating to mock elections for minors. S.F. 181-Cohen: Allowing time off for special elections. S.F. 3-Cohen: Election judges not members of a major party.

### Family Services Committee

Chair: Sen. Pat Piper  
12 noon Room 15 Capitol  
Agenda: S.F. 1-Samuelson: Welfare reform - continuation if necessary.

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse  
2 p.m. Room 107 Capitol  
Agenda: S.F. 106-Morse: Relating to ethanol, modifying provisions relating to producer payments.

### Finance Committee

Chair: Sen. Gene Merriam  
4 p.m. Room 123 Capitol  
Agenda: S.F. 188-Samuelson: Brainerd College bonding authorization Amendment. Presentation on performance budgeting: Legislative Auditor's Office, Dept. of Finance.

### Joint Legislative Committee on Merging Post-Secondary Education Systems

Chairs: Sen. LeRoy Stumpf and Rep. Gene Pelowski  
4 p.m. Room 112 Capitol  
Agenda: Continuation of discussion on consolidation, reorganization and recodification of higher education statutes. Presentation, John Ostrem, Technical College System.

### Taxes and Tax Laws Committee

Chair: Sen. Douglas Johnson  
4 p.m. Room 15 Capitol  
Agenda: Overview of governor's budget recommendations, Department of Finance and Department of Revenue.

**Wednesday, February 1**

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzgen  
8 a.m. Room 15 Capitol  
Agenda: To be announced.

### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski  
8 a.m. Room 112 Capitol  
Agenda: Survey results on public attitudes regarding the Minnesota State Patrol, Col. Mike Chabries, chief, Minnesota State Patrol. Discussion on telecommuting, John Sanger, president, Tele-Commuters Resources Inc. Discussion on administration of the annual alternative fuel permit, Jack Wildes, Motor and Vehicle Services Division; Lary Trimbe, Department of Revenue.

### Health Care Committee

Chair: Sen. Linda Berglin  
10 a.m. Room 15 Capitol  
Agenda: Overview of the governor's health care budget, Department of Health and Department of Human Services.

### Higher Education Division

Chair: Sen. LeRoy Stumpf  
10 a.m. Room 112 Capitol  
Agenda: Presentation on the budget for higher education, representatives of student organizations. Presentation on the governor's budget for higher education, Department of Finance.

### Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak  
10 a.m. Room 107 Capitol  
Agenda: S.F. 44-Novak: Extending the deadline on a report from the legislative Electric Energy Task Force. S.F. 65-Kelly: Abolishing sunset provisions relating to area development rate plans. S.F. 213-Johnson, D.J.: Abolishing sunset provisions related to competitive rates for electric utilities.

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### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** 1995 federal farm bill, Bob Bergland, former U.S. Secretary of Agriculture.

### Judiciary and Crime Prevention Joint Subcommittee on Privacy

*Co-Chairs: Sen. Jane Ranum and Sen. Harold "Skip" Finn*  
12 noon Room 15 Capitol  
**Agenda:** Update on the Children's Information Management Redesign Project, Eileen McCormick, project director. Update on the Information Policy Training and Professional Development Plan, Kent Eckland, Cincinnati Group.

### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** Budget review for Ombudsman for Corrections, Private Detective and Protective Agent Services Board, Board of Peace Officer Standards and Training, and the Sentencing Guidelines Commission.

### Health Care and Family Services Funding Division

*Chair: Sen. Don Samuelson*  
4 p.m. Room 107 Capitol  
**Agenda:** Performance review, Department of Health. Overview of the governor's budget, Department of Health.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Overview of budgets for the Investment Board, State Treasurer, and State Auditor.

## Thursday, February 2

### Rules and Administration Committee

*Chair: Sen. Roger Moe*  
8 a.m. Room 15 Capitol  
**Agenda:** Discussion on personnel issues. Report of the Audit Subcommittee. Other agenda items.

The Senate will meet at 9:30 a.m.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** Update on the graduation standards rule, State Board of Education.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Presentation on risk adjustment, Lynn Blewett, director, Health Economics Program of the Department of Health. S.F. 16-Betzold: Neuroleptic medication.

### Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities

*Chair: Sen. Janet Johnson*  
10 a.m. Room 107 Capitol  
**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 State Capitol  
**Agenda:** S.F. 214-Spear: Religious and cultural exemption to the crime of concealing identity. Special report to the legislature on sentencing guideline modifications, Sentencing Guidelines Commission.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 54-Finn: Authorize local government financing of the nonstate share

of the Northwestern Minnesota Juvenile Center. S.F. 93-Bertram: Returns court to refund money partly of Melrose for acquisition of certy.

### Health and Family Services Division

*Chair: Sen. Don Samuelson*  
4 p.m. Room 107 Capitol  
**Agenda:** Review of the governor's budget for City Council, Board of Examiners, Board of Dentistry, Board of Nutrition Practice, Board of Podiatry, Board of Therapeutic Practices, Board of Nursing Home Administration, Board of Optometry, Board of Podiatry, Board of Psychology, Board of Social Work, Board of Medicine, Ombudsman for Family Services, and the Veterans Home.

### State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Review of the budgets for the Department of Military Affairs, Veterans of Foreign Wars, Department of Military Affairs.

## February 3

### Transportation and Public Transit Division

*Chair: Sen. Chh Langseth*  
8 a.m. Room 107 Capitol  
**Agenda:** Review of the budget for Metropolitan Council transit operations.

# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MN 55155

February 3, 1995

## Elections bills gain

The highlight of the Thurs., Feb. 2, floor session was the consideration of bills on the General Orders Calendar. Bills on General Orders are considered by the Senate acting as one large committee known as the Committee of the Whole. Each bill on General Orders has had two readings and has been reported out of one or more standing committees. Bills on General Orders may be debated and amendments may be offered.

S.F. 35, authored by Sen. John Marty (DFL-Roseville), makes several changes in procedures for voter registration and absentee voting. The bill eliminates the witness requirement in voter registration, allows absentee voting for convenience, allows absentee ballots to be delivered to health care facilities and allows military personnel and individuals unexpectedly hospitalized to vote via fax machine. An amendment, offered by Sen. Dennis Frederickson (IR-New Ulm), deletes the provision allowing voting via fax machine. The amendment was defeated on a 25-36 roll call vote. Frederickson offered a second amendment, deleting a provision allowing a person to collect ballots from a health care facility, that was also defeated. Sen. Sheila Kiscaden (IR-Rochester) asked that the bill be temporarily progressed in order to have time to draft an amendment and no further action was taken.

S.F. 141, authored by Sen. Dallas Sams (DFL-Staples), makes a number of changes in laws relating to school board elections. The measure changes the allocation of some election expenses, provides for the retention of election materials, clarifies terms of office and election frequency in some cities, authorizes the use of more than one combined polling place in school board elections and provides for dissolution of some election districts. The measure was given preliminary passage on a voice vote.

A bill dealing with lawful gambling also gained preliminary passage. S.F. 46, authored by Sen. James Metzen (DFL-South St. Paul), increases the percentage of gross profit that may be expended for allowable expenses. The bill specifies that

the percentage for expenses for bingo is increased from 60 to 65 percent and that for other types of lawful gambling the percentage is increased from 50 to 55 percent.

## Welfare amendments okayed

Responding to public concerns, Sen. Don Samuelson (DFL-Brainerd) introduced several amendments to his welfare reform bill, S.F. 1. Samuelson addressed several provisions, including the requirement of teen mothers to live at home in order to receive AFDC (Aid to Families with Dependent Children). The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), has heard public testimony regarding the provisions over the past several weeks.

The author's amendments were considered and approved by the committee Thurs., Jan. 26. Samuelson presented an amendment permitting more exceptions to the teen parent requirement. In mandating teen mothers to live at home, many people in previous meetings had testified to the damaging effects that may occur. The amendment expands the definition of a living arrangement to include any non-public situation providing supervision, counseling, guidance, and independent living skills training. Sen. Sheila Kiscaden (IR-Rochester) requested clarification of permitted living situations by adding adult supervision "in a family-like setting" to the amendment.

Another amendment modifies the obligation to seek full-time employment as specified under the Minnesota Family Investment Program (MFIP). Under the family support agreement in the MFIP overall plan, a caregiver may be expected to seek and accept full-time employment. The amendment defines full-time as 30 hours per week, or 20 hours per week if the caregiver is single with a child under six years old. The amendment also requires a caregiver enrolled in MFIP who voluntarily quits employment to notify the case manager within 10 days.

In addition, the amendment specifies that a caregiver's job search is limited to three months to find a job related to their

overall employment goal. After three months, the participant must accept any suitable employment. Piper expressed concern about the parameters of "suitable" employment, which includes jobs providing low wages and no child care. Samuelson clarified that child care would be available through the MFIP program.

Samuelson offered another an amendment permitting AFDC recipients to withhold rent to uphold the recipient's rights when faced with problems with the landlord or housing. Another addition to the bill is the classification of a participant working in a temporary public service job for more than 67 days as a public employee. The provision is "trying to be flexible for local governments," Samuelson said.

Regarding STRIDE participants, Samuelson presented an amendment specifying educational requirements. A recipient selected for a high school equivalency program must make satisfactory progress, and work at least 64 hours per month. For individuals participating in full-time post-secondary education, the amendment has no work requirement. The amendments were incorporated into S.F. 1.

## New TV show to air

Senate Media Services, in cooperation with Greater Minnesota public broadcasting stations, is producing Capitol Report Live, a new interactive television program.

On the new program, state lawmakers from Greater Minnesota will answer questions concerning rural issues. The program will air live every Tuesday evening, beginning February 7th, from 9 p.m. until 10 p.m. The channels are KWCM 10 (Appleton), KSMQ 25 (Austin), KAWE 9 (Bemidji), KAWB 22 (Brainerd), and WDSE 8 (Duluth).

Viewers will be able to ask questions via fax, telephone and internet e-mail. The telephone number is 1-800-657-3635.

The internet e-mail address is studio@lakes.senate.leg.state.mn.us and the fax machine number is 1-800-366-2588.

# Committee update

## Agriculture and Rural Development

### Ed goals reviewed

The Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville) listened to presentations from both the Minnesota Education in Agriculture Leadership Council, and the Commission on Agriculture Policy Mon., Jan. 30.

Edgar Persons, from the University of Minnesota's Agriculture Dept., outlined the objectives of the Minnesota Education in Agriculture Leadership Council. "Our intent is to take a broad look at agriculture and education in the state," said Persons, "to go beyond the notion of Ag in the Classroom."

With its 1992 publication, *The Status of Education In and About Agriculture*, the council provided the first overview of not only what students are learning about agriculture, but also how they are learning it. The study cites trends in agricultural education, from elementary school through adult education. "It's difficult to get your arms around what is happening in agricultural education," said Sen. Arlene Lesewski (IR-Marshall), "and it's important to have this coordination and leadership. I commend the council for what they have done thus far."

The 12 member council of gubernatorial appointees is the product of 1990 legislation. Funds totaling \$50,000 were allocated through the K-12 education bill for the biennium. "If there isn't a bill for this council, then it just disappears at year's end?" asked Bertram.

"That is correct," Persons confirmed.

Harlan Anderson, a farmer from Cokato, represented the Commission on Agriculture Policy. Compiled from informal discussions with farmers, educators, and concerned citizens around the state, Anderson said that the goal of the commission was to determine common problems faced by the agricultural sector and suggest methods to remedy trouble spots. The group came up with 19 recommendations.

A prevalent sentiment that the commission identified concerns the clean up of the Minnesota River. Agricultural groups said that they have been treated unfairly. "What we've been doing, farmers have been doing for many years," said Anderson, "but nobody ever told us we were doing wrong. The economies of agriculture don't permit overnight changes," Anderson continued.

The group is asking for three to five more years to voluntarily address the reduction of nonpoint source pollution of the Minnesota River watershed. After this period, the project is to be turned over to state regulatory units, including the Pollution Control Agency, for further clean-up.

Sen. Charles Berg (DFL-Chokio) objected to a recommendation that corporate farm laws should be abolished and replaced with limitations on the size of livestock units per site. Berg is a proponent of livestock expansion.

The commission also recommended freezing the present level of gross real estate taxes on bare farmland, and increasing income taxes to fund education in rural areas. Township and county taxes are not included in the freeze. Sen. Dan Stevens (IR-Mora) said, "buildings and land don't require services, people do."

### Agriculture overview

Committee members listened to lobbyists, farmers, and interested citizens voice comments and concerns about the 1995 federal farm bill. Sen. Joe Bertram, Sr. (DFL-Paynesville) apologized to members on behalf of Bob Bergland, former U.S. Secretary of Agriculture; whose planned visit was postponed. Rather than cancel the meeting, Bertram opened the time to discussion surrounding the federal farm bill.

Recently returned from Washington D.C., Gerald Lacey, a farmer from Western Minnesota and president of the National Barley Growers Association said, "I see more unity on the federal level than I see in the state." He urged farmers to present a united front and to work with environmentalists. "The big guns in Washington are the environmentalists," said Lacey. "We need to work with them and educate them."

Myron Halvorson, a farmer and vice-president of the Minnesota Agri-Growers Council said that there are two main concerns that must be addressed: property tax reform, and private property rights. "These are the grassroots issues which are important to farmers," Halvorson said. "We don't represent Democrats or Republicans--we represent farmers."

Halvorson said that there has been a significant change in the government's attitude toward farmers, and that overlapping of agencies and their policies and duties has negatively impacted farmers nationwide. "We are tired of being

harassed by state and federal agencies," Halvorson said. "Many agencies could be done away with and the environment would not suffer for their absence," Halvorson continued.

"As we look to the 1995 farm bill debate, the only certain factor is that there'll be less dollars," said Al Christopherson, a farmer from Kandiyohi County and president of the Minnesota Farm Bureau, "and it's completely uncertain where those dollars will go." Christopherson echoed concerns about property tax reform, and added wetland issues to the agenda. "If there is an area that will get farmers to sit up and take notice," he said, "it is wetlands."

Bruce Kleven, a lawyer and farmer from Chippewa County, spoke on behalf of the Minnesota Wheat, Barley and Sugar Beet Growers. Besides looking for continued funding for scab research, growers want roads and bridges "at least maintained," said Kleven. He added that workers comp reform is also a growing concern for sugar beet growers.

Lastly, Tom Cochran, executive director of the Agri-Growth Council echoed Lacey's thoughts about working with environmentalists. "Comments from environmentalists are extremely complimentary toward agriculture," Cochran said, "and it used to be that you couldn't use the two words in the same sentence."

## Crime Prevention

### Foster home licensing

The first two bills to be heard by the Crime Prevention Committee, chaired by Allan Spear (DFL-Minneapolis), were laid over after more than two hours of discussion Thurs., Jan. 26.

Sen. Don Betzold (DFL-Fridley) presented S.F. 64, a bill which would require the Department of Corrections to notify municipalities 30 days before licensing a foster home for juvenile delinquents. An amendment was added that would require a license applicant to meet with the municipality and would allow the municipality to submit written comments to the commissioner of corrections. The bill would not prohibit the DOC from issuing a license.

The bill is in response to concerns from the Coon Rapids City Council about a home licensed for foster care of six youths, Betzold said. The council was notified only because the DOC was seeking approval for up to 12 girls which required a special use permit from the city.

Coon Rapids Mayor William Thompson who testified at the meeting said the council would like to be notified of any application for a foster home license if a neighborhood will be affected. It is not that the city does not want such foster homes in the community, Thompson said, but he would like the DOC to meet with local officials before licensing. Local officials often have to react to neighbors who may oppose a foster home. "We're not saying they (juveniles) don't belong in our community, but we would like to try to find a location to work for the best," he said. "These kids are maybe not getting the best experience because the neighborhood is up in arms."

William Guelker, of the DOC, said he didn't object to simply notifying the municipality but he thought the requirement to "meet and confer" with local officials went too far. He believed cities have been notified of foster care licensing since current statute requires an applicant receive approval from the local zoning and planning board.

Guelker cautioned the committee against making the rules too cumbersome and consequently discouraging people from operating foster homes. "I'm concerned a number of these well-meaning people may just choose not to go through the process," he said.

He added that DOC officials simply respond to applications for foster care licensing and are not involved with locating sites. "We would not be able to place a foster home somewhere else in the community," he said.

Sen. Gene Merriam (DFL-Coon Rapids) agreed that the amendment asking the DOC to meet with local officials implied a municipality could change the location of a foster home. Public policy has been that any group of six people or less can live in any neighborhood, he said.

Sens. Tracy Beckman (DFL-Bricelyn) and Jane Ranum (DFL-Minneapolis) also were concerned about affecting the operation of foster homes for non-delinquent juveniles. Beckman, who is a foster parent, said he would not want to possibly get involved in a public hearing-type process. "It's hard enough to get foster care," Beckman said. "If these kids are that big a thorn in the side of a community, we have to start looking at our communities. This would be going in the opposite direction."

Sen. Randy Kelly (DFL-St. Paul) moved and the committee unanimously voted to withdraw the amendment. The bill then was laid over until a later meeting.

In other business, the committee considered a bill that clarifies laws regarding eligibility for stays of adjudication.

Sen. David Knutson (IR-Burnsville) presented S.F. 39 restricting the controlled substance possession crimes a person can be found guilty of while still being eligible for stays of adjudication. The bill also restricts eligibility for deferment or dismissal to first-time controlled substance offenders.

Proponent of the bill, First Assistant Washington County Attorney Richard Hodsdon said the bill clarifies current legislation that allows some offenders to be put into diversionary programs instead of serving a sentence. The bill ensures individuals involved in sales of drugs or repeat offenders are exempted from diversion programs, he said.

Hodsdon said the original legislation was designed to keep some drug criminals out of the prisons, however over the years more individuals with prior drug crime convictions were benefitting from the law.

John Stuart of the state public defender's office disagreed with the proposed bill, saying the goal of legislation should be to find creative ways to deal with repeat drug offenders and to reduce the number of offenders going to prison.

Scott Swanson, also of the state public defender's office, disagreed as well, and said the bill would further tighten drug-related crimes while the nation is moving toward more diversionary methods.

Sen. Ellen Anderson (DFL-St. Paul) was concerned the bill takes away a judge's discretion. Others expressed concern on how the bill would affect jail capacity.

The bill was set aside for further discussion.

### Program budgets heard

At the Weds., Feb. 1, meeting, members of the Crime Prevention Finance Division heard budget reviews from the Ombudsman for Corrections, Private Detectives and Protective Agent Services Board, and the Board of Peace Officer Standards and Training (POST).

Patricia Seleen, ombudsman for corrections, is requesting an additional \$63,000 for the next biennium to pay for another field investigator and cover overhead costs associated with hiring two investigators last year. The annual budget for the program is \$530,000 and Seleen heads a staff of 10.

Members also discussed the budget of the Private Detectives and Protective Agent Services Board which is anticipat-

ing revenues of \$90,000 for each of FY 96 and FY 97, and expenditures of \$102,000 and \$115,000 for those years respectively.

Executive Director of the POST Board John Laux is requesting a deficiency allocation of more than \$80,000 for FY 95 to cover litigation costs.

Discussion of the budgets will continue. The budget review of the Sentencing Guidelines Commission is expected to be heard at a future meeting.

## Education

### New education agency proposed

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), reviewed a proposal to abolish the Dept. of Education and replace it with another at the Tues., Jan. 31, hearing.

In the budget proposal, the governor recommended abolishing the Dept. of Education and replacing it with the Dept. of Children and Education Services, effective on July 1, 1996. In addition to carrying out the responsibilities of the Dept. of Education, other service programs aimed at children and families currently provided by other state agencies would be rolled into the new agency.

The purpose for establishing the new department, Minnesota Planning Director Linda Kohl said, is to improve the delivery of children and family services by placing the state's programs into one organization. She said the current organizational system is seen as a barrier to the efficient delivery of those services.

Kohl said the new agency would be responsible for three functions - providing family and community services, basic education, and career preparation programs. To perform those functions, the governor is recommending the transfer of more than 30 programs to the new department. Among those programs are Head Start and other early childhood education initiatives, child care funding programs, several health-related services, violence prevention efforts, and youth and training employment initiatives.

In general, most of the funding provided through those programs is now awarded as grants, Kohl said. By shifting the programs from several agencies to one, distributing the funds could be better coordinated at both the state and local levels, she said.

Several Senators expressed concerns that not all of the state-funded programs that serve children and families, such as Aid For Dependent Children (AFDC), were included among those that would be

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shifted to the new department. Maria Gomez, commissioner of the Dept. of Human Services, said two issues may prevent those programs from being included. "Unlike the other programs, AFDC is awarded as an individual entitlement," she said, "It must be uniform in how it is handled, and it couldn't be tailored by local communities to fit their programs." She added that the uncertain status of welfare reform at the state and national levels also was an issue.

The division was also given a brief overview of the Dept. of Education's 1994 Performance Report. The report, required by a state law adopted in 1993, is to be linked to the agency's budget document and provide information about the agency's performance in carrying out its mission. The report, presented by Deputy Commissioner John Mercer and Bob Wedl, assistant commissioner, sparked discussion on the nature of the Dept. of Education's mission. Additional discussion of the report is expected at coming meetings.

## Graduation rule discussed

The State Board of Education's efforts to adopt and implement a statewide graduation requirements rule was reviewed by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Thurs. morning, Feb. 2.

Current state rules require students to attend a specified number of courses and for a certain number of hours in order to graduate, state board member Tom Lindquist, explained. A state board proposal would change the requirement. Expectations are that students entering ninth grade in the fall of 1996 will be the first class that will be required to meet new graduation requirements.

The conditions that applied when the older rules were first adopted have changed, said Lindquist. Because today's students will be working in a global economy, he said the schools must do a better job of preparing them to do so. "We need to focus on results rather than seat time," he said. "The new rules will provide a safety net, that all students will graduate with the skills they need to be productive members of society. They will also establish higher academic standards that students will need to achieve."

Iris McGinnis, the director of assessment for the Dept. of Education, likened the graduation rule to a jigsaw puzzle. She said under the older requirements, schools districts were given individual pieces and

told to have their students assemble them into a complete picture. With the new requirements, she said the graduations standards represent whole pictures and that the districts will create the jigsaw puzzle their students will need to assemble in order to graduate.

McGinnis said that 60 graduation standards have been developed and in order for a student to graduate from high school, they will be required to meet 23 of those standards. She added that all students will be required to show that they have mastered seven basic skills.

She said the requirements will create an educational system where the focus is on the schools and their efforts to teach students, and will serve as a way for the state to pull back on the mandates it has placed on school districts.

McGinnis said the rules also reflect a national effort to update the assumptions that were used to determine how curriculum is prepared and delivered. "The curriculum we use today is basically the same we have used since 1920," she said, "All we have done since then is add more information. We need to adapt to changed conditions and teach our students how to apply the information we provide."

In 1993, the Legislature appropriated \$10 million to the department to test how the graduation requirements would be implemented using 14 pilot sites. Reports on that work were presented by Dave Greve of the Annandale School District, Don Karlgaard from the Brainerd Schools District, and Linda Calendar from Anoka-Hennepin.

The governor has recommended a \$15 million appropriation for further development and implementation of the graduation rule. The division is expected to discuss the requirements as it continues budget discussions.

## Students react to budget

Students representing each post-secondary education system presented their views on how proposed budgets will affect higher education to members of the Higher Education Division at its Weds., Feb. 1, meeting.

The students showed statistics on higher education spending rates to support their request that Legislators increase funds to post-secondary institutions and depend less on yearly tuition increases.

Andrea Ruesch of the Minnesota State University Student Association said the

state has decreased higher education spending from 15.5 percent in 1987 to 11.5 percent in the next biennium as proposed by the governor. She said that represents a decline in investment in one of Minnesota's valuable resources and the future of the state.

Sen. Lawrence Pogemiller (DFL-Minneapolis) asked if the students thought closing an institution and laying off staff would be a viable alternative to increasing tuition. Ruesch and the others agreed that tough choices exist but creative ways should be considered in order to continue to provide quality higher education. Ruesch said much depends on the effectiveness of the merger of the state universities and community and technical colleges.

In other business, the committee, chaired by LeRoy Stumpf (DFL-Thief River Falls), heard a report from the Department of Finance on the higher education budget. Detailed discussion will continue.

## Environment and Natural Resources

### LCMR budget advances

At a Thurs., Jan. 26, meeting, members of the Environment and Natural Resources Finance Division unanimously approved a bill that appropriates more than \$33 million for 86 projects related to environment management, education and preservation.

The funds, overseen by the Legislative Commission on Minnesota Resources (LCMR), allow municipalities and organizations to apply for grants to fund various environment-related projects. The grants are provided mostly through state lottery proceeds and the cigarette tax, according to author of the bill, Sen. Steven Morse (DFL-Dakota). The program is designed to give local control over various environmental issues while meeting state, regional and local environmental goals.

Sen. Phil Riveness (DFL-Bloomington) asked if there are any restrictions in the application process that considers how critical the projects are, and whether a state agency may be able to or should fund a particular project. He suggested the LCMR look at a project as something that would not be done but for the availability of the grants.

A section of the bill that divides any excess appropriations to various project areas was struck. The bill advances to the full Committee.

## Ethanol payments discussed

A bill that changes provisions of the state subsidies for ethanol production was heard during a Tues., Jan. 31, meeting of the Environment and Natural Resources Finance Division.

Sen. Steven Morse (DFL-Dakota) presented S.F. 106, a bill that phases out the blenders' credit and increases producers' credits. Morse said the bill benefits Minnesota producers instead of subsidizing out-of-state producers as the blenders' credit does.

The bill supports the state's goal that ethanol production plants in the state produce 100 percent of the ethanol needed for blending with gasoline, he said. It also limits how much the state will subsidize a producer in both funding and quantity. The latest the program will run is the year 2010 and the state will not subsidize more than \$30 million in a fiscal year, Morse said. The subsidy cap of \$30 million is increased from the current \$10 million, he said, to help producers in long-range planning.

Members debated the merits of subsidizing the state's ethanol industry and whether more restrictions to subsidies should be included in the bill.

The bill had advanced to the division from the Agriculture and Rural Development Committee; discussion will continue.

## Ethics and Campaign Reform

### Three bills to floor

The Ethics and Campaign Reform Committee made quick work out of three bills relating to elections at its meeting Tues., Jan. 31. The committee, chaired by Sen. John Marty (DFL-Roseville) approved Senate Files 168, 181, and 3, sending them onto the full Senate.

The first, S.F. 168, authored by Sen. Sam Solon (DFL-Duluth), allows minors to participate in simulated elections. "The bill is permissive," Solon said, "and does not mandate participation."

Deputy Secretary of State Elaine Voss testified in support of the bill, saying that it is an educational program that increases awareness, particularly in the age group that shows the least amount of voter participation: 18-24. "We're losing a whole generation of voters," Voss said, "and this is an educationally sound program, that will stimulate voting."

Two bills sponsored by Sen. Richard Cohen (DFL-St. Paul) were also referred to the floor. S.F. 181, a bill that allows time off to vote in state legislative

elections, was unanimously approved by members.

S.F. 3, a bill that allows persons who are not registered members of either major political party to participate in elections as judges, was also sent to the floor. "The bill opens up the process significantly," Cohen said, "by allowing somebody who is not a Democrat or Republican to serve as an election judge."

## Finance

### Performance reports discussed

A new process to indicate state agencies' performance was reviewed by the Senate Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), at the Tues., Jan. 31, hearing.

Legislative Auditor James Nobles presented the committee with an overview of Performance Reporting, an effort that was required of state agencies by legislation adopted in 1993.

The intent of that legislation, Nobles said, is to separate an agency's performance from the biennial budgeting process. In doing so, agencies are required to identify their mission, the goals of the programs they operate and manage, and the objectives that agencies intend to achieve through their programs.

Nobles said 21 agencies are required to complete a performance report each year. The reports are submitted to the legislative auditor, who then comments on their content.

One of the primary purposes for developing the reports, Nobles said, is to provide legislators with basic information about the programs that they are being asked to support through the budget process. He said that, by identifying specific program measurements, lawmakers and the public will be able to determine if a program actually does what it was intended to do.

He said many agencies have been frustrated by the process, and are having difficulty in identifying measurable objectives for their programs. "And many agencies are skeptical," he said. "They are waiting to see if [the Legislature] actually uses the reports in the budget process."

Some members commented that the report is just one of many that agencies issue, and they questioned the value of the information. Nobles agreed that agencies do provide ample amounts of information. "You don't need more data and more reports," he said, "What you need is better data and better reports."

The committee also heard a brief report from Assistant Commissioner Judy

Johnson and Kurt Richberg of the Dept. of Finance, who told the members that the department has developed and is testing a computer software system that will assist state agencies with their performance reports. Richberg said the software will maintain a database of all information, matched with program goals and objectives, from each of the agencies. That information, he said, is expected to be available through Internet in the early fall of 1995.

In other business, the committee also approved S.F. 188, authored by Sen. Don Samuelson (DFL-Brainerd), allowing an appropriation made by the Legislature in 1992 to be used to relocate athletic fields near the new Brainerd college campus. A provision in the 1992 capital budget bill prohibited the use of state funds to relocate the athletic fields as part of a project to build a joint technical and community college campus in Brainerd. Samuelson said that when funding was approved for the project in the 1994 bonding bill, the intent was to repeal the provision, but in the final version of the bill, the repealer was omitted. With construction of the new campus now begun, he said passage of the bill will allow the contractors to complete site preparation work while they are still on the site.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment, modifying portions of the language contained in the 1994 bonding bill, allowing the Community College System additional flexibility in how they may use the appropriations they were given to plan and design several projects. The Stumpf amendment was adopted and S.F. 188 was approved. The measure now goes to the Senate floor.

### Agency budget review begins

The State Government Division of the Senate Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), began its review of the governor's recommendations for the budgets of state agencies at the Weds., Feb. 1, meeting.

The division began its review of the budget proposals with presentations from the State Board of Investment, the Office of the State Treasurer, and the Office of the State Auditor.

Howard Becker, executive director of the State Board of Investment, told the division the governor is recommending the board receive a general fund appropriation of \$407,000 for fiscal year (FY) 1996 and 1997. The board's total budget request is just more than \$4 million for the biennium and Becker explained that

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most of the revenue the board receives comes from assessments billed against the statewide retirement and non-general fund accounts for the investments it manages.

Becker explained that the state board is responsible for investment management of various public employee retirement and trust funds, and cash accounts. The total assets managed by the board amount to more than \$23 billion.

State Treasurer Mike McGrath presented a budget request of \$4.95 million for the coming biennium to the division. McGrath said the State Treasurer's Office is responsible for monitoring and verification of all money that goes in and out of state government, as well as monitoring the receipt and disbursement of state funding.

He said one of the challenges facing the office is monitoring electronic banking transactions, particular in how welfare payments are disbursed. McGrath said there are proposals to permit recipients to use automatic teller machines to get their payments.

The division also began their review of the budget proposal from the Office of the State Auditor. Judy Dutcher, State Auditor, joined by Deputy Commissioners Deno Howard and Paul Almirall, presented a budget request of \$14.2 million for the coming biennium and outlined the agency's responsibilities.

The responsibility of the State Auditor, Howard said, is to serve as the state's "watchdog," monitoring how county and local governments are using their funds. "When we do an audit," she said, "We feel that we are there on behalf of the taxpayers to see how their dollars are being used."

Howard also discussed the office's responsibility to investigate allegations of theft or fraud involving public funds, the oversight they provide to the state's police and fire relief associations, as well as research and informational duties. The division will continue to review the State Auditor's budget request at a later meeting.

## Gaming Regulation

### Lottery overview

The Gaming Regulation Committee, chaired by Sen. Charles Berg (DFL-Chokio), reviewed the status of the state lottery Tues., Jan. 31. George Anderson, director of the Minnesota State Lottery, briefed members on details surrounding

the operation. "Our hope here today is to highlight for you what was in 1994, and falling short of having a crystal ball, show you where we're going in 1995."

According to Anderson, fiscal year 1994 lottery sales reached \$331.5 million, due in large part to two record powerball jackpots. Of that figure, almost \$81 million was returned to the state, 60 percent going to the general fund, and the remaining 40 percent allocated to the environment and natural resources trust fund.

Sen. Bob Lessard (DFL-Int'l. Falls) told members that citizens in his district are concerned about the projects that lottery proceeds pay for. "People are tired of seeing this money put into the general fund, when it was intended to go for game and wildlife programs," Lessard said. He alerted members that he will offer an amendment to recoup half of the 6.5 percent that is presently allocated to the in-lieu-of-sales tax portion. "We're talking about somewhere around \$10 million dollars a year that should be going to fish and game programs," Lessard added.

Highlighting merits of the lottery, which is self-supporting, Anderson said that it collects monies owed to the state by withholding prize dollars from winners who have outstanding debts. Specifically, \$150,654 was collected in back taxes and child support.

Anderson said that the projected budget for next year is \$41 million dollars, and pointed out that the self-imposed figure is less than the \$44 million dollars that it is allowed. "It is a matter of fiscal prudence," he said, "which lets us cover the increasing cost of doing business, absorb any mandated salary increases, and respond to new legislation--such as funding the study of compulsive gambling," Anderson said.

Turning to the issue of video gaming, Senators asked questions surrounding the security of the endeavor, the costs and the benefits. Berg asked how long it would take to get video gaming on-line, in the event that a test period and area were to be designated. "It would depend on the number of counties involved," Anderson said, "but somewhere between six to eight months."

Sen. Kenric Scheevel (IR-Preston) raised questions about the security breeches, especially with the prevalence of creative computer hackers. Anderson said that there are numerous checks in place to insure the machine's safety and the game's integrity. "It is a priority to

maintain public confidence at all times," Anderson said.

The confirmation hearings of appointees to the Gambling Control Board were postponed until further notice.

## Governmental Operations and Veterans

### Rule-making process discussed

Two views of the process used to develop state rules were presented to the Senate Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul) and the House Governmental Operations Committee, chaired by Rep. Phyllis Kahn (DFL-Mpls.), during a joint meeting of the two legislative panels, Fri., Jan. 27.

In recent sessions, several proposals have been introduced to alter the state's rule-making process. The members of the committees learned that new proposals are being prepared for introduction this session.

One expert recommended wholesale changes to the process. "The Minnesota system is one of the most technical, rock-strewn, complicated schemes for rule-making in the entire country," said Arthur Bonfield, an administrative law professor at the University of Iowa.

Bonfield said that the system that the state uses for establishing its rules is "over-judicialized." He argued that because all rule-making hearings are required to be on-the-record, public comment on the proposed rules is impeded. "You tend to want to conduct hearings like judicial hearings when they should be more like legislative hearings," he said.

He said the current rule-making process seems to place more reliance on the views of "technocrats," state agency officials who specialize in an area of expertise. While arguing that state rules must have input from experts, it is the wishes of the "body politic," the general public as represented by its elected officials, that should determine if a rule is adopted.

State rules most often delineate how agencies will implement the programs and policies that are directed by legislative action. There are practical reasons why legislatures should leave some policy-making abilities up to agencies through rule-making, Bonfield said. "You don't have the time and staff to make all the decisions," he said, "and you don't have the expertise for specificity."

He said that when lawmakers require agencies to adopt rules needed to imple-

ment specific programs, they should clearly specify the objectives the program is intended to meet.

Melvin Goldberg, a professor at the William Mitchell College of Law, told the members that he agreed the Minnesota rule-making process was unique. But he argued that wholesale changes to the system are not necessarily needed.

"The current system is much more reflective of legislative intent," he said, "It does indeed provide an opportunity for everyone to see a rule before it takes effect and to comment on it."

Having served as an administrative law judge for a number of rule-making hearings, Goldberg said the process does encourage public input. "An interesting thing occurs at a rule hearing," he said, "The public does come forth and has exchanges with agency staff about the rules. What happens at these hearings gives the public a greater sense that there is openness in government processes."

Goldberg encouraged legislators to consider avoiding changes to the process that may inadvertently increase the potential for litigation in how rules are established. "There is a better chance for catching mistakes in our system by allowing on-the-record hearings to take place," Goldberg said.

Further discussion of proposals to change the rule-making process is expected later this session.

### Innovation reports given

The work of a state board charged with improving local government service delivery was reviewed by the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), at their hearing Tues., Jan. 31.

The committee heard a report on the activities of the Board of Government Innovation and Cooperation from Jim Gelbmann, the board's executive director. He said that the main purposes of the board are to provide incentives to help local governments to be innovative and cooperative in the delivery of their services and to remove state-imposed barriers that local governments may face in providing services.

The board, created by the Legislature two years ago, represents "a bold initiative," Gelbmann said. "It showed that the state was willing to enter into partnerships with local governments in an effort to improve the quality of services," he said.

Since its inception, Gelbmann said the board has awarded more than \$3.2 million in grants to local governments for pilot

projects that alter how those local governments do business. The state's involvement has been crucial, he said. "It is unfair for local governments to assume all of the risks for trying to implement new ideas," Gelbmann said. "By providing some incentives, the state assumes part of the responsibility for those new ideas."

Two projects that were funded by the board were featured at the hearing. Wilkin County Commissioner Audrey Krebs told of their county-wide project involving county government, the nine cities and two school districts in her county. She said the county received a \$25,000 grant for a program involving high school students who provide public services that local governments cannot afford.

Krebs said the students, who earn academic credit for their efforts, have provided programs for children, worked with elderly residents, helped run a crisis intervention line, and identified wells that need to be sealed. Five students involved in the program - Dana Miranowski, Jared Miller, Amy Byars, Heather Zimmerman and Jodi Harrington - told the members of their projects.

Roberta Anderson, Norwood city administrator, said her city has begun efforts to combine their public services with those offered by the adjoining community of Young America. The effort was awarded a \$48,000 grant to support the planning that has begun. Anderson said this effort is being guided by a steering committee and several issue area committees who are addressing the concerns that caused earlier merger efforts to fail. She said the grant is being used to help cover the costs for legal and planning assistance throughout the process.

The incentives program is an important part of the board's work, Gelbmann said, but he felt their most important responsibility is to help local governments get around procedural barriers by granting waivers to rules.

Cheri Merritt of the Hennepin County Elderly and Disabled Assistance Division told the committee of a waiver the county received from an income reporting requirement. Under Medical Assistance rules, individuals are required to report any changes to their income every six months. She said the waiver exempts individuals on fixed incomes from having to file a report, which simplifies the process for those individuals.

Ellen Larson, Lake of the Woods County Auditor, told of two waivers her county received. The first allows the

county auditor and county treasurer to eliminate duplication of delinquent taxes information. The other waiver, she said, exempts the county from having to publish its financial report in two newspapers, and specifies that competitive bidding be used in designating which is the legal newspaper. Because the county only has two papers, the waiver requires that when the statement is run, the other paper contain an advertisement noting the publication. The waiver saved the county about \$5,000 in costs, Larson said.

### Customer service profiled

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), completed its review of state government innovation, Weds., Feb. 2, with a report on the efforts of the Dept. of Revenue to improve customer services.

Assistant Commissioner Dwight Lahti told the committee the Dept. of Revenue has been talking about service levels for some time. "We began to find that we were talking about service out of one corner of our mouths," he said, "but the results of our outcomes were not indicating that we were doing customer service." He said several efforts have begun over the past five years that are improving how the agency serves its customers.

Stan Marchio, a Taxpayer Service Representative, said that before 1994, only about 47 percent of all calls being made by people with questions about their state income taxes were actually being answered.

He said the department started asking customers what they wanted and found that most are calling to request tax forms, check on the status of their refund, or ask a specific question. Marchio said that by implementing a voice mail system, callers could automatically order forms or check on refunds. Additional agency staff from the department's audit division were then trained to handle the other calls during peak periods of the year. "We were able to get our response rate up to 89 percent," he said. Additional changes, based on customer suggestions, have been made such as clarifying details on the tax forms and by extending the availability of service representatives by adding evening and weekend hours, Marchio said.

Diane Nelsen of the department's Audit Division explained efforts to instill a customer focus in the division. She said a customer survey was first conducted in 1991, despite the resistance from the

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# 1995 Senate Committee Assignments

**Agriculture and Rural Development (11)**  
 Chair: Bertram      Vice Chair: Hanson  
 Office: 323      Telephone: 296-7405  
 Meets: M, W; 12 noon-2 p.m.; Room 107

Berg	Morse	Scheevel
Dille	Murphy	Stevens
Lesewski	Sams	Vickerman

**Commerce and Consumer Protection (15)**  
 Chair: Solon      Vice Chair: Wiener  
 Office: 303      Telephone: 296-4158  
 Meets: M, W; 12 noon-2 p.m.; Room 112

Anderson	Hottinger	Larson	Samuelson
Belanger	Janezich	Metzen	
Chandler	Johnston	Oliver	
Day	Kroening	Price	

**Crime Prevention (12)**  
 Chair: Spear      Vice Chair: Anderson  
 Office: G-27      Telephone: 296-4191  
 Meets: M, W, Th; 2-4 p.m.; Room 15

Beckman	Kelly	Marty	Ranum
Belanger	Knutson	Merriam	
Cohen	Laidig	Neuville	

**Crime Prevention Finance Division (9)**  
 Chair: Beckman  
 Office: 306      Telephone: 296-5713

Cohen	Knutson	Merriam	Ranum
Kelly	Laidig	Neuville	Spear

**Education (23)**  
 Co-Chair: Pogemiller      Co-Vice Chair: Krentz  
 Co-Chair: Stumpf      Co-Vice Chair: Price  
 Office: 235      Telephone: 296-4185  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 112

Beckman	Langseth	Olson	Robertson
Hanson	Larson	Ourada	Scheevel
Janezich	Moe, R.D.	Pappas	Solon
Kleis	Murphy	Ranum	Wiener
Knutson	Neuville	Reichgott Junge	

**Education Funding Division (15)**  
 Chair: Pogemiller      Vice Chair: Krentz  
 Office: 235      Telephone: 296-7809

Beckman	Langseth	Ranum	Stumpf
Hanson	Larson	Reichgott Junge	
Janezich	Olson	Robertson	
Knutson	Pappas	Scheevel	

**Environment and Natural Resources (18)**  
 Chair: Lessard      Vice Chair: Chandler  
 Office: 111      Telephone: 296-1113  
 Meets: T 2-4 p.m., F 10-2 p.m.; Room 107

Anderson	Frederickson	Mondale	Pariseau
Berg	Johnson, J.B.	Morse	Price
Dille	Laidig	Novak	Riveness
Finn	Merriam	Olson	Stevens

**Environment and Natural Resources Finance Division (12)**  
 Chair: Morse  
 Office: G-24      Telephone: 296-5649

Berg	Johnson, J.B.	Merriam	Price
Finn	Laidig	Olson	Riveness
Frederickson	Lessard	Pariseau	

**Ethics and Campaign Reform (11)**  
 Chair: Marty      Vice Chair: Reichgott Junge  
 Office: G-9      Telephone: 296-8866  
 Meets: T, Th; 12 noon-2 p.m.; Room 107

Cohen	Johnson, D.J.	Pariseau
Day	Laidig	Pogemiller
Johnson, D.E.	Moe, R.D.	Sams

**Family Services (14)**  
 Chair: Piper      Vice Chair: Betzold  
 Office: G-9      Telephone: 296-9248  
 Meets: T, Th; 12 noon-2 p.m.; Room 15

Berglin	Kiscaden	Ourada	Samuelson
Chandler	Kramer	Riveness	Solon
Johnson, J.B.	Krentz	Robertson	Stevens

**Finance (21)**  
 Chair: Merriam      Vice Chair: Kelly  
 Office: 122      Telephone: 296-4157  
 Meets: M, T, W, Th; 4-6 p.m.; Room 123

Beckman	Johnston	Morse	Samuelson
Cohen	Kroening	Neuville	Spear
Frederickson	Laidig	Piper	Stumpf
Johnson, D.E.	Langseth	Ranum	Terwilliger
Johnson, J.B.	Larson	Riveness	

**Finance State Government Division (12)**  
 Chair: Cohen      Vice Chair: Riveness  
 Office: 317      Telephone: 296-5931

Frederickson	Kroening	Morse	Terwilliger
Johnston	Langseth	Neuville	
Kelly	Merriam	Piper	

**Gaming Regulation (9)**

Chair: Berg Vice Chair: Janezich  
 Office: 328 Telephone: 296-5539  
 Meets: T, W, F; 8-10 a.m.; Room 107

Johnson, D.E. Marty Neuville Spear  
 Lessard Mondale Scheevel

**Governmental Operations and Veterans (14)**

Chair: Metzen Vice Chair: Riveness  
 Office: 303 Telephone: 296-4175  
 Meets: T, W, F; 8-10 a.m.; Room 15

Beckman Kleis Pogemiller Stumpf  
 Bertram Kramer Runbeck Terwilliger  
 Hottinger Morse Stevens Wiener

**Higher Education Division (11)**

Chair: Stumpf Vice Chair: Price  
 Office: G-24 Telephone: 296-8660

Kleis Murphy Pogemiller  
 Larson Neuville Solon  
 Moe, R.D. Ourada Wiener

**Health Care (11)**

Chair: Berglin Vice Chair: Sams  
 Office: G-9 Telephone: 296-4151  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 15

Betzold Kramer Samuelson  
 Finn Oliver Terwilliger  
 Kiscaden Piper Vickerman

**Health Care and Family Services Finance Division (12)**

Chair: Samuelson  
 Office: 124 Telephone: 296-4875

Berglin Kramer Sams Terwilliger  
 Betzold Piper Solon Vickerman  
 Kiscaden Riveness Stevens

**Jobs, Energy and Community Development (13)**

Chair: Novak Vice Chair: Johnson, J.B.  
 Office: 322 Telephone: 296-1767  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 107

Anderson Dille Kelly Metzen  
 Chandler Frederickson Kroening Runbeck  
 Chmielewski Johnson, D.J. Lesewski

**Jobs, Energy and Community Development Finance Division (10)**

Chair: Kroening  
 Office: 124 Telephone: 296-4302

Anderson Dille Lesewski  
 Chandler Frederickson Metzen  
 Chmielewski Johnson, J.B. Novak

**Judiciary (12)**

Chair: Flynn Vice Chair: Finn  
 Office: G-29 Telephone: 296-4274  
 Meets: M, W; 12 noon-2 p.m.; Room 15

Berglin Kiscaden Krentz Spear  
 Betzold Kleis Reichgott Junge  
 Cohen Knutson Robertson

**Metropolitan and Local Government (15)**

Chair: Vickerman Vice Chair: Mondale  
 Office: 226 Telephone: 296-4150  
 Meets: M, W, Th; 2-4 p.m.; Room 107

Betzold Janezich Pappas Wiener  
 Day Langseth Pariseau  
 Flynn Lessard Robertson  
 Hottinger Oliver Runbeck

**Rules and Administration (28)**

Chair: Moe, R.D. Vice Chair: Reichgott Junge  
 Office: 208 Telephone: 296-4196  
 Meets: On call

Belanger Johnson, D.E. Merriam Solon  
 Berg Johnson, D.J. Metzen Spear  
 Berglin Knutson Neuville Stumpf  
 Bertram Laidig Novak Terwilliger  
 Chmielewski Larson Olson Vickerman  
 Flynn Lessard Piper  
 Frederickson Marty Pogemiller

**Taxes and Tax Laws (21)**

Chair: Johnson, D.J. Vice Chair: Pappas  
 Office: 205 Telephone: 296-4839  
 Meets: M, T, W, Th; 4-6 p.m.; Room 15

Belanger Flynn Novak Price  
 Berglin Hottinger Oliver Reichgott Junge  
 Bertram Marty Olson Runbeck  
 Day Mondale Pariseau Sams  
 Dille Murphy Pogemiller

**Transportation and Public Transit (14)**

Chair: Chmielewski Vice Chair: Ranum  
 Office: 325 Telephone: 296-4186  
 Meets: T, W, F; 8-10 a.m.; Room 112

Belanger Hanson Langseth Ourada  
 Day Johnston Lesewski Pappas  
 Flynn Krentz Murphy Vickerman

**Transportation and Public Transit Finance Division (8)**

Chair: Langseth  
 Office: G-24 Telephone: 296-3205

Belanger Day Hanson Vickerman  
 Chmielewski Flynn Johnston

# Committee update

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auditors in the agency. "We found that people are more reasonable than we expected," she said, "and that we thought the audits were educational for taxpayers. But the results showed we were much weaker in that area than we thought." As a result, she said more effort is being placed on providing service to the customers throughout the audit process.

Lahti also discussed the on-site inspections of the agency's customer service efforts performed by individuals from outside the department. "We are not in pursuit of any award," he said, "That takes some of the pressure off during these inspections."

He added that the atmosphere in the department has changed because of their efforts. "Five years ago you would never hear anyone even whisper the word 'customer,'" he said. "Today you hear it throughout the department."

"We still have a long ways to go," he concluded, "This doesn't happen overnight, and it has taken some time to get the notion of customer into the organization, but it is happening."

## Health Care

### Medical Practice Board bill heard

Responding to the need for mostly technical changes regarding the Board of Medical Practice, Sen. Pat Piper (DFL-Austin) explained S.F. 95, a housekeeping bill, in the Health Care Committee Thurs., Jan. 26.

The bill contains several provisions, including changes in the licensing requirements for foreign applicants and allowing the board to approve the cancellation of credentials. Provisions also add to the grounds for disciplinary actions, allow the board to suspend credentials and to require a mental or physical examination of regulated persons. In addition, the bill extends civil immunity and makes changes in the registration of physical therapists.

Sen. Jim Vickerman (DFL-Tracy) expressed concern about the licensing requirements for foreign applicants, saying that the changes may exclude foreign doctors from practicing. The proposed changes require that a foreign medical graduate must complete a two year accredited graduate training program in the United States, U.S. territories or Canada, or must complete one year of the training program and must have practiced

for five years without disciplinary action in the U.S., U.S. territories or Canada. Sen. Sheila Kiscaden (IR-Rochester) concurred with Vickerman, stating that the bill defines a qualified physician too narrowly, and is "not in the best interest of rural health access."

Leonard Boche, director of the Medical Practices Board, explained that the requirements are a response to situations in which a physician's qualifications cannot be judged and training and disciplinary actions cannot be verified. "There is a very delicate balance" between assuring minimum requirements and the need for providing service in rural areas, Boche acknowledged, but "this is the only mechanism we have to determine minimum standards." The bill was laid over.

The committee, chaired by Sen. Linda Berglin (DFL-Mpls.) also heard the Department of Health's presentation on the anesthesia practices study. Mary Kennedy explained that services are provided by both an anesthesiologist and a certified registered nurse anesthetist, generally in a team care approach. The study found that the team approach is the most cost effective and provides the highest quality of service, as shown by the very low patient risk factor.

### Governor's budget presented

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), heard the governor's budget recommendations for the Dept. of Health and Human Services on Weds., Feb. 1.

The Dept. of Health recommendations for the upcoming biennium total \$76 million from the general fund and \$32 million from the state government special revenue fund. The agency's plan includes improvements to health quality assurance, health protection, support services, and the development of health systems.

Elizabeth Quam, assistant commissioner of the Dept. of Health, outlined the proposals within the department. Quam described plans for a home care licensure program increase and the health facilities licensure program. The program increase of \$115,000 in 1996 and \$125,000 in 1997 would allow for compliance activities without a fee increase. Quam explained that home care providers are "the fastest growing segment in the health care industry," and that currently the department administers the licensing for 55 percent more providers than projected. The increase is needed in order to offer

appropriate assistance and inspections in a field where there are many inexperienced providers, Quam said.

The requested funds for health care facility license fees decreased by \$2.7 million for 1996 and \$3.7 million for 1997. The decrease is in response to a 1993 fee increase used to recover a deficit. Quam explained that the deficit has been reduced, and that the requested funds will support regulatory activity through new staff positions.

Christine Rice of the Health Protection Program explained the role of the program to members, noting that the program oversees disease prevention, environmental health and public health. Among the governor's recommendations in the program are a fee increase in the food, beverage and lodging inspection program, generating \$175,000 annually. Rice said that the new fee schedule would better reflect the risk assessments and time devoted to a particular facility. Rice also noted that the Health Protection Program, which monitors infectious diseases in the state, is discussing payment options for the meningitis vaccinations given recently in Mankato, but no policy has been determined.

Committee members heard recommendations for the Dept. of Human Services, outlined by Shirley Patterson. Patterson described the Life Skills Self Sufficiency Initiative, which provides a variety of social and long term support services. The purpose of the initiative is to improve access, increase consumer choice and allow more tailoring to individual needs and abilities, Patterson said. The initiative includes an increased appropriation of \$335,000 in 1996 to test and implement alternative quality assurance approaches for persons requiring ongoing care. The approaches will include peer review models, client feedback, local quality assurance and service planning approaches.

Patterson explained that the recommendations also include an appropriation of \$2 million to establish developmental disabilities pilots to streamline requirements, shift purchasing of services to the local level, and provide increased consumer choice in nontraditional services. The pilots focus on integration and the establishment of a single set of standards and procedures for developmental disability services, said Patterson. Berglin expressed concern about the cost of the programs and the expected outcomes. Discussion will continue.

## Health budget discussed

Convening to consider the governor's budget recommendations, the Health Care and Family Services Finance Division met Weds., Feb. 1. Biennial budget recommendations total \$190.9 million annually for the Dept. of Health. Ann Barry of the Dept. of Health outlined the agency's strategies, focusing on assessment of the health of populations, policy development and planning, and assurance that appropriate activities are carried out.

Tom Maloy, director of the department's finance and administration area, explained that currently 54 percent of the department's \$190.6 million resources come from the federal government. The department allocates 53 percent of its total expenditures to grants, Maloy said.

Elizabeth Quam, assistant commissioner, outlined the proposals within the health systems development area. Within the area are three services in which recommendations are made by the governor, including the family health activities. Quam noted that 87 percent of the family health activity resources are allocated to special project grants. Currently a grant is requested for \$300,000 for a women's health initiative to promote and improve the health status of women through health advocacy, research and dissemination of information. Another request is a transfer of services to a newly created Dept. of Children and Education Services. Quam said that the transfer would improve coordination and integration of services for children and their families.

Regarding community health services, an increase of \$590,000 over the next two years is recommended for reengineering the state's records system. The development of a computer network system enhances efficiency and customer service, Quam said.

The health care delivery policy activity exists to monitor the rate of growth of health care spending, and improve the quality and access of health care services. Recommendations within this activity include the suspension of the regulated all-payer option (RAPO) fee schedule development. The suspension reduces expenditures by \$348,000 annually. RAPO provides a standardized uniform reimbursement system to control spending for all health care services outside Community Integrated Service Networks (CISN) and ISNs. Quam explained that since few Minnesotans are likely to participate in RAPO in the near future

and statewide cost containment goals are currently being met, that the rate setting component should be suspended.

## Jobs, Energy and Community Development

### Wind equipment tax exemption

The Thurs., Jan. 26, meeting of the Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities provided an opportunity to air the arguments on both sides of the controversy surrounding the property tax exemption for wind conversion equipment. No bill was before the Senators.

The subcommittee, chaired by Sen. Janet Johnson (DFL-North Branch), heard first from Tim Seck of Kenetech Windpower, Inc. Seck testified that the company is not in a position to absorb tax on the existing 25 megawatt Buffalo Ridge wind conversion plant near Lake Benton in Lincoln County. Seck said that Kenetech's bid for the plant assumed that no taxes would be applied to the plant because of the 1991 law that exempted such facilities from taxation. He also said that under the current agreement, his company, not NSP or rate payers, would be responsible for paying any taxes assessed on the plant. Seck said that the bidding process for NSP's current request for 100 additional megawatts is complicated by the uncertainty about whether the exemption will be continued.

Mary Peterson, Lincoln County Commissioner, and Jack Keers, Pipestone County Commissioner, testified in favor of taxing parts of the equipment. Peterson pointed out that Lincoln County provides services such as roads, emergency services and services of the county engineer to the existing plant and should receive some tax revenue from it. Peterson outlined a proposal under which, for the first five years, the tax would be based on the pads or foundations on which wind conversion equipment is placed, and from the sixth year on, the tax would be based on the pad or foundation and the towers.

Keers testified that taxing only a portion of the present and future wind plants would have an impact on taxes in the rest of the county and could affect the county's ability to attract economic development.

Representatives from the New World Power Corporation, the Sustainable Resources Center, the American Wind Energy Association, and the Institute for Local Self Reliance also testified on wind energy-related matters.

## Housing issues discussed

The issue of providing affordable housing provided the focus for the Tues., Jan. 31, meeting of the Jobs, Energy and Community Development Subcommittee on Economic Development and Housing. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard an overview, by Commissioner Kit Hadley, of the Minnesota Housing Finance Agency and heard summaries of two reports dealing with affordable housing.

Hadley said that the two main objectives of the agency are to enable Minnesotans to have decent affordable housing and to aid in building communities. Hadley said that the agency is one of the top five financial institutions in the state and that for the 1994-95 biennium, the agency's Affordable Housing Plan includes funding for nearly 50 programs totaling \$911.6 million. The agency is governed by a seven member board of directors and is organized in two major program divisions and three major support divisions. The program divisions are Single Family and Multi-Family. Hadley also pointed out that although the agency is a state agency, most of the funds used to operation the agency and to provide loans come from sources other than state appropriations.

Hadley also provided an outline of the governor's housing initiative. The initiative provides for an addition \$15 million to be used in four existing programs to meet the housing needs associated with economic development. The initiative earmarks \$4 million for the Homeownership Assistance Fund; \$7.8 million for the Affordable Rental Investment Fund; \$3 million for the Community Rehabilitation Fund; and, \$200,000 for the Capacity Building Grant Program. Hadley said that job creation in Greater Minnesota is handicapped by the lack of affordable housing in Greater Minnesota.

Hadley also said that the agency is emphasizing the creation of affordable housing in the suburbs and Greater Minnesota and emphasizing the rehabilitation of housing stock in the central cities in an effort to lessen the concentration of low income housing in the central cities.

Members also heard brief summaries of two reports relating to low-income and affordable housing in suburban areas. Barbara Lukermann, of the Humphrey Institute, outlined conclusions in a recent land use practices and low-income housing study. Lukermann said that the report concluded that the communities studied did not deliberately discriminate

# Committee update

against people needing low-income housing but that the communities did not go out of their way to provide low and moderate income housing. The study also found that families base housing location choices on several factors, such as family relationships, in addition to availability of housing stock. Lukermann said that zoning and regulatory policies, while not deliberately discriminatory, do restrict access to housing. Other factors that may act as barriers include high property taxes, tight municipal budgets, demographics, higher land prices and concern over maintaining quality, said Lukermann.

Mayor Joy Tierney, of Plymouth, along with Bob Renner and Cindy Thomas representing the Municipal Legislative Commission, presented a summary of another study on affordable housing. According to Thomas the debate over suburban low and moderate income housing has not examined what's driving the need for affordable housing. In addition, Thomas said that the debate has also failed to examine the differing kinds of needs for housing and the resulting mass transit needs. Tierney said that the major barrier in her community was the cost of land. Discussion of affordable housing issues will continue.

## Utility rate bills advance

Three bills were advanced during the Weds., Feb. 1, meeting of the Jobs, Energy and Community Development Committee. The committee, chaired by Sen. Steven Novak (DFL-New Brighton), approved all three measures. Most of the debate centered on a provision in S.F. 65, authored by Sen. Randy Kelly (DFL-St. Paul). The bill eliminates the sunset on the authority for the approval of area development rate plans for new and expanding business customers in a defined development area. In addition, the measure expands the definition of utility to include gas utilities, includes the Iron Range Resources and Rehabilitation Board under the definition of authority and allows a utility to recover the costs of the area development discount rate in the setting of general rates by the Public Utilities Commission. Debate focused on the provision allowing the utility to recover the costs of the discount from all ratepayers. For the five years the program has been in operation, recovery of costs was limited to the customers who benefitted from the plans. Sen. Janet Johnson (DFL-North Branch) and Sen. Ellen Anderson (DFL-St. Paul) said that

they were concerned that residential customers would end up bearing the burden of the discount. Ken Stabler, representing NSP, said that over the course of the last year the plan would have only added 2 cents to the average residential bill. However, Johnson said that the potential for increasing the burden on residential customers could come in the future. After considerable debate, Sen. Kevin Chandler (DFL-White Bear Lake), offered an amendment that prohibits the recovery of costs from residential customers. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 44, authored by Novak, extends the deadline for a report from the Legislative Electric Energy Task Force from Feb. 1, 1995 to Sept. 15, 1995. Novak said that the report is required by the Prairie Island legislation enacted last year, but because the task force had not yet hired an executive director, it was necessary to delay the report. The bill was approved and sent to the Consent Calendar.

The third measure gaining committee approval was S.F. 213, abolishing the sunset provisions related to competitive rates for electric utilities. The measure, sponsored by Sen. Douglas Johnson (DFL-Cook), makes permanent the PUC's authority to approve plans for competitive electric utility rates when a regulated utility is trying to retain a large customer. Sen. Janet Johnson questioned whether the approval of competitive rates was effectively preventing the development of cogeneration. Scott Bracket, of the Dept. of Public Service, agreed that the development of cogeneration might be delayed but said that the it would still be development. The bill was approved and sent to the full Senate.

## Cold Weather Rule discussed

The Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities met Thurs., Feb. 2, to hear testimony regarding Minnesota's Cold Weather Rule. The rule provides protection against utilities' shutting off customers main heat source during the winter. The panel, chaired by Sen. Janet Johnson (DFL-North Branch), heard testimony from representatives of consumers and utilities.

Pam Marshall, representing the Energy Cents Coalition, testified that protection against utility shut-offs should be the first priority. Instead, she said, the Cold Weather Rule, places the entire burden of

applying for protection on the customer. Marshall pointed to Wisconsin's Cold Weather Rule legislation as a model that Minnesota should emulate in protecting low income customers from utility disconnections. Deb Smith, representing the Public Utilities Commission, said that the goal of the rule is provide options to protect households from shut-offs of their primary heat source. She also pointed out that the rule only applies to regulated utilities in Minnesota. According to Smith, there are four types of protection a customer may apply for: the setting up of payment plans, a 10 percent plan, an inability to pay plan and a reconnection plan. In order to participate in the 10 percent plan and the inability to pay plan, customers must agree to participate in a budget counseling program. In addition, customers may also designate a third party to help in applying for protection. Smith said that the PUC has recently participated in the initiation of low income rates to make utility costs more affordable for low income users. Finally, Smith said that most of the 5,000 customers who were disconnected had not applied for protection under the Cold Weather Rule.

Several representatives of utility companies that are not covered by the Cold Weather Rule also testified before the subcommittee. Most testified that, although they were not covered by the rule, they had taken steps to initiate budget plans or other plans to help customers avoid disconnections.

## Judiciary

### Human rights

A proposal to extend the statute of limitations for filing a unfair discriminatory practice claim was presented to the Senate Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), at a Mon., Jan. 30, meeting.

The committee, meeting for the first time this session, also approved three other bills and sent them to the Senate floor for further consideration.

Under the provisions of S.F. 57, sponsored by Sen. John Marty (DFL-Roseville), an individual who may have been subject to an unfair discriminatory practice would have up to two years from when that practice occurred to file a claim under the state's Human Rights Act. Current law limits the filing of claims to up to one year from when the unfair practice allegedly occurred.

The bill, Marty told the committee,

would also prohibit an employer from asking a prospective employee for information about any complaints or charges of unfair discrimination that have been filed. The measure also limits the discovery and admission of certain evidence in sexual harassment claims, requiring that evidence is admissible only after a substantial showing is made that the evidence is material and relevant.

Marty said the statute of limitations change allows those who feel they have been subject to discrimination more time to file a claim than the law now provides. In some instances, employees may feel that they cannot file a claim, out of fear that doing so would cost them their job, Marty said. Other times, he added, individuals are unable to file a claim for some time after the incident has taken place because it was a traumatic experience. "Extending the statute of limitations would give them a chance to have their day in court," Marty said.

Robert Reinhart of the Minnesota Employment Law Council expressed his group's opposition to the bill and to extending the statute of limitations in particular. "Because of the unique nature of these complaints, employers need to know about the claims on the condition of their work places as quickly as possible," he said, adding that extending the statute of limitations is inconsistent with the intent of the rest of the human rights laws.

Ken Nikoli of the Dept. of Human Rights also expressed concerns on the Marty proposal. He told the committee that extending the statute of limitations may open the door for an increase in the number of claims filed. He said the department would need additional resources to handle the added load. The committee set aside the proposal until their Feb. 6 meeting.

In other action, the committee approved S.F. 75, authored by Sen. Don Betzold (DFL-Fridley), clarifying that a mechanics' lien, filed against registered land by a contractor seeking payment for improvements made to that property, is to be filed with the county's registrar of titles.

Betzold said the bill is based on a recent Appellate Court ruling that overturned a lower court decision awarding a payment to a contractor for their work on a property. While the contractor followed state law by filing a lien for payment against the certificate of title with the county recorder, the court ruled that because there was a certificate of title, and not an abstract title, the lien should have

been filed with registrar of titles. By specifying where mechanic's liens are to be filed, Betzold said this situation should not occur again. The bill was approved and sent to the Consent Calendar.

S.F. 77, clarifying the time limits for court action to be taken under the new motor vehicle warranties law, was also approved and sent to the Senate floor. Current law allows a consumer who purchases a new vehicle from a dealer to file a complaint against the dealer in the event of a problem with the vehicle. Betzold, the bill's author, said the consumer can seek to settle the complaint with the dealer through arbitration, but if that settlement is unsatisfactory to either party, they may seek to have the settlement removed in court.

Betzold said the bill specifies that if the consumer prevailed in the settlement, the dealer has 30 days from the date of the decision to file a claim in court seeking to have the settlement overturned. If the consumer does not prevail, the consumer has six months to file a claim.

After some discussion, the bill was amended to specify which of the parties would be aggrieved by the decision. The committee adopted the amendment and approved the bill.

In other action, the committee also approved S.F. 74, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), sending it to the Consent Calendar. The measure, Reichgott Junge explained, makes technical corrections to several laws that were adopted in 1994.

### Information policy discussed

The Joint Judiciary and Crime Prevention Subcommittee on Privacy met Weds., Feb. 1, to hear two reports dealing with information policy.

The first report, required by legislation that was enacted in 1993, was an update on the Children's Information Management Redesign Project. Eileen McCormack, project director, began by outlining the general information resource needs that had to be met in order to integrate children's services data. However, the panel, co-chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake) and Sen. Jane Ranum (DFL-Mpls.), questioned whether the report was actually the report required by the legislation. Sen. Gene Merriam (DFL-Coon Rapids), said that the draft report simply restated the problem that the legislation had already identified. Sen. Sheila Kiscaden (IR-Rochester) agreed and said "There is no sense of what has been accomplished and what the timelines are in this report."

Kiscaden also said, "This report is not a list of what we need to have for a database; it is a list of reasons why we don't have a database."

The subcommittee then heard an Information Policy Training and Professional Development Plan, presented by Kent Eklund, of the Cincinnatus Group. The plan was requested by the Dept. of Administrations Information Policy Office, in order to determine the training needs of state and local government employees in the implementation of laws relating to public information policy. According to Eklund, the report has two major recommendations: initiate a comprehensive data practices training and professional development plan and appoint a legislative study commission to review and modify data practices laws.

## Metropolitan and Local Government

### Overviews continue

The Coalition of Greater Minnesota Cities and the Association of Metropolitan Municipalities presented overviews to the Metropolitan and Local Government Committee Thurs., Jan. 26. The committee, chaired by Sen. Jim Vickerman (DFL-Tracy), listened while representatives of each group outlined their agendas for the 1995 Legislative Session.

Diane Koebele, of Flaherty & Koebele, highlighted the goals and policies of the Association. Besides opposing cuts in Local Government Aid and Homestead and Agricultural Credit Aid, the Association wants limits placed on MPCA water permit fees, annexation reform and changes in the municipal board process.

Mayor Larry Buboltz of Detroit Lakes said that certain issues and cuts in financial aid that may go unnoticed in larger regions can present big problems in rural Minnesota due to the small size of communities. Pointing to annexation difficulties he said, "it pits friends against friends, neighbors against neighbors." Buboltz said that reductions in funding are hard felt in a community like Detroit Lakes. "For us, that \$59,000 cut means that we have to close our library, or we can't hire the extra police that we take on during the summer."

Sen. Martha Robertson (IR-Minnetonka) acknowledged that cities will be facing financial challenges as a result of fiscal policy tightening, but she pointed out that it is not just one city being affected. "Every city gets some money from LGA and HACA," Robertson said, "and everybody lost some

this year." Instead, Robertson urged cities to look forward with a positive and creative attitude. "Fear doesn't help get us anywhere."

Sen. Keith Langseth (DFL-Glyndon) said that every entity has to look at the big picture, not just its specific corner. "The pie was shrunk, and everybody's going to have to take a little bit less," he said.

"Hopefully as a state, we'll all be winners," said Sen. Deanna Wiener (DFL-Eagan).

Roger Peterson, executive director of the Association of Metropolitan Municipalities, briefly outlined the organization's priorities. Along with opposition to LGA and HACA cuts, urban revitalization and transportation top the list of 1995 concerns. Saying that transportation issues are paramount, Peterson said, "we can't just keep adding more ribbons of highways or twenty years from now we'll be scratching our heads wondering how we're going to get to the Capitol to do our business."

## Taxes and Tax Laws

### Budget overview heard

The Taxes and Tax Laws Committee devoted the entire Tues., Jan. 31, meeting to discussion of the governor's proposed budget for the next biennium. The panel, chaired by Sen. Douglas Johnson (DFL-Cook), heard presentations from Finance Commissioner Laura King and Revenue Commissioner Matt Smith. King emphasized that the budget proposal contains no state taxes increases and no non-property local tax increases. She said that the proposal also contains a \$17 million net reduction in fees and other revenues. King also emphasized that the proposal advances the governor's priorities in the areas of K-12 education, corrections and children and families. King said, "We have taken a lot of steam from state spending," and that spending will increase at a slower rate than in the past. However, King said there will be increases in education finance, criminal justice, human development and higher education to reflect the high priority given those areas.

King and Smith also detailed the plan to eliminate and combine numerous aids and credits into County Homestead Block Grants. The budget proposal outlines a mechanism by which local government Aid Distribution Councils would allocate the block grants to the various levels of government. Committee members questioned the equity of the proposal, citing the disparate sizes and powers of

various local government entities.

Members raised questions about the effect of federal actions on the state budget. King said that there were two major areas of uncertainty in the budget proposal; the impact of federal actions on the state and the exact size of the Cambridge bank settlement. The federal actions that could affect the budget include not only the balanced budget amendment and welfare reform but the latest raise in interest rates, King said.

Johnson, in his remarks, also pointed out that the current budget proposal will result in a budget deficit in the 1998-99 biennium and called for a bipartisan effort to address the root causes of the problems in the next biennial budget.

## Transportation and Public Transit

### Bills advanced

The Transportation and Public Transit Committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake) convened Tues., Jan. 31, and heard presentations of four bills.

Sen. Joe Bertram (DFL-Paynesville) authored S.F. 33, a bill that allows some people applying for drivers licenses to wear headwear in photographs. The bill permits people with hair loss due to illness or injury to wear headwear, such as wigs or turbans, in a drivers license or identification card, as long as the headwear does not obscure the face. The bill advanced to the Senate.

Bertram also presented a bill that makes it unlawful to erect or maintain a driveway headwall in a highway right-of-way, except as allowed by permit. The bill specifically addresses permanent walls constructed around culverts in drainage ditches. According to Bertram, some headwalls are considered a hazard if a vehicle would run off the road and into a ditch. No action was taken on the bill.

Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 42, a bill that removes the sunset provision on a law that defines a recreational vehicle combination as a pickup truck attached to a camper-trailer, which tows a trailer carrying a watercraft. The sunset provision was included in the original statute to allow for review, he said. The bill was sent to the floor.

Sen. Mark Ourada (R-Buffalo) offered a bill designating a bridge near Elk River connecting Highway 101 in Wright County to Highway 169 in Sherburne County over the Mississippi River as the Betty Adkins Bridge.

According to Ourada, the communities had sought replacement of the bridge for

several years, and eventually raised \$100,000 to fund the project. Adkins, a state senator at the time, had supported the community effort for the project.

Some members questioned the naming of a bridge after a person who is still alive, and others wondered if there were political aspects to be considered.

After amending the bill to ensure the cost of the name plaque is paid for by the communities, it was advanced to the Senate.

## Telecommuting discussed

Members of the Transportation and Public Transit Committee heard a presentation on encouraging telecommuting as a way to reduce traffic congestion and transit costs, increase the quality of the environment, and restructure a community's economic base.

At the Weds., Feb. 1, meeting, President of Tele-Commuters Resources Inc. John Sanger presented a report on developing a telecommuting deployment strategy in Minnesota.

The role of telecommuting touches on a variety of issues facing many communities, Sanger said, including environment, economics, and quality of life. Currently, some 20 percent of the state's work force conducts their work in their home using home computers, modems and fax machines at least some of the time; 17 percent telecommute at least two days a week.

Sanger said to encourage more telecommuters, communities need to lower the zoning restrictions present in most cities that prohibit businesses in residential areas.

The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake) also heard testimony from the administration of the Annual Alternative Fuel Permit Program supporting restructuring of the permitting process.

Jack Wildes of the Motor and Vehicle Services Division explained that some of the users of alternative fuel, such as propane or natural gas, are complaining about the law. He said 1994 legislation changed the fee structure and makes some user fees excessive, especially for individuals who use alternative fuel pickup trucks or vans. Wildes also said enforcement of the permits is difficult.

David and Diana Leivestad, who have been in the alternative fuel business since the 1970s, suggested changing the law so it wouldn't negatively target individual users of alternative fuel vehicles. A system that charged by mileage would be more fair than the flat rate permit fees, Diana Leivestad said.

# Preview

## The Minnesota Senate Week at a Glance

### Monday, February 6

The Senate will meet at 11 a.m.

#### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** The PCA, DNR, and the Department of Agriculture will discuss department policy and procedures on agriculture-related areas of oversight.

#### Judiciary Committee

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** S.F. 57-Marty: Statute of limitations for certain human rights act violations. S.F. 7-Cohen: Raising tort liability limits for claims against Metro Council transit operations. S.F. 230-Kelly: Increasing limits of tort liability on governmental units.

#### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
4 p.m. Room 15 Capitol  
**Agenda:** Report on the Violence Prevention Advisory Task Force. Presentation on a survey of Minnesota prison inmates entitled "Risk and Protective Factors in Adolescence."

#### Legislative Commission on Waste Management

*Co-Chairs: Sen. Janet Johnson and Rep. Jean Wagenius*  
6 p.m. Room 10 SOB  
**Agenda:** 1995 Waste Management Act amendments, testimony and LCWM recommendations.

#### Legislative Water Commission

*Chair: Sen. Leonard Price*  
6 p.m. Room 5 SOB  
**Agenda:** Report on the proposed Lewis and Clark Rural Water Project. Continuation of briefings and discussion on 1995 legislative initiatives related to water. LWC administrative items.

### Tuesday, February 7

#### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzgen*  
8 a.m. Room 15 Capitol  
**Agenda:** Discussion on veterans issues, Jeffrey Olson, deputy commissioner, MN Department of Veterans' Affairs; Richard Zierdt, executive director, Veterans' Home Board; James Connolly, state commander, VFW; Les Orton, state adjutant/

quartermaster, VFW; Lyle Foltz, department adjutant, Americal Legion; Roy Hansen, department adjutant, Disabled American Veterans; and Bob Conner, department adjutant, Military Order of the Purple Heart.

#### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Continuation of discussion and testimony on the governor's health care budget recommendations, Department of Human Services.

#### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** Presentation on the budget, Minnesota State Colleges and Universities.

#### Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities

*Chair: Sen. Janet Johnson*  
10 a.m. Room 107 Capitol  
**Agenda:** Discussion on Conservation Improvement Programs (CIP).

#### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
12 noon Room 123 Capitol  
**Agenda:** Overview of the budget for the Department of Agriculture, Elton Redalen, commissioner, Department of Agriculture; William L. Oemichen, deputy commissioner, Department of Agriculture.

#### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 102-Morse: LCMR recommendations. Presentation on the PCA strategic plan. Presentation on the U.S./Asia partnership, former Sen. Don Moe; Minnesota DTED.

#### Legislative Oversight Commission on Health Care Access

*Co-Chairs: Sen. Linda Berglin and Rep. Lee Greenfield*  
2:30 p.m. Room 10 SOB  
**Agenda:** Discussion of a staff position for the commission and a contract for the 24-hour coverage study. Report on small employer coverage and the Robert Wood Johnson survey, Dept. of Health. Report and overview of the ISN RAPO implementation plan, Dept. of Health. Overview of standard benefit recommendations, Dept. of Health. Report on Community Rating Study, Dept. of Commerce.

#### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Discussion and explanation of budget books, Department of Finance. Overview of budgets for the Gambling Control Board, Lottery Board, and the Racing Commission.

#### Taxes and Tax Laws Subcommittee on Property Taxes

*Chair: Sen. John Hottinger*  
4 p.m. Room 15 Capitol  
**Agenda:** Discussion on local government response to the governor's budget proposals.

#### Legislative Commission on Children, Youth and Their Families

*Chair: Sen. Jane Ranum*  
6:30 p.m. Room 107 Capitol  
**Agenda:** Discussion on proposed changes to the Community Social Services Act, Education Code, Community Health Act, and the Community Corrections Act to encourage collaboration as a means of providing a continuum of services to children and families.

### Wednesday, February 8

#### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzgen*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F.23-Hanson: Resolution to the U.S. government regarding the tenth amendment. S.F. 55-Bertram: Compensation to national guard members for service at funerals for veterans. S.F. 134-Metzen: Alternate member of Advisory Council on Gambling.

#### Education Funding Division

*Chair: Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** Governor's budget recommendations. Discussion on working document.

#### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Report on the Medical Assistance Committee, Department of Human Services. S.F. 95-Piper: Board of Medical Practice housekeeping bill. S.F. 242-Berglin: Trusts. S.F. 147-Sams: Variance criteria for developmental achievement centers (DACs).

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### Jobs, Energy and Community Development Committee

*Chair: Sen. Steven Novak*  
10 a.m. Room 107 Capitol  
**Agenda:** To be announced.

### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** Discussion on the 1995 federal farm bill, Bob Bergland, former U.S. Secretary of Agriculture - rescheduled from Feb. 1.

### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** Overview of the Department of Commerce and issues of interest to the committee, Jim Ulland, commissioner, Department of Commerce. Briefing on Minnesota's options under the new federal interstate banking act. Review of HMO reserves. Piper Jaffray investment issues.

### Judiciary and Crime Prevention Joint Subcommittee on Privacy

*Chair: Sen. Jane Ranum and Sen. Harold "Skip" Finn*  
12 noon Room 15 Capitol  
**Agenda:** Continuation of discussion on the Minnesota Health Data Institute, Dale Schaller, director. S.F. 56-Finn: A bill relating to taxation, providing that certain information is reclassified as public information. S.F. 112-Betzold: Relating to child abuse reporting; records retention; requiring a specified period for records of cases in which no maltreatment is found.

### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** Overview of the budget for the Sentencing Guidelines Commission and the Board of Public Defense.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** Overview by the Metropolitan Mosquito Control Commission.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Overview of the budget for the office of Attorney General.

### Legislative Commission on Minnesota Resources

*Chair: Rep. Phyllis Kahn*  
7:30 p.m. Room 5 SOB  
**Agenda:** Consideration of a workprogram amendment to allow the use of classified part-time staff extensions for DNR park and trail workprograms. Consideration of a workprogram amendment for additional allocations from Critical Habitat Match, Jay Rendall, DNR. Review of the DNR bonding workprogram update, Bill Becker, DNR. Status of LCMR appropriation recommendations, LCMR staff.

## Thursday, February 9

The Senate will meet at 9 a.m.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
10 a.m. Room 15 Capitol  
**Agenda:** Continuation of budget reviews started at the Feb. 2 meeting - if necessary. Performance review, Department of Human Services. Overview of the governor's budget, Department of Human Services.

### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** Presentation on the budget, University of Minnesota.

### Jobs, Energy and Community Development Subcommittee on Employment

*Chair: Sen. Kevin Chandler*  
10 a.m. Room 107 Capitol  
**Agenda:** Workers' compensation.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 160-Reichgott Junge: Work release for mothers of special needs children. S.F. 163-Piper: Crime Victim Act. Witness Advisory Council extension. Progress report on implementation of the 1994 "Grant Hussey" legislation.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Overview of the budget for the offices of Governor and Secretary of State.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
4 p.m. Room 112 Capitol  
**Agenda:** Continuation of the budget overview, Department of Human Services.

## Friday, February 10

### Transportation and Public Transit Finance Division

*Chair: Sen. Keith Langseth*  
8 a.m. Room 112 Capitol  
**Agenda:** Overview of the budget for the Department of Public Safety.

### Legislative Commission to Review Administrative Rules

*Chair: Sen. John Hottinger*  
1:30 p.m. Room 15 Capitol  
**Agenda:** Administrative penalty orders for asbestos removal violations, Pollution Control Agency. Discussion on the LCRAR budget. Staff presentation and discussion on the LCRAR biennial report.

# Briefly

The Minnesota Senate Week in Review

February 10, 1995

## Welfare reform approved

After considerable discussion, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), approved S.F. 1 on Thurs., Feb. 2. Sponsored by Sen. Don Samuelson (DFL-Brainerd), the approved version of the welfare reform bill incorporated several amendments.

Samuelson offered a number of amendments which were approved by the committee. One amendment provides federal earned income tax credits on a monthly basis to families in the Community Work Experience Program, work readiness and fair share programs. Deborah Huskins, assistant commissioner in the Dept. of Human Services, stated that the provision is "a very helpful amount which will increase the monthly income of families." It is "one of the most important strategies" in a non-welfare solution for families, Huskins said.

In response to requests by the department, Samuelson presented an amendment requiring a recipient to meet the terms of their employability plan and stating that failure to comply with the plan will result in sanctions. The current system is not working well enough, Samuelson said, the bill attempts to successfully combine education and work to achieve self-sufficiency. The amendment requires a recipient enrolled in a high school equivalency program to participate for at least six hours per week and concurrently work no less than 64 hours a month. For individuals attending a full-time post-secondary educational program, there is no work requirement. However, if an individual participates on a part-time basis, up to eight hours work weekly is required. The provisions are adjusted during school vacation periods. Sen. Linda Berglin (DFL-Mpls.) stated that the requirements "take a program which works fairly well and adds things that could make it unattractive." Berglin suggested that the work participation be offered on a voluntary basis.

Samuelson introduced an amendment requiring STRIDE (Success Through Reaching Individual Development and Employment) service providers to develop specific employment-related performance standards. The plan will be reviewed by

the department and must contain standards such as a job placement rate, wage rate, average cost per placement and average length of time participants are on AFDC. Samuelson explained that the provision will ensure statewide performance standards as well as provide flexibility around the state.

Berglin introduced an amendment raising the overall standard of need for AFDC (Aid to Families with Dependent Children) by 25 percent. However, in order to keep the provision cost neutral, the maximum cash grant which can be paid to a family remains constant. Berglin explained that this will be "a stepping stone out of welfare and poverty" by providing work experience and permitting families to keep more income. The standard increase will help families already receiving AFDC and ensure that recipients "won't end up worse off for working", Berglin noted.

Berglin sponsored another amendment permitting counties to coordinate transportation for child care services with school districts and youth centers. Hopefully, Berglin said, the assistance will help families with transportation concerns stay off welfare.

Another provision offered by Berglin, relating to child support assurance, was not approved. The amendment enables the department to operate a project of child support assurance as prescribed in the report to the Legislature. Members commented that adequate time was needed to review the report.

Regarding employment programs, Sen. Martha Robertson (IR-Minnetonka) presented an amendment eliminating work readiness and cash payments while preserving food stamp employment and training programs. The amendment includes early transition to work requirements. Sen. Phil Riveness (DFL-Bloomington) and other members opposed the provision, stating that elimination of cash grants would create greater homelessness. The impact would be "staggering" on county shelters, Riveness said. The measure was not adopted. The bill, as amended, advances to the Health Care and Family Services Funding Division.

## Responses to budget heard

Representatives of local units of government appeared before the Taxes and Tax Laws Subcommittee on Property Tax, Tues., Feb. 7, to air their concerns about the impact of the governor's budget proposal on local governments. The panel, chaired by Sen. John Hottinger (DFL-Mankato), heard from spokespersons from the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, the Association of Metropolitan Municipalities and elected officials.

Jim Mulder, executive director, Association of Minnesota Counties, said that the governor's budget proposal is causing particular concern among county governments because counties would face \$22 million in cuts in 1995. Mulder said that making such cuts this year "undermines the good faith commitments counties have already made."

Jim Asplund and Tim Flaherty, speaking on behalf of the Coalition of Greater Minnesota Cities, said the cities view the proposal to cut aid now as an outrageous act and that reductions in aid will force cuts in basic services provided by cities.

Roger Peterson, director of legislative affairs for the Association of Metropolitan Municipalities, said "I will say flat out that the governor's proposal to consolidate aids and credits for distribution through county aid distribution councils just won't work because of the conflicting priorities of local units."

Ramsey County Commissioner Dick Wedell also spoke to the panel. Wedell said that Ramsey County is already working in a collaborative effort with the city of St. Paul and the St. Paul School District to develop ideas and recommendations for change to create a better system for financing local government.

Several Senators commented that there were intrigued by the governor's proposals for local governments but that the implementation posed numerous questions. Hottinger assured members that the panel would be holding additional hearings on the subject.

# Committee update

## Agriculture and Rural Development

### Agency commissioners speak

Commissioners from the Department of Agriculture, the Pollution Control Agency, and the Department of Natural Resources met with Senators Mon., Feb. 6, to discuss agency policies and procedures. Of particular concern to the committee are efforts to streamline regulations of the three agencies and their inter-dependant operations, said committee chair, Sen. Joe Bertram, Sr. (DFL-Paynesville). "We want to create a one-stop shop this year," Bertram said, "and to make the whole process more user friendly."

Department of Agriculture Commissioner Elton Redalen told members that because of the ground water bill of 1989, the agronomy services division has experienced considerable growth. Sen. Steve Dille (IR-Dassel) said that the division, which oversees the disposal of toxic pesticides, needs to look at ways to become more cost effective. "Perhaps you need to redesign the program to get more bang for the buck," Dille said.

Redalen acknowledged the costs of the program, but added that he supports removal of outdated pesticides from farmlands. "This is one of the most successful programs we've implemented and yes, it costs money, but because of it we don't have as many empty pesticide containers sitting in sheds around the state," Redalen said.

Sen. Steven Morse (DFL-Dakota) and Sen. Jim Vickerman (DFL-Tracy) both asked about fee increases. Redalen told the committee that there were no increases planned.

Commissioner Charles Williams, from the PCA, echoed Redalen's comments about striving for efficiency and cost effectiveness. He said that the overall operating method of the PCA has changed, and in recent years the agency has become less prescriptive. "We reached a fork in the road and saw an opportunity to work with people, and we've chosen to march down the fork where we're going to be a lot more user friendly," Williams said.

Highlighting improvements the PCA has made, Williams pointed out that staffing in the field has increased, time spent processing papers has decreased, and authority to act has been given to regional representatives. "We're trying to get closer to the local operation," added Williams.

Lastly, the committee heard from Commissioner Rodney Sando from the Department of Natural Resources. He

reaffirmed the department's commitment to clarifying rules and regulations, particularly those applying to wetlands.

"We're going to be reviewing the wetlands legislation," Bertram said, "and do you agree that there should be some changes made?" Sando acknowledged that certain changes are in order, and told members that the DNR is taking an aggressive look at how to better serve the community.

"I have an ag policy coordinator, good working relationships with the other agencies, and technological resources--computer access--to help make this operation run more effectively and efficiently," Sando said. "Resources are local," Sando continued, "and we need to get the money and power out there where they can work."

### Bergland: Farm bill '95

"This year Congress will be required to deal with the farm bill differently than it has in all the 30 years I've been in Washington," said former Secretary of Agriculture Bob Bergland at the Wed., Feb. 8 meeting of the Agriculture and Rural Development Committee. Bergland went onto to say that programs are based on outdated principles of the 1930s, calling them "cumbersome and expensive," and in need of major reform. "They have to make big time changes," Bergland said.

Bergland, a native and current resident of Roseau, said that the family farm of times past can't survive in today's highly competitive global market. He called for an overhaul of antiquated policies, elimination of various programs, a push forward in experimental cropping, productive coalition building, and finally aggressive expansion into new markets, both geographically and product-wise.

Sen. Steve Dille (IR-Dassel) raised questions about vertical integration. "The vertically integrated model dominates perishable production," said Bergland. "The big companies have tremendous economic power--they're very sophisticated food machines." Bergland cautioned that for small operations, the levels between farm and grocery shelf can be treacherous territory, and advocated paying top dollar for good management.

Sen. Steven Morse (DFL-Dakota) asked the former secretary what his position on the export enhancement program is. "We should junk the export subsidy, the EEP," said Bergland, "it undercuts traditional market prices."

Committee chair, Sen. Joe Bertram, Sr. (DFL-Paynesville) expressed concerns

about the morass of new federal legislation, particularly mandates fueled by environmentalists. Bergland said that the groups are well-heeled and urged working with them, rather than against them. "There have been, shall we say, allies in the past, and we need to recognize the green coalition."

He also encouraged a cooperative attitude with certain countries, specifically Canada. "Canada has been a good trading partner," Bergland said, "and our exports will go South. We have to go where they want what we have, but can't grow it."

## Commerce and Consumer Protection

### Commerce Dept. overview

The Commerce and Consumer Protection Committee, chaired by Sen. Sam Solon (DFL-Duluth), spent the Weds., Feb. 8, meeting hearing an overview of Dept. of Commerce's duties presented by Commissioner James Ulland.

Among the changes the department will propose in this year's commerce bill, Ulland said, is a proposal to eliminate the requirement that banks publish their quarterly financial statements in newspapers. Ulland said that even if the requirement is lifted, banks will still be required to have the information available to customers.

Ulland also outlined the department's duties in regulating the insurance industry. Those duties include licensing insurance companies to operate in the state, and reviewing each kind of policy that companies sell. Overall, Ulland said, the insurance industry in the state is healthy.

The commissioner presented an explanation of the state's top valued companies. In terms of market capitalization, Ulland said, 3M is top and United Health Care is second.

Representatives from United Health Care then briefly outlined the company's activities in the state.

## Crime Prevention

### Violence prevention is key

Two reports presented to the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), focused on prevention efforts as ways to curb violence and associated costs in Minnesota communities.

Sen. Ellen Anderson (DFL-St. Paul), as co-chair of the Violence Prevention Advisory Task Force, presented the task

force findings and recommendations to the committee, Mon., Feb. 6. The 1994 Legislature established the task force to define and evaluate violence prevention programs, develop a state policy and funding plan, and make recommendations to the Legislature and state agencies.

The task force interviewed some 600 individuals from across the state, representing various groups, to understand how they view violence and how violence can be stopped, according to Vivian Jenkins Nelsen, co-chair of the task force. "One thing that became crystal clear was that violence touches everyone," she said, adding that violence knows no cultural, educational, or economical boundaries.

The violence prevention policy adopted by the task force urges state government to work with citizens to "create safe, healthy and nurturing communities and improve the quality of life for all Minnesotans." Anderson outlined a number of recommendations the Legislature could adopt to help meet those goals.

One task will be to convince citizens, through the media and community programs, that prevention efforts are the most cost-effective ways to lower crime and violence, Nelsen said.

Anderson said the task force did not have enough time or resources to recommend funding options, but that the Legislature and governor could look at shifting dollars from other corrections programs. A comprehensive prevention effort also requires cooperation from other levels of government and community organizations, she said. "We decided we can't afford not to invest in prevention efforts," she said.

The committee also heard results from a survey of state prison inmates about their childhood and adolescent experiences.

The Minnesota Citizens Council on Crime and Justice and the Department of Corrections conducted the study at the direction of the 1993 Legislature. The goal was to collect data on which to base public policy, the report states.

Richard Ericson, director of the council, said the study shows inmates had more risks and fewer protective factors while growing up compared to non-inmates. Protective factors, such as being accepted within families and social groups or having close, on-going positive relationships, can shield an individual from poor developmental outcomes, he said.

The report states that the findings of the study do not excuse antisocial behavior or suggest people should not be held accountable for their actions. The findings do point to a more efficient use of public funds if focused at the "front end" or on prevention measures, Ericson said.

## Public defenders budget heard

The Public Defenders Office is requesting deficiency appropriations of some \$2.65 million to make up for money lost through a governor's veto in the 1994 Legislative Session. Members of the Crime Prevention Finance Division, chaired by Sen. Tracy Beckman (DFL-Bricelyn), discussed the matter at a Weds., Feb. 8, meeting.

According to Dick Sherman, chief administrator for Public Defenders, the \$2.65 million is part of the Juvenile Justice Act which went into effect Jan. 1. The money is designated to provide counsel for juveniles charged with delinquency and continue the state takeover of juvenile proceedings.

The 1994 Legislature approved the Public Defenders budget, however the governor vetoed the portion of the budget dealing with the Juvenile Justice Act, leaving the office more than \$2 million short from January to July 1, 1995. Sherman said the office is providing the required services by using contingency funds and delaying filling some positions. He said five public defenders in the Third Judicial District have quit because of too many cases. "We anticipate by March we will not be able to provide services in some (judicial) districts," he said.

John Stuart, state public defender, said four major policy changes contribute to the budget problems, including the right of every juvenile to have an attorney which increases the annual case load by 13,000 to 15,000, and the right for juveniles to have counsel for appeal cases.

"This is the ultimate unfunded mandate from the governor," said Sen. Jane Ranum (DFL-Mpls.). She said she supports the public defenders request but also asked why Sherman's office did not look into their legal obligations if the programs were not funded. Sherman said he has met with officials from the governor's office and decided to present the matter to the crime division to try to find a solution.

Sen. Randy Kelly (DFL-St. Paul) questioned the office's decision to move ahead without funding and come back for deficiency appropriations, suggesting it negated the governor's line-item veto.

The division is expected to schedule another budget hearing with Sherman's office to further discuss the deficiency request and additional annual funding.

## Education

### Mayo Foundation budget heard

Officials from the Mayo Foundation are requesting an increase in the amount of funding each Minnesota student will receive for attending the Mayo Medical

School. Martha Carey, of the Mayo Foundation, presented a budget overview to members of the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), at a Tues., Feb. 7, meeting.

Students of the medical school, who are Minnesota residents, currently receive \$10,270 a year in grants to help ease the anticipated after-school debt load, Carey said. Non-residents do not receive the grants and pay \$19,800 a year to attend the school.

The foundation is seeking an increase of \$466 per student per year, or \$10,736 in annual grants. Total capitation for the next biennium is \$429,440 to cover grants for an average of 40 students per year.

The Mayo Foundation also is seeking funding for students enrolled in the Mayo Family Practice Residency Program, a three-year graduate medical program located in Kasson, in Dodge County.

According to Carey, the foundation wants to expand the program and enroll 30 residents by 1996, up from the current 26, at about \$15,000 per student per year. Total capitation is \$395,760 for each fiscal year of the coming biennium.

The governor's proposed budget concurs with the foundation's requests.

Sen. Lawrence Pogemiller (DFL-Mpls.) questioned the foundation's practice of subsidizing non-Minnesota residents in the Family Practice Residency Program. Carey said the foundation would like to increase the number of residents enrolled in the program and believes subsidizing is necessary to attract students to the rural program. She added that some 57 percent of the residents end up staying in Minnesota to practice.

Sens. Deanna Wiener (DFL-Eagan) and Mark Ourada (IR-Buffalo) agreed with Pogemiller that they wanted to keep state funding reserved for Minnesota students. Wiener suggested that the foundation develop some way for residency members to repay the grants if they don't stay in the state.

One of the goals, Carey said, is to reduce tuition for medical students and those enrolled in residency programs so they have less debt and remain in family medical practice. A trend in the medical field is for students to go into specialties, which tend to pay better, to pay off loans sooner.

In other business, the division heard a budget presentation from officials of the Higher Education Coordinating Board (HECB).

The board is seeking \$150,000 a year in new funding and \$130,000 a year in reallocations to provide information to students and parents for academic and

# Committee update

financial planning for post-secondary education.

According to Phil Lewenstein, of the HECB, research shows families of color, low-income families, and families with no previous post-secondary education experience need more information about preparing for studies after high school.

## Learning Gap Program reviewed

The Education Funding Division of the Senate Education Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), reviewed the changes being recommended in the general education funding program, Weds., Feb. 8.

Tom Melcher, Director of Finance at the Dept. of Education, presented the governor's recommendation to create a Learning Gap Program. The program, he said, would combine the revenue school districts currently receive in separate formulas into a single block grant program.

Under the proposal, Melcher said, districts will receive compensatory, Limited English Proficiency (LEP) and Assurance of Mastery (AOM) revenue on a formula basis in fiscal year (FY) 1996. He said the governor is recommending a slight increase in compensatory revenue, which is based on the number of students whose parents receive Aid For Dependent Children (AFDC), and to base the amount of LEP funds that districts receive in FY 96 on the number of pupils involved. The AOM formula, which provides districts with \$22.50 per pupil unit in grades K-8 and requires an equal local match, would not be changed for FY 96, Melcher said. The combination of aid for compensatory, LEP and AOM revenue totals about \$150 million under the governor's FY 96 budget.

For FY 97, the three formulas will be combined to form the Learning Gap Program, Melcher said. Under the program, districts will get \$4 for each pupil unit in K-12 along with aid based on their AFDC and LEP pupil counts. The governor is recommending \$155.7 million in total state aid for the Learning Gap Program.

Assistant Commissioner Bob Wedl said the new program does not change how the funds are used, only in how the funds are delivered. "Setting up the AFDC, LEP and AOM programs with their own eligibility requirements is how kids who need special services fall through the cracks," Wedl said, "What the block grants do is eliminate those cracks."

He said that districts will be required to apply for the grants and in those applications, they are to identify the measures

they will use to show students are making progress.

Melcher then discussed the governor's recommendation to set an referendum levy equalizing factor for levies that are based on a district's market value. The factor will generate a comparable amount of equalization aid on those levies as does the equalization factor used for levies based on tax capacity. He also said the governor has proposed adding a statement to property tax notices that indicates how much districts will levy, based on both the rates set by the Legislature and on how much local voters have authorized.

The governor also proposes setting the property tax shift rate at 48 percent, Melcher said. Under the shift, which the Legislature lowered to 37 percent last session, a district's property tax receipts are levied in one fiscal year, but a percentage of that the revenue is not recognized by the districts until the next fiscal year. Raising the percentage, Melcher said, has the net effect of reducing the amount of state aid needed for general education funding by \$169 million.

## Environment and Natural Resources

### LCMR grants approved

Members of the Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), met for the first time this session and approved a bill appropriating more than \$33 million for environment-related community projects.

At the Tues., Feb. 7, meeting, Sen. Steven Morse (DFL-Dakota) presented the bill that designates funds for 86 projects related to environment management, education and preservation. The money, overseen by the Legislative Commission on Minnesota Resources allows municipalities and organizations to apply for grants that are provided mostly through state lottery proceeds and the cigarette tax. The program is designed to give local control over environmental issues while meeting state, regional and local environmental goals.

S.F. 102 advances to the Finance Committee.

In other business, the committee heard a presentation of the long-term and biennial operational plan for the Minnesota Pollution Control Agency (PCA). Charles Williams, commissioner of the agency, outlined the report, saying it was a customer- and employee-driven document that helps fulfill the agency's mission to protect Minnesota's environment.

Paul Hoff, director of Environmental Planning and Review, said development of the plan involved more staff, field representatives and citizens than in the past. The strategic plan is a framework on which to make tough choices with a long-term vision, he said.

Sen. Janet Johnson (DFL-North Branch) asked how many years constituted long-term planning. She suggested the agency look beyond the constraints of regulations and funding, and create a vision of where Minnesota should be in 15 or more years.

Williams said several sections of the planning document address Johnson's concerns. He added the report is a "work in progress," and will be revisited.

Sen. Gene Merriam (DFL-Coon Rapids) said he was concerned about who the PCA describes as its customers. He said he believes all Minnesota citizens are so-called customers of the PCA's actions. He referred to the agency's new definition outlined in the report.

Hoff said the definition of a PCA customer changes depending upon the situation and that staff need to identify the affected parties of individual projects.

The committee also heard a presentation from the United States-Asia Environmental Partnership (US-AEP), a group with the Minnesota Trade Office that helps Minnesota companies involved in the environmental industry to cooperate and work with Asian and Pacific nations and territories.

### Agriculture budget heard

At a Tues., Feb. 7, meeting, members of the Environment and Natural Resources Finance Division heard presentations from the Office of the Legislative Auditor and the Department of Agriculture.

Roger Brooks, deputy legislative auditor, presented the annual performance report on the Department of Agriculture, outlining the department's mission and goals for individual programs.

The department did not propose any changes in statutes in the report, but instead will wait a year before assessing any changes.

Some Senators asked how the performance report could be used to determine budget needs for the next biennium. Sen. Gene Merriam (DFL-Coon Rapids) said ideally the report would contain information on how to relate the budget to the performance goals.

Elton Redalen, commissioner of the Dept. of Agriculture, gave an overview of the department's biennial budget request and answered questions regarding the performance report.

The department is proposing to reallocate \$466,000 in General Funds in FY 96 and FY 97 for a variety of purposes, including additional computer support, laboratory support, implementation of the Statewide Systems Project, marketing and promotions, and other programs. The agency also plans to increase the food license fee totaling some \$507,000 in each fiscal year.

## Finance

### Gambling board budget reviewed

The State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Tues., Feb. 7, to review the budget proposals for the state agencies responsible for regulating legalized gambling.

Each year since 1991, the charitable gambling industry in Minnesota has handled about \$1.2 billion, and it is the Lawful Gambling Control Board's responsibility to regulate that industry, said Harry Baltzer, executive director of the board.

Baltzer said the board's major activities are to educate the lawful gambling industry about the state's gaming laws, to license those manufacturers, distributors and non-profit organizations that wish to operate in the state, and ensure that all organizations involved in the lawful gambling industry comply with state laws and rules. About 1,600 non-profit organizations are licensed to conduct a lawful gambling activity in the state, Baltzer said.

The state received about \$58 million in tax revenue last year from the charitable gambling industry, Baltzer said. He also said that about half of the appropriations the Gambling Control Board receives is returned to the state budget from license fees.

The governor has recommended a FY 96 and FY 97 operating budget of \$5.3 million for the board, Baltzer said. In addition, an appropriation of \$1.2 million has also been recommended in support of the board's information systems project. Steve Pedersen of the Gambling Control Board explained the project will take advantage of current technology to create a resource management system.

The governor has also recommended merging the Gambling Control Board with the Minnesota Racing Commission and the State Lottery into one agency. "I would support anything that would produce cost-savings when we face a budget crunch, and it also may give us a chance to bring the expertise from the three boards to one table," Baltzer said.

The division also heard a presentation

from Charlie Bieleck of the Dept. of Finance, who discussed the process used in developing the agency budget proposals now before the Legislature.

Budget presentations from the Minnesota Lottery and Racing Commission will be heard at a later date.

### A.G. requests presented

A review of the budget requests from the Office of the Attorney General was begun by the State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), Weds., Feb. 8.

Based on the state constitution and state law, the Office of the Attorney General is responsible for enforcing and defending state laws, and for providing a wide range of legal services to more than 100 state agencies, boards and commissions, said Attorney General Hubert H. Humphrey III.

The budget proposal, Humphrey said, reflects his office's focus on the need to stay in close contact with the state agencies they serve while retaining a strong, independent role. "We are also continually looking for ways to improve," he said, "but do so through pragmatic use of the resources we have."

Deputy Attorney General Jack Tunheim described the activities of the Attorney General's Government Services and Public and Human Resources Sections. The Government Services Section is made up of seven divisions that work in collections litigation, health-related areas, licensing and litigation, public finance issues, and both transportation and public safety. Tunheim said the Public and Human Resources Section handles legal services in the areas of agriculture, natural resources and environmental protection, human services, and labor law.

The members focused much of their attention on the continuing lawsuits brought by the Mille Lacs and Fond du Lac Bands of Chippewa over their treaty rights. About \$1.8 million has been spent in defending the state over the last two years said Peggy Willens, director of finance, and another \$1.5 million is included as part of the budget request for the next two years.

Humphrey said two initiatives are of prime importance to his office. The first is a request for \$3.7 million to set up a fund to manage attorney costs. "We attract many of the best young attorneys in the country, but we cannot compete with the other public legal offices," Humphrey said. "We need a new structure so that we will have the ability to retain those people." Another \$3.2

million is being requested for the upgrade and enhancement of the information systems.

The division will continue its review of the attorney general's budget requests at a later meeting.

## Governmental Operations and Veterans

### Vets issues presented

The Senate Governmental Operations and Veterans Committee heard the concerns of the state's veterans service groups at the committee's Tues., Feb. 7, hearing. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), also heard presentations on the activities of the Dept. of Veterans Affairs (MnDVA) and the Veterans' Home Board during the meeting.

Representatives of several of the veterans groups discussed components of the legislative agenda prepared by the Commanders' Task Force, a group composed of the leaders of nine veterans organizations.

Jim Connolly, State Commander of the Veterans of Foreign Wars, outlined the agenda which asks that the Legislature provide additional funding for the MnDVA, reject proposals to merge the agency into another, and provide funding for the state veterans cemetery. He said the task force is also asking the Legislature to amend current law to include the University of Minnesota under veterans preference provisions that other state agencies use in their hiring practices and to set a statewide referendum as to whether the state should pay a bonus to Persian Gulf veterans.

Connolly said veterans groups are also asking that veterans organizations be allowed to pay their entire property tax bills with funds generated by charitable gambling activities. Current law limits the amount from those receipts, at \$15,000, that an organization can use toward its property taxes. Connolly said many veterans clubs will be forced to close if the limit is left in place.

Representatives of the American Legion, the Disabled American Veterans, and the Military Order of the Purple Heart also expressed their support for the task force's agenda.

MnDVA Deputy Commissioner Jeffrey Olson described the activities of the department to the committee. He said his agency is seeking a budget of \$3.1 million for both FY 96 and FY 97 to support those activities.

Olson said a major function of the agency is in operating the State Soldiers Assistance Program, which provides

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short-term grants to veterans who need emergency assistance. Many grants are used to pay for housing or medical expenses, he said. "The average time a veteran is involved in the program is two months," Olson said, "If we can help someone for two months, we feel that is a better use of tax dollars than having them enter into a long-term program."

Richard Zierdt, executive director of the Veterans' Homes Board, said the board manages four veterans homes, all of which are licensed to provide long-term care. He said that, on average, a resident at the facilities has been in four failed stays at private care facilities. The veterans' homes are located in Minneapolis, Hastings, Silver Bay and Luverne and a fifth facility will open in Fergus Falls next year, Zierdt said.

## States' rights proposal tabled

A resolution calling on Congress to conform to the 10th Amendment of U.S. Constitution was tabled by the Governmental Operations and Veterans Committee, Weds., Feb. 8. The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also approved a measure adding a member to Advisory Council on Gambling and heard a report of National Guard activities.

Sen. Paula Hanson (DFL-Ham Lake) said her bill, S.F. 23, is a joint resolution to instruct Congress to conform to the limits contained in the 10th Amendment, which reads, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The resolution, she said, calls on the federal government to cancel existing mandates and not impose further mandates beyond this constitutional scope.

"In the last election, people were crying out for this limit," Hanson said. "We're asking the federal government to follow the law as it is in the Constitution." She added that 10 states have adopted the resolution and 36 others were considering it. "If we join all the other states, we will be sending a message to Congress," she said.

Byron Dale of the United Actions Council, joined by two other private citizens, Thomas Moorhouse and Bill Lee, supported the proposal. "We need to pick up the original blueprint for our government," said Dale, "The reason our Founding Fathers added the 10th Amendment was to not let government get out of hand."

In the discussion that followed, some Senators questioned the approach. Sen.

Deanna Wiener (DFL-Eagan) said her concern was how it would be viewed in light of federal mandates that most agree are necessary. "My first reaction to this is that this makes sense," she said, "But then I think about mandates like civil rights, the American Disabilities Act, or the clean air act and I wonder how removing all mandates would affect those."

"I'm sure the common good would be looked after here in Minnesota in those areas," Sen. John Hottinger (DFL-Mankato) said. "I'm not so sure that would happen in every state. My concern is this is another way for us to say we're doing something when we're really not."

Speaking in support of the bill, Sen. Dan Stevens (IR-Mora) said, "There comes a time when enough is enough. There has to be some limits placed on what Congress does."

Stevens moved that the committee approve the bill. Sen. Linda Runbeck (IR-Circles Pines) superseded the motion by moving to table the proposal. "I think this is a good idea," Runbeck said, "But there are other ideas we ought to pursue before we act on this." The Runbeck motion was approved.

The committee also heard a presentation about the National Guard Association. Mike Schwab of St. Paul, representing the Officers' Association said more than 11,000 people are in the Air Guard and Army Guard in Minnesota. The activities of the National Guard, he said, have included their involvement in the Somalia and Bosnia airlifts, responding to recent natural disasters, and supporting local drug enforcement efforts.

Representing the Enlisted Association, Tony Nathe of New Hope said the National Guard is also involved in local communities by providing educational programs and in providing the use of their facilities for community activities. He said \$156.3 million in federal funds and \$10.2 million in state funding supports the National Guard.

The committee also approved H.F. 98 to allow the chair of the House of Representative's Gambling Policy Division to serve on the Advisory Council on Gambling. Metzen, the author of the Senate companion, said the measure adds that member as an alternate on the council. The bill now goes to the Senate floor.

## Health Care

### Neuroleptic medications okayed

Neuroleptic medications, administered to treat mental illness, were the focus of discussion at the Health Care Committee

meeting Thurs., Feb. 2. Sen. Don Betzold (DFL-Fridley) introduced S.F. 16, a bill modifying procedures relating to the administering of neuroleptic medications to persons committed as mentally ill or mentally ill and dangerous.

Betzold explained to the committee, chaired by Sen. Linda Berglin (DFL-Mpls.), that doctors need the authority to require the prescriptions against the wishes of committed patients. In general, the complaint process is a lengthy court procedure taking up to two months, usually resulting in the authorization of doctors. Betzold noted that this process is inefficient and costly. The bill permits the civil commitment hearings and medication authorization to occur simultaneously at one hearing.

William Erickson of the Dept. of Human Services supported the bill, stating that it brings together what is now dealt with in two separate hearings over the course of two months. This policy of prompt decision-making has a "real and practical benefit to the patient," Erickson said, and that to do otherwise "is extremely unfair" by interrupting essential medication.

Opposing one sentence in the bill, Bill Conley of the Mental Health Association expressed concern about a provision that does not require a hearing if a patient occasionally refuses to take the prescribed neuroleptic medication. Conley said that the patient's rights must be protected and that the irreversible effects of medication must be considered. Betzold explained that a one-time refusal, often reversed by the patient within hours, should not trigger the lengthy hearing process. The bill advances to the Judiciary Committee.

The committee also heard the Dept. of Health findings on risk adjustment. Lynn Blewett of the Health Economics Program explained that the risk adjustment mechanism is used to reduce the effect of selection on health insurance premiums by making appropriate transfers among health plan companies serving populations with different levels of risk. Blewett said that there is a market tendency of enrollees to move to one certain plan and that risk adjustment accounts for the imbalances. Companies are therefore allowed to compete based on their efficiency, rather than on the risk status of their insurance pool.

Through this health care reform, a more equitable, efficient system of health care financing will be achieved, and current disincentives in the system will be removed, providing access for high risk and special needs populations, Blewett said. "The goal is for the risk adjustment

mechanism to be transparent to individual enrollees," stated Blewett.

### **) Budget overview continues**

Continuing to examine the Dept. of Human Services budget changes for FY 1996 and 1997, the Health Care Committee convened Tues., Feb. 7. The governor's proposals amount to almost \$5 billion for the biennium from the general fund. A total of \$245 million is recommended for health care access.

Helen Yates, assistant commissioner, explained that the health care items of the budget are forecast to grow 85 percent. A portion of the increases are due to General Assistance Medical Care (GAMC) costs. Yates noted that in the past five years, total annual payments have almost doubled. "This is due to the heavy use of hospital care," Yates said, but in the future, GAMC recipients "will be directed increasingly to preventative services."

Sen. Harold "Skip" Finn (DFL-Cass Lake) expressed concern about the increase in capitation costs for GAMC. Cost projections increased from \$59 million in 1994 to \$82 million in 1995. Finn said that federal and state regulations have pushed up the cost of good service. "We've created a monster," Finn said, and encouraged members to make funding more effective through preventative care and individual responsibility. Sen. Sheila Kiscaden (IR-Rochester) concurred with Finn, saying that it is necessary to "reduce regulations to create alternative ways to provide service and ensure that consumers are protected."

Yates also explained to Chair Linda Berglin (DFL-Mpls.) and members that group residential housing is one of the fastest growing programs in the department. With over 10,000 residents, there is a substantial need to coordinate a system of housing supports for very low income persons who are unable to live independently. The budget changes remove the group residential housing moratorium on board and lodging beds and changes the funding source for difficulty of care person to waived services for developmentally disabled persons living in family foster care and receiving waived services. Tom Moss of the Department of Human Services explained that although the recipients are not vulnerable enough to be placed in intermediate care facilities for the mentally retarded, they are eligible for waived services.

Kiscaden asked the department to consider the application process of programs and encouraged the establishment of a procedure that provided for

several types of placement. Policy should be targeting "the needs of the people in the state, not just the first application in gets the first project," Kiscaden said.

Elaine Timmer, assistant commissioner of community mental health and state operated services, outlined recommendations for mental health programs. Proposals include an annual increase of \$50,000 for mental illness housing crisis assistance providing up to 90 days of housing assistance, improvements to the regional adult mental health service system, and the development of community based services for adolescents with serious emotional disturbances. The adolescent services project is part of the department's children initiative, Timmer said.

### **Bills, report considered**

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), approved a bill relating to variance criteria for developmental achievement centers at the meeting Weds., Feb. 8. Sponsored by Sen. Dallas Sams (DFL-Staples), the bill expands the circumstances under which a day training service may be granted a rate variance. The bill also allows the Dept. of Human Services to reimburse a vendor for up to 15 days for clients who are absent from the facility in order to receive medical care.

Shirley Hokanson of the Minnesota Developmental Achievement Center Association explained that the provision facilitates vendor funding. The variance will provide "a true safety net for day training facilities," greatly assisting their clients with developmental disabilities. Currently facilities experience a high absentee rate due to extensive travel time to doctors' and dentists' offices. The absentee penalties "are very harmful", Hokanson said. The bill was approved and advances to the Health Care and Family Services Funding Division.

The committee continued consideration of S.F. 95, a Board of Medical Practice housekeeping bill sponsored by Sen. Pat Piper (DFL-Austin). At issue is a section of the bill allowing the board to automatically suspend the credentials of a person who receives a felony conviction reasonably related to their practice, until the person can demonstrate that he or she is rehabilitated. Notification of suspension by the board must be within ten days of receipt of the judgement.

Leonard Boche of the Board of Medical Practice explained that the immediate suspension greatly expedites the process and places the burden of proof on the person to demonstrate that they are qualified to be reinstated. Mary Hartman, former board member, supported the

provision, stating that the bill fills a hole in rules by prohibiting a person from public contact and promotes public safety. If anything, Hartman said, "we must err on the side of the consumer."

Expressing concerns about the measure, Sen. Don Betzold (DFL-Fridley) said that the provision doesn't explicitly provide for a board hearing and review after a court decision. Betzold's amendment clarifying the board's role was adopted. Due to extensive discussion, the bill was laid over.

Members also heard a report by the Dept. of Human Services on the Consolidated Chemical Dependency Treatment Fund. Pooling a variety of funding streams to facilitate assessment and access to treatment for persons with low incomes, the fund is comprised of federal block grant funds, federal Medicaid support, legislative appropriations, and a county match. Patricia Harrison of the Dept. of Human Services explained that through the growth of prepaid plans for public pay clients, the role of the Consolidated Fund will decrease.

### **Boards' budgets reviewed**

The Health Care and Family Service Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd), heard the governor's budget proposal for numerous health related boards and the Veteran's Home Board at its meeting Thurs., Feb. 2.

Richard Zierdt, executive director of the Veteran's Home Board explained that the agency faces the challenges of increasing medical and health care costs and delivery requirements. Zierdt said that the quality assurance programs are essential to providing feedback on the quality of care in the homes, and identifying alternative care options that are available to veterans through other health care institutions.

In addition, Kathy Nelson of the board noted that the needs of home residents are changing due to a shifting veteran population. Two-thirds of residents are younger veterans of the Korean and Vietnam wars and many suffer from chemical dependency or mental illness, Nelson said. Many of the residents that experience these problems "will return to the community after a year or so of assistance in the homes," Nelson said, adding that the average length of stay is 1.9 years.

Established by the Legislature in 1994, the Board of Dietetics and Nutrition Practice monitors public health and safety in the two fields. Executive Director Maureen Rippleton said that the board expects to license 550 persons initially, and that up to 1,000 professionals could

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be licensed.

Leonard Boche of the Board of Medical Practices explained to the committee that the responsibility of the board is to ensure that all physicians meet the necessary qualifications through licensing, investigation and disciplinary action of complaints. Boche clarified a change in the board's relationship with the Attorney General's Office, noting that funds for service will be appropriated directly to the board and the Attorney General's Office will invoice the board for services rendered.

## Jobs, Energy and Community Development CIP discussed

The Tues., Feb. 7, meeting of the Jobs, Energy and Community Development Subcommittee on Energy and Public Utilities was devoted to a discussion of conservation improvement programs (CIP). The programs are the result of legislation requiring public utilities operating in the state to invest in programs supporting reduction of natural gas and electric consumption and methods improving energy efficiency. According to Susan Landwehr, assistant commissioner, Dept. of Public Service, the goals of CIP include helping delay or eliminate the need to build new power plants, promoting consumer and industry awareness of conservation and its positive effect on the environment, provide total utility bill cost reduction for homes and businesses, generate innovations in developing energy efficient products and technologies and promote innovations in developing new energy sources.

The panel, chaired by Sen. Janet Johnson (DFL-North Branch), heard from representatives of the Minnesota Municipal Utility Association, the Minnesota Rural Electric Association, Minnegasco and Utilicorp on the various programs the utility companies are using to comply with the legislation.

In addition, representatives of several energy advocacy groups also spoke on the CIP efforts. Bruce Stahlberg, energy programs coordinator and Denise DeVaan, executive director, of the Minnesota Community Action Association, Inc., outlined the types of low-income programs currently funded under the conservation improvement program.

## Minimum wage hike discussed

The first salvos in the debate over raising the minimum wage were fired at the Weds., Feb. 8, meeting of the Jobs,

Energy and Community Development Committee. At the outset, Chair Steven Novak (DFL-New Brighton), said that the committee would hear testimony on two bills that would increase the minimum wage but that no action would be taken. "We are setting the framework of the debate today," Novak said.

Two bills were on the agenda for purposes of discussion. S.F. 81, authored by Sen. Sam Solon (DFL-Duluth), provides for increasing the minimum wage in three annual steps, beginning Jan. 1, 1996. Under the measure, separate minimum wages are set for small and large employers. The bill specifies that the rate for large employers would go from the current \$4.25 per hour to \$4.50 on Jan. 1, 1996 and would increase \$ .25 in each of the next two years. For small employers, the rate would go from the current \$4.00 per hour to \$4.25 on Jan. 1, 1996 and would increase \$ .25 in each of the next two years.

S.F. 302, authored by Sen. Randy Kelly (DFL-St. Paul), provides for a two step increase and then provides for the minimum wage to be adjusted by the percentage growth of the Twin Cities area Consumer Price Index each Oct. 1 beginning in 1997. Under the Kelly bill, the minimum wage for large employers would increase from the current \$4.25 per hour to \$4.75 on Oct. 1, 1995 and to \$5.25 on Oct. 1, 1996. For small employers, the rate would go from the current \$4.00 per hour to \$4.50 on Oct. 1, 1995 and to \$5.00 on Oct. 1, 1996. S.F. 302 specifies that subsequently, adjustments would be made each Oct. 1.

In his remarks, Solon pointed out that there has been no change in the minimum wage since 1991. "I hope we can pass something the governor will sign to help the people who need it most," Solon said. He then said that he would defer his bill in favor of the Kelly proposal.

Kelly, in his remarks, said, "We must address the festering economic problems of our nation. We are becoming increasingly a nation of haves and have nots." The bill is a small step in addressing the problem of people trying to rise above poverty, Kelly said.

The committee then heard from both proponents and opponents of increasing the minimum wage. Proponents argued that the minimum wage is exceedingly difficult to live on and that the increase is long overdue. Opponents argued that increasing the minimum wage has an adverse effect on job creation and depresses economic growth. The debate will continue at further hearings.

## Judiciary

### Human rights changes passed

A bill extending the length of time a person has to file an unfair discrimination claim was amended and approved by the Senate Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), on Mon., Feb. 6. The measure now goes to the Senate floor.

Under S.F. 57, Sen. John Marty (DFL-Roseville), the bill's author, proposed to extend the statute of limitations for claims of unfair discrimination under the Human Rights Act from one year to two years.

The bill also prohibits employers from asking prospective employees for any information about unfair discrimination complaints or charges they may have filed. In addition, the measure limits the discovery and admission of certain pieces of evidence that may be used during actions or hearings on claims of alleged sexual harassment.

An amendment, offered by Sen. David Knutson (IR-Burnsville), maintains the one-year limit on claims filed with a local human rights commission or with the state Dept. of Human Rights, but extends the statute of limitations on bringing a civil action to two years.

The committee adopted the Knutson amendment before approving the bill.

The committee's action came after the members heard testimony in support and opposition of the bill.

Ken Nikoli of the Dept. of Human Rights expressed the agency's concerns about extending the statute of limitations. "Public policy should favor quick identification of incidents of discrimination," he said, "so that there is quick resolution of those problems in the work place." He projected that there would be an additional 80 new claims filed if the statute of limitations were extended.

Eight other people, including several attorneys who specialize in discrimination claims, encouraged the members to support the bill. Theresa Patton spoke in favor of a longer statute of limitations. "In these types of cases, people are in shock," she said. "For many of my clients, it takes a long time for them to gather the emotional resources that are necessary to bring a suit."

"Sexual harassment is sometimes very insidious," said Diane Novotny Young as she told the committee of the events that led her to file a claim against a former employer. "Clearly, I knew that if I was too vocal, I would be on the way out," she said. "Many of the things that occurred to

me couldn't have been used because of the statute of limitations."

## Health Data Institute discussed

The Joint Crime Prevention and Judiciary Subcommittee on Privacy met Weds., Feb. 8, to continue the update on the activities of the Health Data Institute. In addition, the panel, co-chaired by Sen. Jane Ranum (DFL-Mpls.) and Sen. Harold "Skip" Finn (DFL-Cass Lake), advanced one bill to the Judiciary Committee and discussed a second measure.

The executive director of the Minnesota Health Data Institute, Dale Schaller, continued his presentation on the progress the institute has made in developing and implementing policies and procedures in gathering health data to aid in health policy formation. Schaller detailed the implementation timeline for the data institute to complete several key functions such as data collection and maintenance, analysis and dissemination of data and the design and implementation of a communications network. Sally Anderberg, chair of the institute's ethics and confidentiality committee, spoke on the institute's guiding principles regarding data privacy. Anderberg said that privacy protection will be addressed in all projects, and that in data collection and access the data are private or non-public unless otherwise classified. In addition, she said that patient-identifiable data will be collected only if absolutely necessary and that patient-identifiable data will not be published. Daniel J. Kramer, chair of the technical systems administration committee, also spoke, outlining the requirements for establishing a secure electronic data interchange system.

In other action, the panel approved a bill to allow medical examiner data to be shared with a state or federal agency charged with investigating a death. S.F. 229, sponsored by Sen. Sheila Kiscaden (IR-Rochester), addresses situations in which coroners or medical examiners cannot share data with other government agencies, such as the Dept. of Public Safety or OSHA, that are supposed to be investigating the case. Current law allows sharing the data with law enforcement agencies only. The measure was re-referred to the Judiciary Committee.

Senators also discussed, but took no action on, a bill that reclassifies information on returns required to be filed under the sales tax law by local governments. Currently, the data is nonpublic data. Under the bill, S.F. 56, the data is classified as "public data not on individuals." However, testimony from the Dept. of Revenue indicated that the change in

classification specified in the bill would be difficult to implement. Finn, the chief author of the measure, suggested that the bill be laid over in order to allow time to work with the department and find a way to make the change in classification easier to implement.

## Metropolitan and Local Government

### Two bills advance

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), approved two bills at a brief meeting Thurs., Feb. 2.

The first, S.F. 93, sponsored by Sen. Joe Bertram, Sr. (DFL-Paynesville) authorizes the Stearns County Board to refund to the city of Melrose the 1990 and 1991 taxes paid on a property purchased by the city. "The county, the city attorney, the city council and everybody who's involved with this is in favor of it," Bertram said. "We've worked hard to insure that the bill is acceptable to everyone."

On hand to support and answer questions regarding S.F. 93 was Gary Walz, Melrose economic development coordinator, and city council member, Melvin Klasen. Senators approved the bill and re-referred it to the Taxes and Tax Law Committee.

A bill that clarifies procedures for filling office vacancies of town supervisors, S.F. 182, carried by Vickerman was approved to the floor.

Presently, some towns have been using the remaining supervisors and town clerk to fill the duties of the vacant office, rather than appointing a new person to fill the vacancy. The bill specifies that the vacancy is to be filled by appointment of a committee comprised of the remaining supervisors and the town clerk.

### Mosquito Control District debated

The entire Wed., Feb. 8, meeting of the Metropolitan and Local Government Committee was devoted to a discussion of the Metropolitan Mosquito Control Commission. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), first heard an overview of the commission's operations from Joseph Sanzone, director, and Dennis Hegberg, chair. The goal of the commission, according to Sanzone, is the surveillance and control of annoyance causing and disease transmitting mosquitoes. The commission monitors mosquito breeding areas and the adult population of mosquitoes to determine when treatments are necessary to measure control effectiveness. Sen. Ted Mondale (DFL-St. Louis Park) raised several questions about the effectiveness of the commission's mos-

quito control efforts. Sanzone and commission staff said that many factors are involved in actual mosquito populations including the amount of rainfall and other weather conditions. Commission staff emphasized that the commission implements a control program and not an eradication program.

Representatives from other state agencies also commented on the Metropolitan Mosquito Control Commission's activities. Michael Sullivan, executive director of the Environment Quality Board, outlined a report the EQB had done to determine whether to hold hearings on the topics of the efficacy and environmental impacts of mosquito control operations. Ultimately, the recommendation of the work group charged with determining whether to hold hearings concluded that the hearings would not be useful. However, the work group did recommend that the Metropolitan Mosquito Control District Commission warn people via a comprehensive system that specific areas are going to be sprayed in order to minimize inhalation exposures, that the Dept. of Health be consulted with regard to reassessing health risks, that on-going Scientific Peer Review Panel research be evaluated with regard to the environmental impact on non-target species and that a literature review of available information on the impact of the chemicals on non-target species be conducted.

Representatives from the Minnesota Dept. of Natural Resources, the Minneapolis Park and Recreation Board and several concerned citizens also raised questions about the methods used to spray on private property and on the environmental consequences of mosquito control efforts.

## Transportation and Public Transit

### MCTO budget needs grow

Metropolitan Council Transit Operations (MCTO) will need more than \$109 million over the next biennium if it is to continue to provide responsive and reliable transit services, according to a report from MCTO presented to members of the Transportation and Public Transit Finance Division, Fri., Feb. 3.

Jim Solem, regional administrator for the Met Council, said inflation and two one-time losses of revenue contributes to a need for an increase of more than \$24 million over the current budget. MCTO is asking for \$93.3 million in the 1996-97 biennium to maintain current levels of transit. In addition, the council wants \$16.5 million to invest in new transit

# Committee update

services as outlined in its "Vision for Transit."

The \$93.3 million includes \$52.8 million for regular route bus service and \$31.7 million for Metro Mobility service for persons with disabilities.

Of the four main sources of revenue for transit operations, state funding is the only one that can be increased to cover rising operating costs, Solem said. Federal funding is expected to decrease, property taxes have remained virtually flat, and ever-increasing fares tend to cause a drop in the number of riders, he said.

MCTO continues to restructure and work within the confines of a tightening budget, Solem said, including cutting 800,000 miles of service. But more funding is needed to improve and prepare for future transit needs.

Solem said MCTO also is seeking authority from the Legislature to sell \$82 million in bonds over the next three years for capital improvements. If given the bonding approval, \$32.5 million would go toward the purchase of buses, and \$28.4 million would be spent on public facilities such as park and ride lots.

Natalio Diaz, director of transportation and transit development with the Met Council, said the Metro Mobility program continues to improve, albeit slowly, from the service and management problems experienced a year and a half ago. He outlined a number of challenges the program will continue to deal with, including increasing passenger demand, a large service area, a complex scheduling process, and funding limitations.

Sen. Keith Langseth (DFL-Glyndon), chair of the division, asked Solem what MCTO planned to do if it did not receive the additional funding.

Solem said transit officials would have to decide where to cut and will bring suggestions back to the division. "There would be some very major reductions in all services, including Metro Mobility," he said.

Langseth said he did not expect to support any increase in funding for transit without an increase in service. Sen. Dick Day (IR-Owatonna) agreed, saying the request for \$24 million more in funding for less service bothered him.

Ridership of fixed-route service in the Metro Area has continued to drop since a high of nearly 95 million riders during the oil embargo of the late '70s.

## School bus safety discussed

Major Glenn Gramse of the Department of Public Safety presented recommendations of the School Bus Safety

Advisory Committee to members of the Transportation and Public Transit Committee at the Weds., Feb. 8, meeting.

The advisory committee, made up of 17 citizens and public employees, recommended several changes to statutes related to school bus safety, outlined in the committee's 1994 Annual Report.

The changes include: increasing student training for children in grades kindergarten through five; some changes regarding bus equipment and inspection; a slight lessening of some licensing and training requirements; increasing a school district's reserved revenue safety funds; and, authorizing school districts to assess local levies to pay for an adult bus monitor, but not requiring districts to do so.

The report also noted committee concern about a shortage of bus drivers in many school districts, both in the Metro Area and Greater Minnesota. The advisory committee supports compensating drivers for their high level of responsibility. Ray Kroll, assistant director of the Minnesota Association for Pupil Transportation, said the average pay for bus drivers throughout the state is about \$9 an hour.

Sen. William Belanger (IR-Bloomington) asked if the shortage of drivers was exacerbated by the slow turnaround on drivers' background checks by the Bureau of Criminal Apprehension and the FBI. Gramse said the department is working within the industry to issue interim licenses until the checks are completed.

Sen. Mark Ourada (IR-Buffalo) asked if the department had any alternatives to paying higher salaries to compensate for the low number of drivers. The department has considered some options, Gramse said, knowing the budget constraints of other areas in education.

Lyle Hicks, president of the Minnesota School Bus Operators Association, questioned some of the advisory committee's recommendations, specifically the requirement to have CPR training before being able to drive. He said that training takes much longer to complete. He also asked the committee to address whether drivers are legally obligated to use first-aid and CPR training, and if so, are they protected under the Good Samaritan laws. He also asked if blood-borne pathogen testing necessary.

## Floor action

### Bills processed

The Mon., Feb. 6, floor session was devoted to processing several relatively

non-controversial bills. Members granted final passage to two measures given preliminary approval last week. S.F. 46, authored by Sen. James Metzen (DFL-South St. Paul), provides for increasing the percentage of gross profit that may be expended by lawful gambling operations for allowable expenses. S.F. 141, carried by Sen. Dallas Sams (DFL-Staples), makes several changes to election laws governing school board elections.

Members also granted final passage to one bill on the Consent Calendar. Bills on the Consent Calendar are placed there by recommendation of a standing committee that considered the bill to be noncontroversial. S.F. 75, authored by Sen. Don Betzold (DFL-Fridley), clarifies the requirements relating to the filing of notice of mechanics' liens. Under the bill, the notice may be filed with either the county recorder or the registrar of titles, depending on the type of title the property has.

Five bills were granted preliminary approval on the General Orders Calendar. H.F. 45, carried by Sen. Len Price (DFL-Woodbury), makes technical corrections and clarifications to several laws governing taxation. S.F. 77, authored by Betzold, clarifies the limitation on actions after informal dispute settlement mechanism decisions under the lemon car law. S.F. 42, sponsored by Sen. Jim Vickerman (DFL-Tracy), repeals the sunset provision concerning recreation vehicle combinations. S.F. 33, authored by Sen. Joe Bertram, Sr., (DFL-Paynesville), permits drivers license applicants who have experienced hair loss because of illness or chemotherapy to wear headwear in driver's license and identification card photographs. S.F. 188, authored by Sen. Don Samuelson (DFL-Brainerd), permits the use of an appropriation to relocate athletic fields and facilities at Brainerd Technical College, authorizes additional design and construction of space at specific community college campuses and authorizes additional construction using nonstate resources.

## Ethics bill advanced

Much of the debate at the Thurs., Feb. 9, floor session focused on S.F. 36, a bill relating to the Ethical Practices Board. The measure, authored by Sen. John Marty (DFL-Roseville), was up for preliminary passage on the General Orders Calendar. The bill clarifies definitions, strengthens Ethical Practices Board enforcement powers, requires additional disclosure of lobbyist activities, clarifies campaign finance requirements,

requires the return of public subsidies under specific conditions and provides penalties. Debate on the measure centered on a series of amendments. An amendment, offered by Sen. Dallas Sams (DFL-Staples), deleting sections of the bill relating to independent expenditures, was adopted by the members. Marty said that the amendment was appropriate because of court cases overturning related sections of the law. An amendment, offered by Sen. Sheila Kiscaden (IR-Rochester), that includes labor organizations under the definition of corporation for purposes of reporting contributions, sparked considerable debate. Opponents of the amendment argued that labor organization could not be compared to corporations because they have completely different structures. The amendment failed on a 24-41 roll call vote. A second amendment offered by Kiscaden, allowing the transfer of voluntary association dues and fees from the association's political activities funds, also failed.

Two amendments offered by Sen. Thomas Neuville (IR-Northfield) also sparked debate. The first, limiting the

amount incumbents may spend in each year of an election cycle, failed on a 27-39 roll call vote. The second, repealing the section of law dealing with opponents not signing the public subsidy agreement, also failed to gain approval.

Marty successfully offered an amendment that extends the ban on fundraising for fourteen days after the end of the legislative session. The bill then gained preliminary passage on a voice vote.

Senators also granted preliminary passage to S.F. 35. The bill, sponsored by Marty, changes requirements and procedures for voter registration and absentee voting. The measure had been discussed at an earlier floor session and then progressed to allow time for an amendment to be drafted. The amendment, sponsored by Kiscaden, sets guidelines for who can be allowed to carry ballots to individuals in hospitals and nursing homes. The amendment was adopted.

The Senate also granted final passage to two bills on the Consent Calendar. S.F. 182, authored by Sen. Jim Vickerman (DFL-Tracy), clarifies the procedure to fill a vacancy in the office of town supervisor.

S.F. 44, authored by Sen. Steven Novak (DFL-New Brighton), extends the deadline for the initial report of the Legislative Electric Energy Task Force.

Four measures were given final passage on the Senate Calendar. H.F. 45, carried by Sen. Leonard Price (DFL-Woodbury), makes several noncontroversial technical corrections and clarifications in laws governing taxation. S.F. 77, sponsored by Sen. Don Betzold (DFL-Fridley), clarifies the limitation on actions after informal dispute settlement mechanism decisions under the lemon car law. S.F. 33, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), permits applicants who have suffered hair loss because of illness or chemotherapy to wear headwear in driver's license and identification card photographs. S.F. 188, authored by Sen. Don Samuelson (DFL-Brainerd), permits the use of an appropriation to relocate athletic fields and facilities at Brainerd Technical College, authorizes additional design and construction of space at specific community college campuses and authorizes addition construction using nonstate resources.

# Preview

## The Minnesota Senate Week at a Glance

### Monday, February 13

#### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse  
8 a.m. Room 123 Capitol

Agenda: Overview of the DNR budget.

#### Finance State Government Division

Chair: Sen. Richard Cohen  
8 a.m. Room 107 Capitol

Agenda: Attorney General budget.

### The Senate will meet at 11 a.m.

#### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.  
12 noon Room 107 Capitol

Agenda: S.F. 201-Stumpf: Appropriating money for wheat and barley scab research. Discussion on wetlands issues, DNR and BOWSR.

#### Judiciary Committee

Chair: Sen. Carol Flynn  
12 noon Room 15 Capitol

Agenda: S.F. 7-Cohen: Raising tort liability limits for claims against Metro Council transit operations. S.F. 230-Kelly: Increasing limits of tort liability on governmental units.

#### Crime Prevention Committee

Chair: Sen. Allan Spear  
2 p.m. Room 15 Capitol

Agenda: Overview Police Officer Standards and Training (POST) Board: Peace officer education, Peace officer standards of conduct.

#### Combined House and Senate Joint Subcommittee on Privacy

Co-Chairs: Sen. Jane Ranum, Sen. Harold "Skip" Finn, Rep. Mary Jo McGuire  
4 p.m. Room 107 Capitol

Agenda: Overview on what states are doing in the area of Information Policy, Richard Varn, University of Northern Iowa.

#### Commission on the Economic Status of Women

Chair: Sen. Janet Johnson  
6 p.m. Room 300N SOB

Agenda: Discussion on the commission's biennial budget and legislative proposals.

#### Legislative Commission on Children, Youth and Their Families

Chair: Sen. Jane Ranum  
6:30 p.m. Room 5 SOB

Agenda: Discussion on the draft Family Impact Checklist. Joint meeting with the Children's Cabinet, Linda Kohl, chair.

### Tuesday, February 14

#### Governmental Operations and Veterans Committee

Chair: Sen. James Metzger  
8 a.m. Room 15 Capitol

Agenda: S.F. 5-Cohen: Extending coverage of requirements and prohibitions to cover the legislative branch. S.F. 322-Hottinger: Authorizing the governor to veto rules and terminate rule proceedings.

#### Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski  
8 a.m. Room 112 Capitol

Agenda: S.F. 132-Bertram: Prohibiting headwalls in highway rights-of-way. S.F. 194-Bertram: Designating a bridge as Bridge of Hope. S.F. 190-Bertram: Extending the length and easing restrictions for trucks hauling milk. S.F. 144-Hanson: Allowing holders of disabled parking certificates to make their address or name and address private. S.F. 145-Hanson: Refunding motor vehicle registration tax overpayments.

#### Education Funding Division

Chair: Sen. Laurence Pogemiller  
10 a.m. Room 112 Capitol

Agenda: Governor's budget.

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### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Discussion on the governor's health care budget recommendations, DHS.

### Jobs, Energy and Community Development Committee Subcommittee on Employment

*Chair: Sen. Kevin Chandler*  
10 a.m. Room 107 Capitol  
**Agenda:** Overview on reducing attorney fees and litigation.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
12 noon Room 123 Capitol  
**Agenda:** Overview DNR budget.

### Ethics and Campaign Reform Committee

*Chair: Sen. John Marty*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 339-Marty: Extending the authority of the Ethical Practices Board.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
12 noon Room 15 Capitol  
**Agenda:** Budget overview, DHS.

### Environment and Natural Resources Subcommittee on Public Lands and Water

*Chair: Sen. Harold "Skip" Finn*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 239-Johnson, D.E.: Sale of tax forfeited land in Kandiyohi County. S.F. 310-Morse: Extension of the blufflands trail system in Winona County. S.F. 273-Price: Classification of water supply systems and wastewater treatment facilities.

### Legislative Coordinating Commission Revisor Subcommittee

*Chair: Sen. Randy Kelly*  
3 p.m. Room 125 Capitol  
**Agenda:** The Revisor's Office budget.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Overview of budget for public broadcasting.

### Taxes and Tax Laws Subcommittee on Property Tax

*Chair: Sen. John Hottinger*  
4 p.m. Room 15 Capitol  
**Agenda:** Local government response to the governor's budget proposals.

## Wednesday, February 15

### Transportation and Public Transit Committee

*Chair: Sen. Florian Chmielewski*  
8 a.m. Room 112 Capitol  
**Agenda:** Report on the Advisory Council on Major Transportation Projects, Sen. Carol Flynn. A presentation on effective transit, Lyle Wray, executive director, Citizens League.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 242-Berglin: Trusts. S.F. 91-Finn: Treatment of compulsive gamblers. S.F. 95-Piper: Board of Medical Practice housekeeping bill. S.F. 258-Piper: Registration of physician assistants.

### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** Presentation on the budget, Minnesota State Colleges and Universities.

### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** Review and discussion on the Corporate Farm Task Force report.

### Judiciary Subcommittee on Family Law

*Chair: Sen. Don Betzold*  
12 noon Room 15 Capitol

**Agenda:** S.F. 217-Cohen: Child support obligations. S.F. 218-Robertson: Child care.

### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** Board of Public Defense budget.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 203-Hanson: Allowing awards of contracts to resident bidders in Anoka County. S.F. 266-Bertram: Authorizing town boards to set up petty cash funds. S.F. 311-Lesewski: Authorizing the issuance of bonds for the Pipestone County courthouse and annex. S.F. 317-Betzold: Permitting cities to close unlawful businesses.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Budgets for the Minnesota Racing Commission, Minnesota State Lottery Board, and the State Auditor's Office.

## Thursday, February 16

The Senate will meet at 9 a.m.

### Education Funding Division

*Chair: Sen. Laurence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** Discussion on the governor's budget.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
10 a.m. Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 197-Beckman: Correctional inmate name change limitation. S.F. 320-Hottinger: Probable cause arrests for certain misdemeanors in school zones. S.F. 395-Spear: Child gun safety amendments.

# Briefly

The Minnesota Senate Week in Review

February 17, 1995

## Simulated elections bill gains

A bill providing for simulated elections in which children may participate generated considerable debate at the Thurs., Feb. 16, floor session. S.F. 168, authored by Sen. Sam Solon (DFL-Duluth), allows children to vote in mock elections at regular polling places. The measure authorizes the Secretary of State's Office to set rules regarding the hours of the mock elections. According to Solon, the bill is designed to spark interest in "the most important civic action we take-voting." Members approved an amendment, offered by Sen. Linda Runbeck (IR-Circle Pines), clarifies that the Office of the Secretary of State is not to add staff or spend money for the simulated elections and stresses that the mock elections are a volunteer effort.

Sen. Edward Oliver (IR-Minnetonka) raised questions about the hours for the simulated elections. Oliver said that the proposed hours for having the mock elections coincide with the busiest hours at the polls, and that conducting the mock elections would disrupt regular voting. Solon responded that he hoped the mock elections would generate more interest among adult voters and that, in light of declining voter turnout, the possibility for disruption isn't likely.

Sen. Dick Day (IR-Owatonna) said that he supports the measure as a way of instilling interest in the election process in young people. The bill was granted preliminary passage on the General Orders Calendar.

In other action, Senators granted final passage to several bills on the Calendar. H.F. 29, authored by Sen. Jim Vickerman (DFL-Tracy), repeals a sunset provision regarding recreational vehicle combinations. H.F. 47, carried by Sen. Steven Morse (DFL-Dakota), merges two conflicting amendments to the solid waste generator assessment statute that were enacted in 1994. S.F. 50, authored by Sen. Mark Ourada (IR-Buffalo), designates a bridge as the Betty Adkins Bridge. S.F. 181, sponsored by Sen. Richard Cohen (DFL-St. Paul), allows citizens to take time off to vote in elections to fill a vacancy in the Legislature.

## Planning for projects

Sen. Carol Flynn (DFL-Mpls.) presented to the Transportation and Public Transit Committee a report outlining recommendations to fund major transportation projects, including legislation for an increased gas tax. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake) considered the recommendations at its Weds., Feb. 15, meeting.

Flynn said members of the Advisory Council on Major Transportation Projects realized early on in its meetings that the state faces a difficulty in maintaining the existing transit system, let alone providing funding for major additions to the system such as bridges or extra freeway lanes.

"The intent is in breaking the log jam which is the inability to pay for either transit or for highways," Flynn explained.

The recommendations include: a five cent gas tax increase imposed July 1, and adjusted annually at the rate of inflation; authority given to the Metropolitan Council to levy a sales tax in the Metro Area of not more than one-half of 1 percent on all sales in order to maintain, coordinate and improve transit services in the Metro Area; and, the continued study of road pricing to fund major projects.

The increase in sales tax would replace the council's current authority to levy a property tax for transit operations in the Metro Area, Flynn said.

In other business, the committee heard a presentation from Lyle Wray, executive director of the Citizens League, regarding the league's most recent policy statement entitled, "Effective Transit: Invest in access to jobs and services."

The report considers moving from society's focus on transportation modes, to discussing how accessibility to jobs, services, and entertainment can help ease the demand for more and improved transit services.

## DNR budget heard

The Department of Natural Resources will have to absorb some \$13.3 million in inflationary increases over the next biennium, according to Deputy Commissioner Ron Nargang.

Nargang presented the department's

budget overview to members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), during meetings held Mon., Feb. 13, and Tues., Feb. 14.

Inflationary increases, including salaries, will total \$4.4 million for FY 96 and \$8.9 million for FY 97, he said. According to Nargang, the department plans to offset those increases by reducing or eliminating programs, and reducing staff through attrition and/or reducing the number of work hours provided by part-time or seasonal staff.

Sen. Gene Merriam (DFL-Coon Rapids) expressed concern over the department's plans to solve inflationary shortfalls through attrition, calling it a reliance on "serendipity."

The agency is requesting \$164.3 million for its general fund for the biennium which is some \$5 million short of what the governor recommends.

The governor's proposal includes \$2.4 million for strategies contained in the Generic Environmental Impact Statement, and \$1 for litigation expenses incurred in the Mille Lacs and Fond du Lac cases. The governor also recommends an increase in funding for state park operations, some \$1.6 million, which is equal to increased entrance receipts generated from more visitors to state parks.

The governor also recommends increases in the department's Natural Resources and Game and Fish funds for a variety of projects.

Nargang said several challenges face the department, including increased and changing demands on the state's recreational resources. Changing demographics of the population, a need for more facilities, and requirements of the 1990 Americans with Disabilities Act, all are putting pressure on the DNR's recreation programs, he said.

Throughout the hearing, division members spent some time discussing the budget document itself and its relation to the earnings and performance reports. Because the documents are created on different time-lines, some of the data, such as staffing levels and expenditures, are inconsistent between the reports.

# Committee update

## Agriculture and Rural Development

### Grain funding okayed

A bill appropriating \$1 million dollars for research of wheat and barley diseases was approved by the Agriculture and Rural Development Committee Mon., Feb. 13, and re-referred to the Education Committee. Carried by Sen. Leroy Stumpf (DFL-Thief River Falls), S.F. 201 allocates funds to the University of Minnesota to search for solutions to scab diseases in small grain crops. Stumpf told members that last year's appropriation of \$477,000 was not enough to stem the tide of the scab epidemic. "To research and develop a resistant variety takes at least four to five years, if not seven to eight years," Stumpf said.

Testifying in support of the bill was Bruce Kleven of the Wheat and Barley Growers Association. Kleven said that coupled with the 1993 disaster, last year's scab outbreak cost Minnesota wheat growers \$600 million. Normally, the wheat industry generates \$1.6 billion in annual revenue to the state's economy, paying \$49 million of that total in taxes. And although Minnesota is not perceived as a big wheat growing state, Kleven noted that in fact, Minnesota is the fourth largest producer of wheat in the nation.

Also on hand to support the bill was Phil Larson, coordinator of the Scab Research Program at the University of Minnesota. He told members that the program is aimed at dual ends. "We are directing our long term efforts to develop disease-resistant varieties of wheat and barley," Larson said. "But we are looking at the short-term too, specifically tillage practices, crop rotation, seed treatment, and foliar fungicides."

Committee Chair Sen. Joe Bertram, Sr. (DFL-Paynesville) expressed concern about the funds being diverted to other educational projects. "We want to make certain that this is earmarked for scab research," Bertram said, "and that it doesn't get lost in the higher ed budget." Half of the appropriation, which comes from the general fund, is available June 30, 1996, while the remainder becomes available one year later.

### BSWR recommendations

The Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), listened to testimony surrounding the Wetlands Conservation Act Weds., Feb. 15. Ron

Harnack from the Board of Water and Soil Resources outlined the board's suggested changes to the WCA of 1991. "We still maintain, in the purest sense, the concept of no net loss," Harnack said, "but these adjustments are going to make a big difference in how we do business."

Topping the list of recommendations is a push to increase de minimus factors, while providing for more local flexibility. "All wetlands are not created equal," Harnack said. On hand to demonstrate that principle were county and city officials from around the state.

Mayor Tinklenberg of Blaine said that people are afraid to speak against the WCA because they will be viewed as anti-environmentalists. Developers can easily mitigate when they fill wetlands, Tinklenberg said, "but for the small landowner who just wants to build a 500-foot driveway, the rules don't make sense. The devils are in the details," Tinklenberg added.

Joel Maggert, a county commissioner from Koochiching County agreed. "There's a young man who has taken over the 80-acre family farmstead, but he can't build a house on it because it's considered a number one wetland," Maggert said.

Adding to the list of complaints was Sharon Stumpf, a commissioner from Lake County. "Our concern is that we'll lose even more of our tax base than we have already lost," Stumpf said, "because people won't buy land that they can't do anything with."

Harnack acknowledged that there are glitches in the program, particularly regarding local governments and the Wetland Heritage Advisory Committee. "Still we've had some successes," Harnack said, "and in 1994 we avoided changes to 75 percent of wetland acreage, modified 18 percent, and mitigated 7 percent."

Another proposed change is to eliminate the 30-day waiting period presently required when applying for a wetland replacement plan. "This is totally unreasonable," Harnack said, "but you should still have 30 days to appeal."

BSWR also recommended increasing the eligibility relating to banking and replacement plans. "We believe this is providing an incentive to the landowner to preserve the integrity of wetlands," said Harnack.

Looking specifically at the Metro Area, Anoka County Commissioner Dan Erhart said, "Since 1994, we've gained more wetlands than we've lost."

Sen. Steven Morse (DFL-Dakota)

disputed Erhart's claim, asking for substantiation of the statement. "There is a big problem in the seven-county Metro Area," Morse said, "and the loss is there. It doesn't take much to see that every bit of land which can be built upon, is being built upon," he said.

Harnack said, "we are still seeing greater losses of wetland in the Metro Area than we are seeing gains," but told members that management is a complicated matter. "How do we balance storm waters and wetlands in the metro regions?" he asked.

Sen. Dan Stevens (IR-Mora) said that the alphabet soup of land use regulations creates considerable confusion for farmers and landowners. "There's the DNR, the Corps of Engineers, BSWR--who's in control out there?" Stevens asked.

"We need more flexibility and less bureaucracy," said Sen. Steve Dille (IR-Dassel). "We're at a point where the political will is such that we're ready to make some changes."

## Crime Prevention

### Foster home bill okayed

The Department of Corrections must give 30 days' notice to communities before granting licenses to "institutional" foster homes of more than six delinquent children, according to a bill approved by the Crime Prevention Committee, Thurs., Feb. 9.

The committee, chaired by Sen. Allan Spear (DFL-Mpls.), heard testimony in support of S.F. 64, authored by Sen. Don Betzold (DFL-Fridley). Coon Rapids Mayor William Thompson said a city council should be notified if delinquent teenagers are to be housed in a foster home "unless the facility has a licensed capacity of six or fewer persons and is occupied by either the licensee or the group foster home parents," as outlined in an amendment to the bill.

"It's an environmental shock to a peaceful neighborhood to be told they're going to have a group home next door and the local officials didn't know anything about it," Thompson said. The bill as amended advances to the floor.

Sen. Ember Reichgott-Junge (DFL-New Hope) presented an overview of the implementation of the 1994 Grant Hussey bill with the development of the Minnesota Crime Alert Network.

As part of the bill, the Legislature directed the commissioners of Public Safety and Administration to develop a

plan for an integrated criminal alert network among state agencies, law enforcement officials and the private sector, according to a project report. Fifteen agencies in the Metro Area will participate in a pilot project that uses fax machines as a means to communicate information regarding a crime or criminal.

Eight other laws also were included in the '94 bill designed to aid law enforcement and law officials in crimes involving missing children or victims of sexual abuse. The bill was in response to the kidnapping and murder of Eden Prairie teenager Grant Hussey.

The committee approved an amended version of S.F. 163, a bill that repeals the sunset provision of the Minnesota Crime Victim and Witness Advisory Council. The bill advances to the Governmental Operations and Reform Committee.

## POST Board update

At a Mon., Feb. 13, meeting, members of the Crime Prevention Committee heard a presentation from John Laux, executive director of the Board of Peace Officer Standards and Training (POST), which outlined a proposal for revised Standards of Conduct Rules.

The POST Board's Standards Committee studied the possibility of revising the administrative rules on peace officers standards of conduct in response to concerns raised from the public, the media, and the law enforcement community, Laux said. "The board has made some really significant advances dealing with officers who have demonstrated unprofessional conduct," he said.

The proposed revisions would allow the POST Board to impose licensing sanctions, including license revocation, to law enforcement officers involved in non-felony situations. The proposed changes include the addition of gross misdemeanor convictions, sexual harassment, and convictions imposed in another jurisdiction. "We needed to ensure those (peace officers) who have crossed the line don't serve anywhere in the state," Laux said.

Laux said the Standards Committee received input for a wide variety of interested groups and deliberated over many of the issues. However, representatives from several citizens groups testified at the committee hearing with concerns that the POST Board recommendations do not go far enough.

Michael Dees of the Supreme Court Task Force on Race Bias said the POST Board rules only affect the convicted offender and don't address patterns of

unprofessional conduct. "What it boils down to is obvious convictions are difficult to get, but the behavior is still there," he said.

Julie Tilley of the Minnesota Coalition for Battered Women agreed the revised rules don't cover all situations of unprofessional conduct, including misdemeanor domestic abuse cases. The coalition offered several additions to the standards of conduct changes, including a recommendation to screen out officer candidates who have a history of domestic abuse.

## Public Defense funds debated

A Board of Public Defense request for deficiency appropriations of some \$2.65 million raised concerns from members of the Crime Prevention Finance Division during a second hearing on the matter held Weds., Feb. 15.

Chairman Sen. Tracy Beckman (DFL-Bricelyn) asked agency officials back to the division to explain what would happen if the full request was not met; the governor recommends a deficiency appropriation of \$1.5 million. Later in the hearing, officials suggested several consequences of the shortfall.

The money is part of the Juvenile Justice Act that went into effect Jan. 1, and is designated to provide counsel for juvenile delinquents and continue the state take-over of juvenile court proceedings. The 1994 Legislature approved the public defense budget, however the governor vetoed the portion of the bill dealing with the Juvenile Justice Act, leaving the office with a shortfall from January to July 1, 1995.

Dick Sherman, chief administrator for the public defenders office, told division members the office could get by on the \$1.5 million but it would be a struggle for many judicial districts. Some districts already are feeling the effects of the shortage, he said.

He said another question is how much the Legislature plans to annualize to cover increased costs due to policy changes enacted in the juvenile law. According to the '94 law, every juvenile has a right to an attorney which increases the annual case load by nearly 15,000. Juveniles also have a right to counsel for appeal cases.

Sen. Randy Kelly (DFL-St. Paul) said the decision is fairly simple given the tight budget year. He supports the governor's recommendation to give the office \$1.5 million for the remainder of FY 95. But, Kelly added, the money taken from the counties for the state take-over,

some \$5.4 million annually, should be given back to the counties or redirected to the public defenders office.

"In a perfect world, we would give them what they feel they need, but we don't live in a perfect world," he said. When the Legislature approved the request, the Cambridge Bank court decision, which costs the state some \$324 million, was not known, he said. He said members have to keep in mind that every dollar spent is another dollar that can't be spent on education.

"The other alternative is to raise taxes," he said, "but if the parameters are no new taxes, than we've got to reprioritize our responsibilities."

After some discussion, State Public Defender John Stuart suggested the office would have to resort to "triage" to deal with the shortage. The office no longer would provide counsel for juvenile appeal cases, stop ordering transcripts for adult appeal cases beginning March 1, and request continuances until after July in cases where juveniles are out of custody, he said.

## Education

### University budget heard

The University of Minnesota needs \$143.7 million from the state over the next two years or student tuition will increase at higher annual rates and program cuts will occur, according to University President Nils Hasselmo.

Hasselmo presented the University's biennial budget at a Thurs., Feb. 9, meeting of the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls). The budget includes \$87.7 million in state funds, \$26.3 million in tuition increases, and \$28.2 million in reallocated funds.

Hasselmo encouraged division members to approve the state partnership with the University in the reinvestment in Minnesota. He outlined several ways the system contributes to the state in areas such as business, medical research, education, agriculture and public policy.

One of the biggest challenges facing the University is the decline in the state's investment in post-secondary education, he said, adding it is urgent that the trend be reversed. Other challenges are changing demographics of students, an increased need for a trained work force, preparing for a global economy, and demands for efficiency.

The University is preparing for the changing future through development of its University 2000 Project, Hasselmo

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said. The 96-97 budget provides money for four critical initiatives of U2000: the learning community, student services, educational and systems infrastructure, and the Cancer Center.

The governor's proposal provides \$61 million for FY 96-97; of that \$53.8 million is in one-time funding. Hasselmo said the University would like the Legislature to make a sizeable portion of that permanent. Personnel decisions, as well as the purchase of equipment and supplies, must be based on reliable funding, he said.

Sen. Leonard Price (DFL-Woodbury) asked what the University would do if the state would not agree to the budget proposal. "Where's the limit of the tuition hike?" he asked. Hasselmo said if the governor's budget was adopted, the University most likely would seek annual tuition increases of more than 4.8 percent, and begin cutting programs. "We probably would exclude some students if we continue to raise tuition," he said. "And the ability to pay shouldn't be a determinant of whether a student can attend the U or not."

Sen. Deanna Wiener (DFL-Eagan) asked what the mood of the students was regarding the budget proposal, specifically the tuition increases. Hasselmo said the University of Minnesota Student Association voted in support of the proposal, which was "an extraordinary act on the part of the association."

Discussion on the budget proposal will continue, however Sen. Lawrence Pogemiller (DFL-Mpls.) said the matter was clear: "The University put before us a simple proposition: either we partner with them or they'll make other decisions."

## Recommendations discussed

The governor's budget recommendations sparked a discussion at the Tues., Feb. 14, meeting of the Education Funding Division on the approach the Legislature should take in funding K-12 education.

The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), continued to review the budget proposal for general education, pupil transportation and special education with a presentation from the Dept. of Education's Director of Finance, Tom Melcher.

Melcher said the governor is recommending that school boards be required to hold one public hearing each spring focused on student performance. "Even though they do not make their budget decisions until December, this hearing is a chance for districts to discuss student

performance and connect it with funding," he said. He added that the governor is proposing a change in open enrollment funding when AFDC students use the program, simplifying the computation for pre-kindergarten students with disabilities, and adjusting the schedule to year-round schools so that they receive 90 percent of their general education payments.

The overall approach to the governor's proposal, Assistant Commissioner Bob Wedl said, is to give districts more flexibility in their funding decisions while creating more accountability. "Several accountability measures are built into the general education program," he said. "Under the block grants, districts will detail how progress is made, and implementing the graduation rule will be an important accountability measure."

While he was concerned that the governor did not include class-size reductions or staff development in the recommendations, Pogemiller said a greater issue faces the division. "The real issue is that we need to decide what the conditions are that we'll be putting on general education funding," he said.

"We should be building expectations in the foundation," Sen. Gen Olson (IR-Minnetrista) said. "If we are going to be results-oriented, we ought to be open enough to face up to the fact that those measures may not be there before we begin to pour millions into the system."

"It may be that one of the flaws is we're looking at outcomes at the end of the process," said Sen. Kenric Scheevel (IR-Preston), "but it takes just one weak link in instruction to break down the entire chain for a child. There is a tremendous opportunity for us to put flexibility into the funding and we need to not only look at the entire structure, but at each brick in that structure."

"I think it's clear that we need to let go of some things that we can no longer afford," Pogemiller added. "We need to call into question what is most important and I'm willing to give total flexibility on everything as long as we can make some progress on staff development and class size reductions."

Melcher also discussed the governor's proposal for special education funding, which recommends special education revenue; the combination of state aid and local levy, amounting to \$321.8 million in FY 96 and another \$327.6 million for FY 97. The recommendation includes state appropriations of \$193 million in FY 96 and \$196.6 million in FY 97.

The proposal, Melcher said, represents a 2.1 percent increase in revenue for FY 96 over what was used in FY 95, and a 1.8 percent increase between FY 96 and FY 97. He said, the governor's recommendation is to fund special education based on population growth, rather than being driven by teacher salaries.

For pupil transportation, Melcher said the budget proposal includes \$119 million in state aid for FY 96 and \$132 million in FY 97. He also said the governor is proposing to eliminate the levy used to fund activity buses and excess transportation costs in FY 97.

## Budget impact detailed

The Weds., Feb. 15, meeting of the Higher Education Division was devoted to a budget presentation on Minnesota State Colleges and Universities (MnSCU). Jay Noren, chancellor, began the presentation by describing the impact the governor's budget proposal will have on the consolidation of Minnesota's state universities, community colleges and technical colleges. According to Noren, the budget recommendations will reduce higher education opportunity for the 163,000 Minnesota students currently served by 62 campuses. The budget decreases funding for Minnesota State Colleges and Universities by \$8.9 million below current FY 95 funding, Noren said. According to Noren, "the budget proposal falls \$94 million short of the amount required to maintain current programs while carrying out the mandate to bring technical colleges into the state system and offers no new program money."

Noren outlined four items needed to maintain current services: \$42 million to fund a conservative employees' compensation package, \$17 million to recognize enrollment increases, \$9 million to restore the full amount lost to the artificially set budget caps, and approximately \$26 million to cover the cost of converting technical college employees to state employment.

Noren said that the Dept. of Finance offered several suggestions for dealing with the shortfall, including reduction in programs and course duplication, consolidations of administrations at co-located campuses, closing programs with low enrollment rates, retirements of senior staff and consolidation of the three central offices. However, Noren said, "we have already committed to do all of these things but the saving from these approaches cannot occur instantaneously on July 1, 1995."

A page-by-page review of the budget proposal was presented by Vice Chancellor Ed McMahon and Judy Borgen. Borgen said that the current budget document is the first combined budget for the three systems and that each system was asked to develop priorities and initiatives. The governor recommends a biennial appropriation of \$905 million for MnSCU.

## Environment and Natural Resources

### AURI budget request heard

The Agriculture Utilization Research Institute (AURI), which was established to strengthen rural Minnesota's economy, is seeking a continuation of current funding for the next biennium. Tom Jorgens, interim executive director, presented AURI's budget and annual report to members of the Environment and Natural Resources Finance Division, Thurs., Feb. 9.

Established through 1987 legislation, AURI helps businesses and farmers develop new and value-added uses of agricultural goods by providing technical expertise to clients and financial assistance for marketing new products.

According to Jorgens, AURI has collaborated on more than 200 projects, with about 87 new products developed and marketed. Committee members sampled and inspected several products developed with AURI's assistance, including African cookies, non-homogenized milk, and wheat-based, dust-free kitty litter.

The state's general fund appropriation for FY 96-97 would continue at \$3.9 million a year; federal and other private revenues are expected to increase.

Sen. Steven Morse (DFL-Dakota), who chairs the division, questioned some issues highlighted in a September 1994 audit of AURI, including a substantial fund balance and AURI's investment policy. Jorgens said the fund balance is from a one-time transfer of money several years ago and is expected to decrease over the next two years. AURI also has developed a detailed policy regarding investments, he said.

Sen. Janet Johnson (DFL-North Branch) said she was concerned about spending money on research development and marketing of Minnesota products that are sold off to larger companies in other states. Jorgens said AURI tries to work with companies that have the best intentions for Minnesota, and that any financial assistance comes with the

provision the product stays in the state.

Some of the Senators questioned some products developed through AURI projects, saying many already exist. Sen. Pat Pariseau (IR-Farmington) asked why some of these smaller entrepreneurs are receiving loans and grants in order to enter the market place to compete with existing industries.

The committee also heard the budget request of the Board of Animal Health, which includes an increase of \$92,000 for FY 96 and \$144,000 for FY 97.

### Ag budget revisited

Debate over how indirect costs have been calculated for various programs in the Department of Agriculture consumed nearly three hours of an Environment and Natural Resources Finance Division meeting held Fri., Feb. 10.

The division, chaired by Sen. Steven Morse (DFL-Dakota), had called department officials to a second division hearing for a detailed explanation of why indirect costs have been underestimated for the past several years.

Hours into the discussion, Sen. Harold "Skip" Finn (DFL-Cass Lake) offered a summary of what had happened. The "breakdown" between the departments of Agriculture and Finance resulted in more of the department's general fund being spent than was actually needed because less money was collected through license and fee accounts, he said.

William Oemichen, deputy agriculture commissioner, said the department had applied the federal rate of indirect costs, but that it was lower than what it should have been in recent years. Doug Watnemo, executive budget officer for the Dept. of Finance, explained that the fees for certain programs are not set as high as they should be; therefore, the general fund is subsidizing those activities at a higher rate.

Sen. Gene Merriam (DFL-Coon Rapids) questioned how both departments could miss the incorrect computation. "Either someone was asleep at the switch or was manipulating the system," he said. "I don't know why, unless someone thought the fees are already too high, in which case they should have come to the Legislature."

Joseph Komro, financial director for agriculture, gave an overview of the department's biennial budget, which includes a request for annual reallocation of some \$466,000 from the general fund to various program activities. Komro explained the funds were from the

adjustment of the indirect cost accounts.

Morse said the division may ask the departments back for more discussion on the matter.

In other business, the division heard a progress update from the Commission on Reform and Efficiency (CORE) which was established in 1991 to recommend long-term actions for improving government efficiency and effectiveness.

## Ethics and Campaign Reform

### Two bills advance

The Senate Ethics and Campaign Reform Committee okayed two bills at its meeting Thurs., Feb. 9. The Secretary of State's housekeeping bill, S.F. 315, was approved by members and referred to the floor. Carried by Sen. Dallas Sams (DFL-Staples), the measure changes and clarifies certain provisions of Minnesota's election laws.

The bill contained a provision repealing election day prohibitions on campaigning which the committee deleted. Sen. Gary Laidig (IR-Stillwater) objected to election day campaigning, and said that voters should be entitled to one day free of advertising. "Voters should be given at least one day for reflection," Laidig said, "and are entitled to some quiet on the day that they cast their ballots."

Concerns were raised about the appointment of election judges by non-profit organizations. Sen. Pat Pariseau (IR-Farmington) pointed out that there are different types of nonprofit organizations. Her amendment, which limits the provision to charitable nonprofit groups, was incorporated into the bill.

Sen. John Marty (DFL-Roseville), committee chair, asked about the provision that allows a candidate to file by fax. Citing travel distance as a barrier to citizen participation in elections, Joe Mansky, of the Election Review Board, said that the change makes it easier for candidates in Greater Minnesota to file.

S.F. 257, carried by Sen. Steven Morse (DFL-Dakota), allows a district supervisor of the office of soil and water conservation to simultaneously serve as mayor, clerk, clerk-treasurer or council member in a town of less than 2,500 inhabitants. "This bill is targeted at small towns," Morse said, "small entities where it's sometimes tough to get anyone to serve in these offices."

Pariseau raised questions about possible conflicts of interest. Morse said that safeguards prohibit such individual from

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voting on matters that have a substantial effect on both the soil and water conservation district and the city or town. "It only makes sense to let them serve in both capacities," Morse said.

S.F. 257 was unanimously approved and re-referred to the Agriculture and Rural Development Committee.

## Ethics bill opens

The Ethics and Campaign Reform Committee began review of S.F. 339, a bill that extends the authority of the Ethical Practices Board, at its meeting Tues., Feb. 14. "S.F. 339 is an attempt to address concerns stemming from last year's ethics bill, to make some clarifications and do some fine tuning," said committee chair and chief author Sen. John Marty (DFL-Roseville).

Under last year's law, Legislators were prohibited from accepting anything other than "plaques or trinkets of insignificant value." S.F. 339 expands the scope of this provision, allowing lawmakers to have a cup of coffee or other similar refreshment, as long as the value of such is less than \$3.

Another change is the deletion of last year's provision that makes board advisory opinions nonpublic data. Marty said that the change prompted more difficulties than it did benefits. "The previous method of dealing with opinions has worked effectively for 20 years," said Marty, adding that the suggestion to return to the former practice was a request of the Ethical Practices Board.

Sen. Ember Reichgott Junge (DFL-New Hope) objected to the deletion of the provision and offered an amendment that would keep opinions private. "I think it would have a chilling effect on whether or not people will come forward for advisory opinions," she said. The committee rejected the amendment.

Members also rejected an amendment offered by Marty that holds school officials to the same standard of behavior. The provision was amended out last year as well.

Additionally, the bill authorizes the Ethical Practices Board to issue opinions on the ban of gifts to local officials. Steve Hunter, political action director for the American Federation of State, City and Municipal Employees praised the move, saying that the current lack of statewide authority on the law causes confusion for many parties. Hunter went on to explain that presently county attorneys are charged with enforcing the law, and that sometimes they issue conflicting interpre-

tations.

Executive Director of Common Cause, Joan Higinbotham, spoke in favor of the bill. "We supported it last year, and we continue to support it," Higinbotham said. "We think it fosters a positive opinion of officials, and that it diminishes the public perception that officials are being unduly influenced."

Several Senators expressed concerns about interpreting the law. Sen. Roger Moe (DFL-Erskine) posed questions about definitions. "Let's use examples we've all participated in--if the Minnesota Nurses Association is down in the Great Hall serving orange juice and bran muffins at 7:30 a.m., is this a meeting or a reception?" he asked.

Sen. Douglas J. Johnson (DFL-Cook) agreed. "Most of us want to abide by the law, but we don't know how the law works," Johnson said.

Sen. Dean E. Johnson (IR-Willmar) said that the law has contributed to an overall attitude of uneasiness and tension between Legislators and constituents. "The environment is one of distrust," Johnson said, "and it's not good."

The bill was laid over for further consideration.

## Family Services

### Empowerment zones approved

In an effort to re-energize pockets of poverty and deteriorating tax bases, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), approved S.F. 301 on Thurs., Feb. 9. Sponsored by Sen. Linda Berglin (DFL-Mpls.), the bill calls for the design of cooperative models to attract private business development and provide public service jobs for the community.

The empowerment zones are a collaboration of local units of government, park boards and school districts. Mark Andrew, Hennepin County commissioner, stated that "instead of a drain, the zones will transform these areas into income generators." The results will not be confined to economic development, Andrew said, but will simultaneously address different problems in the communities including housing, crime and welfare. Through the use of market forces, new investment in the communities will increase property values, employ residents and link neighborhoods. The zones, "are an opportunity to be investing in something that may pay off in the future," Berglin stated.

Minimal state funding totaling \$240,000 is earmarked for staffing to investigate grant resources and implement preliminary planning and development, Berglin explained. Andrew noted that state involvement is needed to provide funding streams and direction not available at the local level. Members approved the bill, which advances to the Taxes and Tax Laws Committee.

## Finance

### Sec'y of State budget reviewed

A \$2.5 million request for new information management systems was examined by the State Government Division of the Finance Committee, Thurs., Feb. 9, as the panel, chaired by Sen. Richard Cohen (DFL-St. Paul), heard the biennial budget proposal from the Secretary of State.

Secretary of State Joan Grove presented several initiatives as part of her office's budget request of about \$13.5 million for fiscal year (FY) 96 and FY 97. Included as part of the request is \$1.3 million for optical imaging equipment and another \$1.2 million to replace the equipment in the Secretary of State's 87-county computer network.

Grove said the Uniform Commercial Code Division, which maintains documents of incorporation, will run out of storage space by the end of June. The use of optical imaging equipment would solve that problem, she said. Lew Palmer of United Communications explained that the system, which is much like a CD-ROM computer system, allows documents to be copied onto disks that have large amounts of storage space and that are more accessible for reference purposes.

In 1987, the Secretary of State received an appropriation to buy a computer and printer for each county recorder's office in the state. Grove said their \$1.2 million request will be used to replace that 87-county system with more efficient hardware.

The amount requested is necessary for the office to maintain its level and quality of service, Grove maintained. "We forecast that we will take in \$15 million in fees in the next biennium," she said. "All of that is returned to the general fund. If we cannot continue to maintain our level of service, that will affect the amount of fees we take in."

### A.G. budget reviewed

The State Government Division of the Finance Committee, chaired by Sen.

Richard Cohen (DFL-St. Paul), completed the review of the budget requests from the Office of the Attorney General, Mon., Feb. 13.

Deputy Attorney General Jack Tunheim highlighted two of the office's key initiatives during the presentation. Included in the budget request is a \$3.6 million initiative for FY 96 and FY 97 to set up a salary support program. The initiative, Tunheim said, will support the ability of the Attorney General's Office to retain younger staff members.

While the office has had little trouble recruiting new attorneys, Tunheim said the problem has been in the ability to retain those attorneys. The initiative is to be used to provide salary increases to those attorneys who have served in the office for three to 10 years. "We are well below the average of what other public law offices are able to pay," Tunheim said. "People are motivated to come to work at the Attorney General's Office, but the problem is in retaining those people after we have invested in training them and they gain some experience." Tunheim added that attorneys with the Attorney General's office average as much as \$15,000 a year less than do their counterparts in the U.S. Attorney's Office.

The second major initiative is a \$3.2 million request for information systems enhancement in the next biennium, Tunheim said. The request would support the acquisition of a computer network that Tunheim said would make the office more efficient.

Tunheim also discussed the services provided by the Law Enforcement, Business Regulation and Solicitor General Sections of the office.

### Public broadcasting requests

State support for public broadcasting was the focus of discussion for the State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), Tues., Feb. 14.

Under the governor's budget proposal, \$5 million in state funding is designated for public broadcasting. Officials of the state's public television, radio and cable systems appeared before the division to discuss the recommendations.

Representing the state's public television stations, Bill Strusinki said the governor is recommending an appropriation of \$1.87 million in both years of the biennium. Jack Willis, president of Twin Cities Public Television, said the appropriation is used to support a matching grant program, which requires public television to raise matching amounts in

order to receive the state funding.

Along with the recommended appropriation, Strusinki said the budget proposal submitted to the governor included a \$500,000 per year initiative under the matching grant program. The additional funding would be used to expand a pre-school education program. The program, which was developed for day care providers and early childhood teachers, links the broadcasts of Sesame Street and Mr. Rogers' Neighborhood to an educational program.

Willis said that for each dollar in government money public television receives, it is matched by \$5 from private sources. "While we do not get a lot of money from government sources, it is the oil that makes it all go," he said. "We use the government funding to buy the national schedule and that allows us to develop quality programming at a local level."

The governor's budget proposal also includes a biennial appropriation of \$1.2 million. Dennis Hamilton, Minnesota Public Radio's vice president of finance, told the division the funds are used to allow the state's 34 public radio stations to upgrade their equipment. He added that an additional request of \$2.4 million for the biennium is being sought as part of an extensive effort to convert current equipment to digital technology.

The division also heard the budget request from the Metro Cable Network, which shows the broadcasts produced by the Legislature. Chuck Slocum from the regional channel is seeking \$150,000, which would combine the governor's recommended appropriation of \$100,000 for the biennium with an amount covering the hourly rate the Legislature is charged.

Rod Pearson of the Minnesota Satellite Public Affairs Network also presented a request of \$275,000 for the biennium. He said the funding would be used to send the Legislature's broadcasts statewide via satellite.

### Budget reviews continue

Biennial budget proposals for the Minnesota Racing Commission, the State Lottery, and the Office of the State Auditor were reviewed, Weds., Feb. 15, at a meeting of the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul).

Richard Krueger, executive director of the Minnesota Racing Commission (MRC), presented the organization's budget plan for the next biennium. He said the commission is seeking a \$370,000

general fund appropriation for FY 96 and FY 97. The funding makes up a portion of the MRC's total budget proposal of just more than \$2 million. The other portions of the budget, he said, come from licensing and other fees the MRC receives in carrying out its responsibilities to oversee horse racing in the state.

Krueger said the MRC also faces a \$77,000 deficiency for the current year. That deficiency, he said, is due to expenses caused by the sale and reopening of Canterbury Downs and the commission's work during the races held last year at the Traverse County Fair.

Projections indicate that the lottery will provide more than \$146 million in total revenue for the state in the next biennium, George Anderson, executive director of the state lottery, said in presenting the agency's budget plan for the next biennium.

State law requires that 40 percent of all lottery proceeds go into the Environmental Trust Fund and the remainder go into the general fund. Anderson said projections indicate about the trust fund will receive about \$42 million in FY 96 and FY 97 while about \$62 million will be available for the general fund. In addition, a tax in lieu of a sales tax is assessed against all lottery tickets, he said, which will generate about \$42 million more for the state.

Anderson said the agency receives no state funding and is supported entirely by lottery proceeds. He said state law limits the amounts available for administrative purposes to 15 percent of the gross proceeds, and that his agency has set an operating budget of \$41 million.

The division also completed its review of the budget requests from the Office of the State Auditor. Deno Howard said the State Auditor's Office is requesting a state appropriation of \$1.9 million for the biennium. She said the total operating budget for the office amounts to \$14.3 million, and that most of the revenue is generated by audit fees. Assistant Auditor Greg Hurlinger said fees are the result of a rate charge of between \$29 and \$49 per hour for the audits performed of state, county and local governments.

### Governmental Operations and Veterans

#### Rulemaking change passed

A bill allowing the governor to halt the rulemaking process and suspend certain state rules was approved by the Governmental Operations and Veterans Committee, Tues., Feb. 14.

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The committee, chaired by Sen. James Metzen (DFL-South St. Paul), amended and approved S.F. 322, authorizing the governor to terminate a state agency's rulemaking proceedings and to veto a state rule if the rule was enacted without specific legislative authority. Under the proposal, the governor submits a bill to repeal the rules said the author, Sen. John Hottinger (DFL-Mankato), and if the Legislature agrees, they can pass the bill. He added that if no action is taken, the rule is reinstated.

"Many people believe that, all too often, state agencies have become a fourth branch of government in setting state policy," Hottinger said, "The intent of the bill is to give the Legislature and the governor more accountability over the agencies and to exercise clear authority for policy decisions."

Duane Benson, executive director of the Minnesota Business Partnership, testified in favor of the bill. He said the organization's interest in the proposal stems from the impact that state rules have on the business community. "Of the businesses that have left the state, over 60 percent say they did so because of a morass of rules," he said. "If the Legislature does its job well in limiting what are the rules agencies can adopt, you should have no problem with a governor's veto."

Sen. Lawrence Pogemiller (DFL-Mpls.) offered an amendment to specify that the rulemaking process or a state rule was being suspended rather than vetoed. He also proposed amendments limiting suspension of proceedings to discretionary rulemaking and clarifying when the governor's action takes effect. The amendments were adopted and the committee approved the bill. The measure now goes to the Senate floor for consideration.

In other action, the committee also amended and approved S.F. 5, extending certain laws applied to state agencies to the Legislature. Sen. Richard Cohen (DFL-St. Paul), the author, said the bill prohibits Legislative employees from buying state-owned merchandise except when public bids are taken or a public auction is held and requires the use of the Open Appointments Act to select public representatives to Legislatively-controlled groups.

He said, the bill also makes the Legislature subject to the state law requiring prompt payment, competitive bidding, preference for American-made goods and Minnesota-grown agricultural products,

and both resident and small-business preferences.

The committee adopted Cohen's technical amendment, specifying the distinction of the Legislative Branch from the rest of state government, and recommended the passage of S.F. 5 to the full Senate.

## Health Care

### Human service budget review

In a continuation of budget reviews, the Health Care and Family Services Funding Division, chaired by Sen. Don Samuelson, met Thurs., Feb., 9 to discuss funding for the Dept. of Human Services.

Commissioner Maria Gomez presented the initiatives and priorities of the department, including an increased focus on children throughout all department services. For the next biennium, Gomez outlined two major goals: to identify ways to reprioritize current dollars or find savings to fund new initiatives this biennium, and to identify longer-term ways to introduce more competition, consumer options, and efficiency to help slow growth in health care costs. The projected budget increase from the growth in health care related costs, including long-term care and inflation totals 96 percent, Gomez said.

Gomez cited examples of reprioritizing, including revenue projects which entail seeking federal and other dollars owed to clients who are eligible for other programs and whose care has been paid for by the state. The elimination of work readiness would also "yield about \$19 million in savings and can be re-invested in programs that more effectively support work, responsibility and family," Gomez said.

Sen. Phil Riveness (DFL-Bloomington) and others expressed concern about the size and growth of the department's budget. Accounting for roughly 26 percent of the state budget, the department's 1994-1995 budget totaled \$9.2 billion. Of this amount, 72 percent was allocated to health care costs. Departmental spending "has gotten out of hand...we cannot afford what we have," Riveness said, noting that two-thirds of state budget growth is within the department. Gomez said that the state has made a decision to provide generous entitlement services, including residential treatment programs and long-term care services, and that controls need to be instituted. "Until the state becomes a sophisticated purchaser of health care, it

won't change," Gomez explained.

The committee also heard the department's performance report. Dennis Erickson explained the breakdown in costs, noting that extensive staff is often required in regional treatment centers, contributing to high costs. Riveness cautioned members on requests for additional reports and supported an examination of the precise Legislative need for information. "Provide the best feedback with statistics for Legislators to make policy," Riveness said.

### Budget overviews heard

Continuing to review the governor's budget, the Health Care and Family Services Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd), held a second meeting, Thurs., Feb. 9. Clell Hemphill, executive director of the Disability Council, presented the council's objectives and plan. The council promotes the independence and rights of all disabled persons in the state. The Disability Council serves up to 20 percent of the state's population, Hemphill noted, including the elderly and persons with learning disabilities. The greatest problems faced by people are poor access to housing and to health care, Hemphill said. The council works to increase the accessibility of all aspects of society for people with disabilities, including the availability of appropriate transportation and employment. Hemphill explained that the council's efforts also include public education and dissemination of information in an effort to integrate services and facilities.

Members also reviewed the budget request from the Board of Nursing. Executive Director Joyce Schowalter explained the only major budget change, the conversion of systems to a computer network. Upgrading the technology will improve the data collection and the complaints process, Schowalter said. The improvements will be funded through unused funds from previous years as well as a fee increase.

### Dept. review continues

Resuming discussion of the Dept. of Human Services 1996-1997 budget recommendations, the Health Care and Family Services Committee, chaired by Sen. Don Samuelson (DFL-Brainerd), met Tues., Feb., 14.

The department recommends a total of \$3.2 million annually for developmental disability (DD) services, including DD

pilots to increase flexibility for local issues and consumer needs. Shirley Patterson of the department explained that the initiative will provide a grassroots effort to develop a system responding to consumer complaints about the system. Consumers note that the numerous resources and agencies providing service could be streamlined by integrating multiple funding sources, Patterson said.

Another DD initiative is the implementation of the DD waiver alternative allocation structure. The funds would be used to develop a new allocation structure for the Home and Community-Based Services (HCBS) waiver for mentally retarded persons. The structure will provide a more equitable allocation of resources regardless of previous living arrangements. Patterson explained that the structure is "very close to leveling the playing field between the private sector and the public sector."

Members considered requests from the Deaf and Hard of Hearing Services Division of the department. Through regional service centers, the division ensures access to human services for persons who are deaf or hard of hearing. Dwight Maxa, director of the division, explained that access to these services promotes self-sufficiency and economic independence for clients and their families. Over 250,000 persons are served in the state, 40 percent of whom reside in Greater Minnesota. Samuelson expressed concern about the accessibility of interpreters in rural areas, an essential component of self-sufficiency. Maxa noted that the budget calls for an increase in state-wide interpreters to comply with state and federal mandates.

The department also requests \$2.7 million in FY 96 for the Quality Services Division, developing departmental priority areas such as improved county relationships and quality improvement and relying on client-based outcome goals. Patterson noted that the division focuses on the planning and evaluation of services as well as the expansion of the quality assurance approach. As an example of quality assurance, Patterson said that medical case management will be provided to individuals in conjunction with social service agencies. The service will address concerns of medical oversight and assure treatment is appropriate. Sen. Linda Berglin (DFL-Mpls.) expressed concern that much of the biennial budget increase is devoted to administrative changes instead of allocations to client services.

A new initiative this biennium is the option for individuals to use a consumer grant to purchase goods or services which support living in their own home. Persons on MA programs would receive a cash amount of state funds to be applied toward services. Patterson said that the option provides more flexibility in choice and promotes self-sufficiency. Berglin stated that the flexibility should be available to individuals within the MA program, and that the consumer supports should reflect a savings for the department instead of neutrality.

## **Jobs, Energy and Community Development**

### **Workers comp testimony continues**

The Jobs, Energy and Community Development Subcommittee on Employment, chaired by Sen. Kevin Chandler (DFL-White Bear Lake), began hearing testimony Thurs. morning, Feb. 9, on efforts to reduce litigation costs associated with workers compensation claims.

Acting Assistant Commissioner Kevin Wilkins and Mike McGowan of the Dept. of Labor and Industry described their agency's efforts to redesign the system used in handling workers compensation claims. Wilkins said an effort has begun to streamline the claims process, so that problems with claims may be mitigated when they are first identified. McGowan said, "The vast majority of our resources were spent on non-customer services." He added that a \$5 million appropriation made to the department in 1993 has been used to develop and implement a computer-based system that will give those who deal with claims immediate access to information. That system will be switched on in March, Wilkins said.

Steve Hawn, speaking on behalf of a workers compensation attorneys committee, called the state's workers compensation system the most complex in the nation. "The average employee, employer, or insurer cannot go through the system without an attorney," he said. He said the system needs to be simplified, the discussion of workers compensation "needs to be depoliticized," and that a discussion on what is the Dept. of Labor and Industry's proper role needs to take place. Hawn said that role should be to work at reducing conflict and preventing litigation. He also said the department's customer service representatives should be better trained to respond to inquiries and to deal with claims. "The advice the department has given to employees,

employers and insurers has often been flat-out wrong," Hawn said.

The subcommittee will continue to hear testimony on the issue of litigation in workers compensation at a later hearing.

### **Workers comp testimony heard**

The Jobs, Energy and Community Development Subcommittee on Employment, chaired by Sen. Kevin Chandler (DFL-White Bear Lake), spent the Tues., Feb. 14, meeting discussing ways to control litigation costs related to workers compensation claims.

The committee heard testimony from Pat Johnson, president of State Fund Mutual, calling for a more effective system used in handling workers compensation claims. She stressed the need for a system that both protects workers and reduces litigation costs for employers and employees. Johnson urged members to examine what drives litigation, in order to redesign a system that cuts down on overusers of the system.

Bernard Brommer, president of the AFL-CIO, also testified, praising the committee for its methodical examination of workers compensation issues.

"This has not always been the case," Brommer stated. Legislation in the past, Brommer said, "was usually a knee-jerk reaction, based more on belief than fact." Brommer also urged members not to consider the workers compensation system a no-fault system. "This term is simply not accurate," Brommer said. The explosion of rules concerning workers compensation claims has made the system very complex, and left workers with very few options short of seeking legal help, he said.

The subcommittee will continue to hear testimony on the reduction of attorney fees and litigation in workers compensation at a later date.

### **Four bills approved**

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), recommended four bills for passage on Wed., Feb. 15.

Sen. Cal Larson (IR-Fergus Falls) presented S.F. 299, a bill making technical and housekeeping changes to references addressing visually handicapped people. The bill was recommended for passage and re-referred to the Governmental Operations and Veterans Committee.

Sen. Arlene Lesewski (IR-Marshall) authored S.F. 306, a bill establishing the

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governor's workforce development council to replace the governor's job training council. The bill also expands representation and management of the council. The committee approved S.F. 306 and re-referred it to the Government Operations and Veterans Committee.

Sen. Ellen Anderson (DFL-St. Paul) outlined S.F. 350, a bill modifying eligibility for transitional housing services. The bill allows transitional housing services to provide up to six months of follow-up support services for persons who complete transitional housing as they stabilize in permanent housing. S.F. 350 was recommended for passage and sent to the full Senate.

Anderson also presented S.F. 352, a bill modifying provisions relating to community action agencies. The bill was approved and sent to the Senate floor.

## Judiciary

### Liability changes presented

The Senate Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), discussed the state's tort liability provisions and heard two proposals raising that level of liability, Mon., Feb. 13.

Assistant Attorney General David Schultz detailed the history of tort liability and placed the issue in context. He said that while the state could be immune from liability, the Legislature has chosen to allow liability claims against state and local governments.

Schultz said current law, enacted in 1983, limits the amount an individual may receive to \$200,000. An amount of \$600,000 is set limiting the total amount that can be awarded as the result of a multiple tort liability claim, he said.

The caps, Schultz said, prevent state funding from being imperiled by a catastrophic judgement. Limiting the potential exposure to liability, he said, in turn protects state and local budgets. Schultz said the constitutionality of the caps has been challenged and upheld in the State Supreme Court because the Legislature has periodically reviewed the liability caps.

He also said the challenges have come from opponents who argue the caps are inherently unfair to plaintiffs and that the government can spread large judgements out throughout their budgets to minimize the impact of those decisions.

The committee then heard two proposals to raise the tort liability caps. S.F. 7, authored by Sen. Richard Cohen (DFL-

St. Paul), increases the tort liability limits applied to the Metropolitan Council's transit operations. The bill, Cohen said, allows individuals to receive up to \$500,000 as the result of a claim and sets an aggregate limit of \$1.5 million. The bill is the result of a 1993 accident in which a St. Paul resident was struck and killed by a Metropolitan Transit Commission bus, Cohen said. The subsequent lawsuit was settled out-of-court, he added, but the family's hardship exceeded what they could have received because of the cap on liability.

Phil McDonald, whose wife was killed in the accident, testified in support of the proposal. He said the driver had been involved in a fatal accident earlier. "MCTO would take a closer look at how they handle their drivers if they faced a potential \$500,000 claim," he said.

Ed Williams, of the Metropolitan Council Transit Organization (MCTO), opposed the bill. He said raising the caps for only the MCTO would increase the risk of claims. "The potential for a loss because of a bus is no greater than it is for a snowplow," he said.

The members also heard a proposal to raise the liability limits based on inflation. S.F. 230, sponsored by Sen. Randy Kelly (DFL-St. Paul), increases the liability limits starting in 1996 and then raising the limits again in the year 2000.

The committee adopted an amendment offered by Sen. Don Betzold (DFL-Fridley), raising the limit for individual claims to \$250,000 and setting a limit of \$750,000 for multiple claims. The amendment increases the multiple claim limit to \$1 million for the year 2000.

"This is an important issue," Kelly said, "We haven't raised the limit since 1983 and I think that if we did not take some action this year, the courts may overrule the limits."

Bill Foster, a St. Paul attorney, shared his support for the Kelly proposal but expressed concerns about the liability caps. "Any increase is movement in the right direction," he said, "but the caps will prevent the most grievously injured from receiving a fair settlement."

Ali Artoli, a victim of a 1993 St. Paul explosion, said his medical expenses and the costs of reopening the business he lost in the explosion exceed what the limits allow. "What I am asking is for all of us to be treated fairly," he said.

The committee will take further testimony and consider both bills at a later hearing.

## Child support

Failure to pay child support could lead to suspension of a driver's license under a bill presented at the Weds., Feb. 15, hearing of the Judiciary Committee's Family Law Subcommittee. The subcommittee, chaired by Sen. Don Betzold (DFL-Fridley) also amended and approved a proposal allowing noncustodial parents to provide child care services in certain situations.

Under the provisions of S.F. 217, sponsored by Sen. Richard Cohen (DFL-St. Paul), noncustodial parents who owe more than \$1,000 in child support payments and who refuse to agree to a payment plan would be subject to suspension of the driver's license. In addition, the measure provides for suspension of any occupational licenses that an obligor may hold, and sets up an employment registry system that the Dept. of Human Services will use to identify obligors that have recently been hired by a Minnesota employer.

Also, the bill allows a lien to be placed against a motor vehicle certificate of title as a means to recoup child support, and adds an enforcement provision to a 1994 law that requires obligors who are unable to make child support payments to perform community service.

Cohen said the bill, which was developed by the Office of the Attorney General, is an effort to enforce child support orders through those mechanisms that are within the state's administration. "A driver's license is a privilege, not a right," Cohen said, "If we assume the state should give that privilege, then the residents of the state should agree with the rules of law that govern that privilege."

The subcommittee heard testimony in support of the proposal from Mary Rekuski, whose ex-husband is more than \$10,000 behind in making court-ordered payments. "There are too many loopholes that can leave orders unenforceable," she said. Mary Beth Johnson and Phyllis Walker, representing ACES, a child support enforcement advocacy group, also backed the measure. "It isn't necessarily an issue of income, whether or not child support can be paid, for defaulting on payments," Johnson said, "It is more an attitude towards the children or the custodial parent." "Some think that government is too big and we need to overhaul welfare," said Walker, "but if more people pay their child support, that

will do more to relieve those costs by getting more custodial parents off of welfare."

Additional testimony on the proposal will be taken when the subcommittee takes up the bill at a later hearing.

The subcommittee also amended and approved S.F. 218, a proposal allowing noncustodial parents to care for a child while the custodial parent is working, if doing so would be reasonable and in the best interests of the child. Sen. Martha Robertson (IR-Minnetonka), the bill's author, said the measure is identical to proposals passed by the Senate in 1993 and 1994. "It seems that the courts will not allow this to occur unless it is specified in law," she said.

Mark Nygard of R-Kids said courts are presently reluctant to allow noncustodial parents to provide child care. "But this makes sense, since child care payments are now used in determining support awards," he said, "and because the vast majority of noncustodial parents are more than capable of providing care."

But Shawn Frestad of the Legal Services Advocacy Project opposed the proposal. He argued the bill could order noncustodial child care to occur, which would have a negative impact on the amounts of support awarded. "There is the scenario where parents are uncooperative," he said, "and it doesn't take into account those cases where domestic abuse may have occurred."

Sen. Linda Berglin (DFL-Mpls.) offered an amendment to require that courts consider the willingness to cooperate, the method for resolving disputes between the parties, and domestic abuse before allowing child care by non-custodial parents. The amendment also required the court to report its findings on those factors. Sen. Jane Krentz (DFL-May Twp.) then moved to delete the reporting requirement in the Berglin amendment. Both amendments were adopted before the subcommittee approved the bill. S.F. 218 now goes to the full Judiciary Committee for further consideration.

## Metropolitan and Local Government

### Local bills approved

Three bills gained the approval of the Metropolitan and Local Government Committee at a hearing Weds., Feb. 15. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), also heard, but took no action, on a fourth measure.

S.F. 311, authored by Sen. Arlene

Lesewski (IR-Marshall), authorizes the issuance of bonds for the repair and renovation of the Pipestone County Courthouse and annex. The bill is needed because, even though voters approved a referendum on the matter, bond counsel would not allow the bonds to be sold since there was a defect in the ballot language. The bill was approved and re-referred to the Committee on Finance.

The second bill, S.F. 266, authorizes town boards to set up petty cash funds. The measure, sponsored by Sen. Joe Bertram, Sr. (DFL-Paynesville), was approved and sent to the full Senate. S.F. 317, carried by Sen. Don Betzold (DFL-Fridley), specifies that cities may order that a place of business be closed if the city determines that the business conducted at the place was in violation of a city's zoning or licensing ordinances at the time the business was established. The bill was approved and re-referred to the Judiciary Committee.

A bill allowing Anoka County to award contracts for printed material to resident bidders sparked considerable discussion. S.F. 203, sponsored by Sen. Paula Hanson (DFL-Ham Lake), further specifies that the resident bidder awarded the contract may not be more than five percent higher than the lowest bid, and that the resident bidder must agree to reduce the bid to a level equal to the lowest bid. Discussion centered on whether the measure serves to stifle competition. The bill was laid over for further review.

## Taxes and Tax Laws

### Local reactions to budget heard

The Taxes and Tax Laws Subcommittee on Property Tax, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Feb. 14, to continue hearing testimony on the effects of the governor's budget proposal on local governments.

Gary Carlson, from the League of Minnesota Cities, said that the League "is extremely displeased with the direction and the impact of the governor's 1996-97 biennial budget recommendations." Carlson said that the cities are particularly distressed because the governor's budget requires cutting city aid programs for the fourth time in six years. In addition, Carlson said that the proposed Aid Distribution Councils might increase competition among local units of government. Carlson concluded by saying that the cities are also disappointed that the Board of Government Innovation and Cooperation all but disappears under the

governor's proposal.

Nancy Larson, executive director, Minnesota Association of Small Cities, also testified before the panel. Larson said that small cities are particularly hard hit under the governor's budget proposal. "Small cities have few employees, offer few services and have few places to cut, particularly in the middle of their budget year," Larson said. Dave Fricke, of the Minnesota Township Association, also spoke to the subcommittee. Fricke said that the governor's proposal would result in significant cuts for townships. However, Fricke also said that a proposal to freeze property taxes would also place townships in a tough position.

Representatives from several education associations also detailed the effects of the governor's budget proposal. Bob Meeks of the Minnesota School Boards Association said that if education were to be fully funded more than \$1 billion in additional funding would be needed. Meeks said, "the governor's budget provides and additional \$400 million, which leaves quite a gap." The upside of the governor's budget is flexibility, Meeks said, but we still need additional revenue. Rose Hermodson, Minnesota Federation of Teachers and Cheryl Furrer, Minnesota Education Association also voiced concerns about the level of funding for education in the governor's proposed budget.

## Transportation and Public Transit

### Agency budgets heard

Representatives of the Department of Public Safety presented the biennial budget request to members of the Transportation and Public Transit Finance Division, chaired by Sen. Keith Langseth (DFL-Glyndon), at a meeting held Fri., Feb. 10.

Frank Ahrens, finance director for the department, outlined the agency's general fund request, which is some \$5.1 million less than what the governor recommends for FY 96-97. The department is seeking \$585,000 in new appropriations over the two years for a total biennial request of \$60.9 million.

The governor recommends a funding level of more than \$66 million which includes \$2.6 million for the criminal justice communications network, \$719,000 for flood relief projects for hazardous mitigation, and \$1.7 million for improvements to the Bureau of Criminal Apprehension's DNA laboratory.

The governor also recommends \$131.7

# Committee update

million for the Trunk Highway Fund which is \$1.6 million more than the agency's request. Initiatives covered in the governor's proposal are the criminal justice communications network, department diversity, safety and training programs, and a school bus safety program.

State Patrol Chief Mike Chabries presented his program's budget plan which calls for \$654,000 in FY 96 and \$802,000 in FY 97 to provide 24-hour coverage at the new Moorhead Weigh Scale and maintain the current number of state troopers. Revenues are expected to increase by \$456,000 annually with the addition of 11 commercial vehicle inspectors at the Moorhead weigh station, he said.

The governor's recommendation of \$102.189 million for the State Patrol budget provides for an additional \$40,000 over the biennium for the school bus safety program.

Sen. Carol Flynn (DFL-Mpls.) said she continues to receive complaints from constituents about the lack of enforcement of speeding in the Metro Area. Chabries said adequate speed limit enforcement takes troopers, voluntary compliance by drivers, and consequences for violating speed limits. He said since 1985 trooper staffing levels have been 20 to 60 positions short, while the numbers of drivers and miles driven have increased 11 percent and 31 percent respectively.

Some Senators had concerns about the difference between trooper staffing in the Metro Area and Greater Minnesota. Flynn supported moving more state patrol coverage to the seven-county area, specifically the freeways.

## Milk truck bill advances

A bill that increases the allowable length of milk hauling trucks and exempts milk trucks from local highway weight restrictions received considerable discussion among members of the Transportation and Public Transit Committee during a meeting held Tues., Feb. 14.

S.F. 190, authored by Sen. Joe Bertram (DFL-Paynesville), is a bill designed to help fix two problems facing the state's dairy industry according to Allen Gerber, executive director of the Minnesota Association of Cooperatives.

Gerber explained that the bill increases the length of milk trucks from 40 feet to 50 feet. The change in length would allow trucks from North Dakota that are longer than 40 feet to come to Minnesota

processing plants located in the western part of the state. The longer trucks also would allow the axles to be placed further apart, thereby easing stress on the roads, he said.

The second part of the bill gives milk trucks the same exemption from seasonal weight restrictions given school buses, allowing trucks to haul when the gross weight on a single axle does not exceed 14,000 pounds. Road authorities, however, could restrict the weight to a lesser amount if the milk plants are notified, he said.

Sen. Jim Vickerman (DFL-Tracy) was concerned that the exemption from weight restrictions would draw fire from constituents who were involved in other trucking industries.

The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake) approved the bill and it advances to the floor.

In other business, the committee also approved four other bills. S.F. 144, authored by Sen. Paula Hanson (DFL-Ham Lake), classifies names and addresses of people with disabled parking certificates as private data. S.F. 194, authored by Bertram, designates the Highway 15 bridge over the Mississippi River at St. Cloud as the "Bridge of Hope." S.F. 132, also authored by Bertram, makes it unlawful to erect driveway headwalls in a highway right-of-way. S.F. 145, authored by Hanson, provides a time limit of three and a half years from the date of overpayment of motor vehicle registration tax in which to claim a refund.

## Floor action

### Rate review repealed

A highlight of the Mon., Feb. 13, floor session was the swearing in of newly elected Sen. Warren Limmer (IR-Maple Grove). Limmer was elected to take the seat of Patrick McGowan who was elected Hennepin County Sheriff in the November elections. District Court Judge Kathleen Blatz administered the oath of office.

Senators also unanimously approved a resolution honoring Senate Assistant Sergeant at Arms Ralph C. Graham for his many years of service to the Senate. Graham began working in the Senate as a Sergeant in 1965 and was first elected to the position of Assistant Sergeant at Arms in 1981. Recently, Graham was honored with an award by the Council on Black Minnesotans at the Council's

Celebration of African American Lobby Day.

In other action, two bills were granted final passage on the Senate Calendar. S.F. 35, authored by Sen. John Marty (DFL-Roseville), eases restrictions on absentee voting and changes procedures for voter registration. The measure was passed on a vote of 42-22. S.F. 36, also sponsored by Marty, makes several changes to the laws governing the Ethical Practices Board, clarifies campaign finance requirements, and strengthens the enforcement powers of the board.

One measure was granted final passage on the Consent Calendar. H.F. 98, authored by Sen. James Metzen (DFL-South St. Paul), provides for an alternate member of the Advisory Council on Gambling.

Several bills were considered for preliminary passage on the General Orders Calendar. The Senate granted preliminary approval to a bill abolishing the sunset provision related to competitive rates for electric utilities. Sponsored by Sen. Douglas Johnson (DFL-Cook), S.F. 213 eliminates the requirement for the Legislature to review competitive rates of electric utility companies every five years.

Johnson explained that consumer interests are currently safeguarded by the Public Utilities Commission, which oversees the companies. "The law is working," Johnson stated, noting that no problems have occurred since the original bill was passed in 1990. There is significant oversight, continued Johnson, through various citizen protection groups and the Attorney General's Office, which has supported the bill.

Sen. Steven Morse (DFL-Dakota) expressed concern about the abolishment, noting the danger in removing state oversight. Without the sunset provision, "predatory pricing" will occur, resulting in higher rates for ratepayers, Morse said. In addition, Morse said, the provision will discourage the use of efficient, alternative energy sources. Sen. Gene Merriam (DFL-Coon Rapids) commented that the bill appeared to be "corporate welfare at its worst," and would affect private citizens most without their knowledge. Morse introduced an amendment reinstating the five-year sunset provision, which failed by a vote of 23-38. The bill was approved and placed on the Senate Calendar.

Morse sponsored H.F. 47, correcting and clarifying statutes relating to solid

waste. Morse explained that the bill would not require any additional fees or new mandates. Sen. John Marty (DFL-Roseville) offered an amendment exempting non-profit organizations such as Goodwill from a solid-waste generator tax. The bill passed as amended.

Members also granted preliminary passage to S.F. 50, authored by Sen. Mark Ourada (IR-Buffalo). The measure designates a bridge as the Betty Adkins Bridge in honor of former District 19 Sen. Betty Adkins.

The final measure to gain approval, S.F. 181, authored by Sen. Richard Cohen (DFL-St. Paul), allows citizens time off to vote in elections to fill a vacancy in the Legislature.

### Legislative gopher

Now there is a new way to get information about the Minnesota Legislature. In a joint effort, the Legislative Reference Library, the Office of the Revisor of Statutes, the Senate and the House of Representatives have established a "gopher" information server.

Information about weekly meeting schedules, member biographies, the full text of bills, House Journals and information on the legislative process may all be found on the Legislative Gopher. The Legislative Gopher is a dynamic entity and more information items are being added. The Legislative Gopher makes an

incredible amount of information instantly available to anyone who has computer on-line capabilities.

There are several ways to access the Legislative Gopher. For gopher administrators: Point your gopher to URL:gopher://gopher.revisor.leg.state.mn.us (Port 70). This is the root server for the House and Senate Legislative Gopher. For individuals or systems with gopher client software: Point your gopher client to gopher.revisor.leg.state.mn.us (Port 70). For users without gopher client software: Telnet to consultant.micro.umn.edu (the University of Minnesota Gopher), login: gopher. Or, via dial access, 612-626-2400 (also the U of M gopher), access>consultant.micro.umn.edu, login: gopher. Follow this path through the menus: Other Gopher and Information Servers/North America/U.S./Minnesota/Minnesota Legislature. Users with subscriptions to commercial on-line services should check with your service to see if gopher access is supported.

### New TV show to air

Senate Media Services, in cooperation with Greater Minnesota public broadcasting stations, is producing Capitol Report Live, a new interactive television program.

On the new program, state lawmakers from Greater Minnesota will answer

questions concerning rural issues. The program will air live every Tuesday evening from 9 p.m. until 10 p.m. The channels are KWCM 10 (Appleton), KSMQ 25 (Austin), KAWE 9 (Bemidji), KAWB 22 (Brainerd), and WDSE 8 (Duluth).

Viewers will be able to ask questions via fax, telephone and internet e-mail. The telephone number is 1-800-657-3635. The internet e-mail address is studio@lakes.senate.leg.state.mn.us and the fax machine number is 1-800-366-2588.

### Information Office services

The Senate Information Office and the Office of the Secretary of the Senate are located in Room 231 of the Capitol. These offices distribute all public printed materials and hand inquiries about Senate committee meetings, Senate districts, Senate telephone numbers, bill reference numbers and status, and bill sponsorship. Interested citizens may also request copies of bills or ask to be put on the mailing list for Senate publications. If you want to know the name of your Senator or have any other questions about the Minnesota Senate, call 296-0504. Staff members are available to answer questions about the Senate and the legislative process. For daily updates on committee meetings, call the Senate Hotline at 296-8088.

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# Preview

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## The Minnesota Senate Week at a Glance

Monday, February 20

No meetings scheduled.

Tuesday, February 21

### Transportation and Public Transit Finance Division

Chair: Sen. Keith Langseth  
8 a.m. Room 112 Capitol

Agenda: Overviews of the budget, Minnesota Safety Council; Transportation Regulation Board. S.F. 537-Murphy: Requiring drivers license fee refunds.

### Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

Agenda: S.F. 566-Vickerman: Lakeview Public School for students with disabilities. S.F. 161-Berglin: Authorize appeals by vendors of DACs. S.F. 373-Berglin: Waivers sub-acute care. S.F. 417-Berglin: Long term care payment service system.

### Jobs, Energy and Community Development Subcommittee on Employment

Chair: Sen. Kevin Chandler

10 a.m. Room 107 Capitol

Agenda: To be announced.

The Senate will meet at 12 noon.

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

Following session Room 123 Capitol

Agenda: Budget review for the Academy of Science, Susan Kafka, executive director. Budget review for Voyageurs National Park, Milton Knoll, chair. Budget review for the Science Museum of Minnesota, Jim Peterson, president.

### Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

2 p.m. Room 107 Capitol

Agenda: S.F. 239-Johnson, D.E.:

Authorizing private sale of tax forfeited land in Kandiyohi County. S.F. 310-Morse: Authorizing extension of the Blufflands trail system in Winona County.

### **Finance Committee**

*Chair: Sen. Gene Merriam*  
5 p.m. Room 123 Capitol  
**Agenda:** S.F. 102-Morse: LCMR bill relating to Environmental Trust Fund and Future Resources Fund appropriations. S.F. 335-Frederickson: Deficiency bill. Presentation on the Dept. of Finance cash flow analysis, Laura King, commissioner. Presentation on funding for the Polluted Lands Program, Jenny Engh, deputy commissioner, Dept. of Trade and Economic Development.

### **Commission on the Economic Status of Women**

*Chair: Sen. Janet Johnson*  
6 p.m. Room 300N SOB  
**Agenda:** Approval of the commission's budget.

### **Judiciary Subcommittee on Family Law**

*Chair: Sen. Don Betzold*  
7 p.m. Room 15 Capitol  
**Agenda:** Continuation - S.F. 217-Cohen: Child support.

## **Wednesday, February 22**

### **Gaming Regulation Committee**

*Chair: Sen. Charles Berg*  
8 a.m. Room 107 Capitol  
**Agenda:** S.F. 92-Bertram: Relating to gambling, reducing the minimum age to participate in bingo games in certain circumstances. S.F. 304-Marty: Relating to the state lottery, prohibiting advertising in connection with the lottery.

### **Governmental Operations and Veterans Committee**

*Chair: Sen. James Metzger*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 72-Piper: Relating to the Board of Medical Practice; reinstating certain advisory councils. S.F. 163-Piper: Exempting crime victim and witness advisory council from expiration. S.F. 538-Murphy: Refund of license fees to applicants if licenses are not issued within six weeks.

### **Transportation and Public Transit Committee**

*Chair: Sen. Florian Chmielewski*  
8 a.m. Room 112 Capitol  
**Agenda:** Update on the status of light-rail transit in the Metropolitan Area,

Commissioner John Finley, chair, Metro LRT Joint Powers Board and Ramsey County Regional Railroad Authority; Commissioner Peter McLaughlin, vice-chair, Metro LRT Joint Powers Board and chair, Hennepin County Regional Railroad Authority; Bill Peterson, president emeritus, Minnesota Building Trades; Chuck Armstrong, assistant to the mayor, St. Paul.

### **Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*  
10:00 a.m. Room 112 Capitol  
**Agenda:** Overview on the governor's budget recommendations.

### **Health Care Committee**

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Presentation on Interagency Board recommendations on nursing home moratorium modifications, Dept. of Human Services; Dept. of Health. S.F. 212-Sams: Reimbursement for home care services of nursing, home health aide, physical therapy, occupational therapy, and speech therapy, as well as home care service of respiratory therapy. S.F. 47-Samuelsen: MA allowance deduction. S.F. 307-Sams: Acupuncture.

### **Jobs, Energy and Community Development Committee**

*Chair: Sen. Steven Novak*  
10 a.m. Room 107 Capitol  
**Agenda:** To be announced.

### **Agriculture and Rural Development Committee**

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 167-Beckman: Modifying provisions relating to ethanol producer payments. Review and discussion on the Corporate Farm Task Force report (rescheduled from Feb. 15).

### **Commerce and Consumer Protection Subcommittee on Insurance**

*Chair: Sen. John Hottinger*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 34-Wiener: Medicare supplement insurance policies coverage for diabetic equipment and supplies. S.F. 121-Sams: Insurance claims payment refusal remedies.

### **Judiciary Committee**

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** S.F. 7-Cohen: Raising tort liability limits for claims against the

Metro Council transit operations. S.F. 230-Kelly: Increasing limits of tort liability on governmental units. S.F. 218-Robertson: Providing for care of children by noncustodial parents in certain cases. S.F. 229-Kiscaden: Data practices; allowing the sharing of medical data with state and federal agencies.

### **Crime Prevention Finance Division**

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** Overview of the budget for the Board of Public Defense and Dept. of Public Safety.

### **Environment and Natural Resources Subcommittee on Public Lands and Waters**

*Chair: Sen. Harold "Skip" Finn*  
2 p.m. Room 118 Capitol  
**Agenda:** S.F. 127-Terwilliger: Authorizing the conveyance of tax-forfeited land in Hennepin County. S.F. 548-Morse: Additions and deletions to state park system.

### **Jobs, Energy and Community Development Finance Division**

*Chair: Sen. Carl Kroening*  
2 p.m. St. Paul Stamp Works Company  
**Agenda:** Tour of the St. Paul Stamp Works Company. (Senators will meet in front of the Capitol between 2 and 2:15 p.m.)

### **Metropolitan and Local Government Committee**

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 265-Sams: Clarifying provisions for financial audits in certain circumstances. S.F. 281-Flynn: Clarifying language and changing obsolete references relating to metropolitan government.

### **Finance State Government Division**

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Overview of the budget for the Dept. of Finance.

### **Taxes and Tax Laws Subcommittee on Property Tax**

*Chair: Sen. John Hottinger*  
4 p.m. Room 15 Capitol  
**Agenda:** S.F. 301-Berglin: Empowerment zones initiative, planning and funding. S.F. 93-Bertram: Stearns County property purchase price refund to City of Melrose. S.F. 514-Price: Dept. of Revenue technical bill. S.F. 513-Hottinger: Dept. of Revenue policy bill.

**Legislative Commission on Waste Management Executive Committee Hearing**

*Co-Chairs: Sen. Janet Johnson and Rep. Jean Wagenius*  
4:30 p.m. Room 400S SOB

**Agenda:** Review and approval of the FY 1996-97 budget for the LCWM. Review and approval of the 1995 staff report and recommendations regarding appropriations from the Superfund.

**Legislative Commission on Pensions and Retirement**

*Chair: Rep. Richard Jefferson*  
5:30 p.m. Room 10 SOB

**Agenda:** Summary of the 1994 Actuarial Valuations for the Statewide and Major Local Public Pension Plans. Overview of likely public pension issues for the 1995 legislative session. Consideration of the commission's FY 1996-97 budget requests. Review of proposed legislation - H.F. 48-Bertram: Increase in fire state aid funding; H.F. 134-Bertram: Increase in fire state aid funding; H.F. 155-Cooper: Increase in fire state aid funding; H.F. 163-Leighton: Increase in fire state aid funding; H.F. 165-Schumacher: Increase in fire state aid funding; H.F. 424-Hasskamp: Increase in fire state aid funding; S.F. 338-Krentz: Employer contribution obligation for certain part-time teachers; S.F. 361-Metzen: Forfeiture of survivor benefits if survivor caused member death; H.F. 493-Jefferson: MERF, authorization of insurance deduction from benefit payments.

**Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*  
6:30 p.m. Room 123 Capitol  
**Agenda:** S.F. 1-Samuelson: Welfare reform.

**Legislative Commission on Children, Youth and Their Families**

*Chair: Sen. Jane Ranum*  
6:30 p.m. Room 107 Capitol  
**Agenda:** Discussion on the future of the commission.

Thursday, February 23, 1995

The Senate will meet at 9 a.m.

**Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*  
10 a.m. Room 15 Capitol  
**Agenda:** Continuation - overview of the governor's budget for the Dept. of Human Services.

**Higher Education Division**

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** Continuation - presentations on the budget, University of Minnesota; Higher Education Coordinating Board.

**Ethics and Campaign Reform Committee**

*Chair: Sen. John Marty*  
12 noon Room 107 Capitol  
**Agenda:** Continuation - S.F. 339-Marty: Extending the authority of the Ethical Practices Board.

**Crime Prevention Committee**

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 39-Knutson: Court stays of drug sentences. S.F. 308-Marty: DWI license plate impoundment. S.F. 413-Johnson, J.B.: DWI alcohol electronic monitoring pilot program. S.F. 292-Reichgott Junge: McGruff program.

**Jobs, Energy and Community Development Finance Division**

*Chair: Sen. Carl Kroening*  
2 p.m. Room 123 Capitol  
**Agenda:** Overview of the budget for the Minnesota Historical Society.

**Metropolitan and Local Government Committee**

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 467-Mondale: Metropolitan public safety radio communications system.

**Environment and Natural Resources Finance Division**

*Chair: Sen. Steven Morse*  
4 p.m. Room 123 Capitol  
**Agenda:** Review of the budget for the Office of Environmental Assistance, Ed Gorman, director; Art Dunn, deputy director.

**Finance State Government Division**

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol  
**Agenda:** Continuation - overview of the budget for the Dept. of Finance. Update on the Statewide Systems Project.

**Taxes and Tax Laws Subcommittee on Income and Sales Tax**

*Chair: Sen. Len Price*  
4 p.m. Room 15 Capitol  
**Agenda:** S.F. 514-Price: Relating to taxation, making technical and administrative changes, corrections and clarifications. S.F. 513-Hottinger:

Relating to taxation; making tax policy, collection and administrative changes; imposing penalties.

Friday, February 24

**Environment and Natural Resources Subcommittee on Fish and Wildlife**

*Chair: Sen. Charles Berg*  
8 a.m. Room 107 Capitol  
**Agenda:** S.F. 155-Stumpf: Relating to wild animals; authorizing turkey farmers to trap great horned owls. S.F. 174-Lessard: Relating to game and fish; continuing the authorization for residents under the age of 16 to take deer of either sex. S.F. 343-Olson: Relating to game and fish; requiring financial security in connection with certain fishing contests.

**Governmental Operations and Veterans Committee**

*Chair: Sen. James Metzen*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 477-Price: Higher education statute consolidation and restructuring.

**Transportation and Public Transit Finance Division**

*Chair: Sen. Keith Langseth*  
8 a.m. Room 112 Capitol  
**Agenda:** Overview of the budget, Dept. of Transportation.

**Environment and Natural Resources Finance Division**

*Chair: Sen. Steven Morse*  
10 a.m. Room 123 Capitol  
**Agenda:** Continuation - review of the budget for the Dept. of Agriculture, Elton Redalen, commissioner; William Oemichen, assistant commissioner.

**Jobs, Energy and Community Development Finance Division**

*Chair: Sen. Carl Kroening*  
Noon Out of Capitol  
**Agenda:** Luncheon and informal discussion with City of Minneapolis officials regarding job and community development issues.

**Legislative Commission to Review Administrative Rules**

*Chair: Sen. John Hottinger*  
1:30 p.m. Room 123 Capitol  
**Agenda:** Public hearing - administrative penalty orders for asbestos removal violations, Pollution Control Agency. Election of chair and vice-chair. Staff presentation and discussion on the LCRAR FY 1995-96 budget. Staff presentation and discussion on the LCRAR biennial report.

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Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	5537	Anderson, Ellen R.	G-27	Cap. 66	DFL	5645	Marty, John	G-9	Cap. 54
DFL	5713	Beckman, Tracy L.	306	Cap. 26	DFL	4154	Merriam, Gene	122	Cap. 49
IR	5975	Belanger, William V., Jr.	113	SOB 41	DFL	4370	Metzen, James P.	303	Cap. 39
DFL	5094	Berg, Charles A.	328	Cap. 13	DFL	2577	Moe, Roger D.	208	Cap. 2
DFL	4261	Berglin, Linda	G-9	Cap. 61	DFL	7-8065	Mondale, Ted A.	226	Cap. 44
DFL	2084	Bertram, Joe, Sr.	323	Cap. 14	DFL	5649	Morse, Steven	G-24	Cap. 32
DFL	2556	Betzold, Don	G-24	Cap. 48	DFL	4264	Murphy, Steve L.	301	Cap. 29
DFL	9307	Chandler, Kevin M.	111	Cap. 55	IR	1279	Neuville, Thomas M.	123	SOB 25
DFL	4182	Chmielewski, Florian	325	Cap. 8	DFL	4334	Novak, Steven G.	322	Cap. 52
DFL	5931	Cohen, Richard J.	317	Cap. 64	IR	4837	Oliver, Edward C.	121	SOB 43
IR	9457	Day, Dick	105	SOB 28	IR	1282	Olson, Gen	119	SOB 34
IR	4131	Dille, Steve	103	SOB 20	IR	5981	Ourada, Mark	145	SOB 19
DFL	6128	Finn, Harold R. "Skip"	306	Cap. 4	DFL	1802	Pappas, Sandra L.	G-27	Cap. 65
DFL	4274	Flynn, Carol	G-29	Cap. 62	IR	5252	Pariseau, Pat	109	SOB 37
IR	8138	Frederickson, Dennis R.	139	SOB 23	DFL	9248	Piper, Pat	G-9	Cap. 27
DFL	3219	Hanson, Paula E.	328	Cap. 50	DFL	7809	Pogemiller, Lawrence J.	235	Cap. 59
DFL	6153	Hottinger, John C.	G-29	Cap. 24	DFL	7-8060	Price, Leonard R.	235	Cap. 57
DFL	8017	Hanezich, Jerry R.	328	Cap. 5	DFL	7-8061	Ranum, Jane B.	325	Cap. 63
IR	3826	Johnson, Dean E.	147	SOB 15	DFL	2889	Reichgott Junge, Ember D.	205	Cap. 46
DFL	8881	Johnson, Douglas J.	205	Cap. 6	DFL	7-8062	Riveness, Phil J.	317	Cap. 40
DFL	5419	Johnson, Janet B.	322	Cap. 18	IR	4314	Robertson, Martha R.	125	SOB 45
IR	4123	Johnston, Terry D.	117	SOB 35	IR	1253	Runbeck, Linda	107	SOB 53
DFL	5285	Kelly, Randy C.	122	Cap. 67	DFL	7-8063	Sams, Dallas C.	G-9	Cap. 11
IR	4848	Kiscaden, Sheila M.	143	SOB 30	DFL	4875	Samuelson, Don	124	Cap. 12
IR	6455	Kleis, Dave	151	SOB 16	IR	3903	Scheevel, Kenric J.	129	SOB 31
IR	4120	Knutson, David L.	133	SOB 36	DFL	4188	Solon, Sam G.	303	Cap. 7
IR	8869	Kramer, Don L.	131	SOB 47	DFL	4191	Spear, Allan H.	G-27	Cap. 60
DFL	7061	Krentz, Jane	235	Cap. 51	IR	8075	Stevens, Dan	127	SOB 17
DFL	4302	Kroening, Carl W.	124	Cap. 58	DFL	8660	Stumpf, LeRoy A.	G-24	Cap. 1
IR	4351	Laidig, Gary W.	141	SOB 56	IR	6238	Terwilliger, Roy W.	115	SOB 42
DFL	3205	Langseth, Keith	G-24	Cap. 9	DFL	5650	Vickerman, Jim	226	Cap. 22
IR	5655	Larson, Cal	153	SOB 10	DFL	7-8073	Wiener, Deanna	303	Cap. 38
IR	4125	Lesewski, Arlene J.	135	SOB 21	6511	DFL Senators' Fax			
DFL	4136	Lessard, Bob	111	Cap. 3	9441	IR Senators' Fax			
IR	2159	Limmer, Warren	132D	SOB 33	0250	TDD number			
					0504	Senate Information Office			

# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MINN. (UPI)

February 24, 1995

## Welfare reform approved

The Health Care and Family Services Committee, chaired by Sen. Don Samuelson (DFL-Brainerd), amended and approved S.F. 1 at the evening meeting Weds., Feb. 22. Authored by Samuelson, the bill makes several changes to the welfare system in Minnesota, including work requirements for STRIDE recipients. The bill creates a job search program for STRIDE recipients who have received AFDC at least 36 months out of the last 60 months. A start-work offset is included in the bill, prohibiting the county from collecting a public assistance overpayment when a recipient goes back to work. The provision is designed to allow people to become self-sufficient.

In a move to address fiscal responsibility, Samuelson eliminated certain portions of the bill. The expansion of the Minnesota Family Investment Program (MFIP) will be delayed six months until July 1996, as will the job search component. In addition, work readiness programs will be reduced to one month of funding, saving \$13 million, Samuelson noted. Samuelson eliminated translation services, eliminated studies mandated by the bill, and reduced the income limit for disability income to 200 percent of the poverty level. Samuelson explained that the cuts were "simply a dollars question" and the best solution to strict budget restraints.

Samuelson introduced an amendment relating to STRIDE provider performance standards. The provision requires the Dept. of Human Services to evaluate counties' performance annually. It also deletes the "fill the gap" provision which raised the standard of need by 25 percent but kept maximum cash grants at current levels to allow families to work part time and earn income without jeopardizing AFDC eligibility. Sen. Linda Berglin (DFL-Mpls.) expressed concern about several deletions, saying that a priority should be placed on helping people who are working and trying to stay off welfare, "so people aren't sliding off...and end up getting back on welfare."

The amendment was incorporated into the bill.

The committee adopted another amendment, offered by Samuelson, requesting county-designed work-focused

programs for first-time AFDC applicants. The provision will "let the counties get in and help shape welfare reform," Samuelson said, as well as allow flexibility in the system for counties. Berglin stated that an assessment of an individual should be made initially by the counties, and offered language which allows counties to determine what services may be needed by an applicant before beginning work. The measure was incorporated into the bill.

In a move to increase flexibility for the Dept. of Human Services, Berglin offered an amendment requiring the department to seek a waiver of the requirement that child care be guaranteed to an AFDC recipient and directing the department to examine other options. Sen. Sheila Kiscaden (IR-Rochester) supported the amendment, stating that it "positions us for flexibility in the future." The amendment was adopted.

Both Berglin and Sen. Pat Piper (DFL-Austin) presented amendments allowing post-secondary education over two-years to be supported through the STRIDE family support agreement. Members discussed whether to support programs designed to be longer than two years, or programs that are intended to be completed in two years but which, due to extenuating circumstances, are not. Members adopted an amendment permitting flexibility to persons who for certain reasons couldn't finish within the allotted time. The bill, as amended, was sent to the full Family Services Committee.

## Religious dress exception approved

A bill providing an exception to the prohibition on concealing identity on the basis of religious belief gained preliminary passage at the Thurs., Feb. 23, floor session. According to chief author, Sen. Allan Spear (DFL-Mpls.), S.F. 214 arises out of an incident in which police arrested a woman for violating a rather obscure law involving a prohibition on concealing identity by means of clothing.

The case sparked a lot of discussion, Spear said, because the woman was dressed according to her beliefs as a Muslim. Spear said that the current law already provides an exception for people wearing masks and costumes for Halloween and that the bill simply

extends an exception for people dressed according to religious custom. In addition, Spear said that committee discussion led to an amendment providing for an exception for clothing, such as ski masks, worn as protection against the severe cold of Minnesota's winters. Spear also gave some of the history of the current law. He said that the original law was passed in 1923 by one of Minnesota's first women legislators in order to try and control the activities of vigilante groups like the Ku Klux Klan.

In other action, members granted preliminary passage to two additional bills. S.F. 3, authored by Sen. Richard Cohen (DFL-St. Paul), provides for election judges who are not members of a major political party. Sen. Pat Pariseau (IR-Farmington) successfully offered an amendment specifying that no two judges from the same political party are to assist a voter at the same time. The amendment was adopted and the bill was given preliminary passage. H.F. 164, sponsored by Sen. Randy Kelly (DFL-St. Paul), abolishes a sunset provision related to area development rate plans and allows electric public utilities to offer area development rates. The bill was also given preliminary passage.

Final passage was granted to one bill on the Senate Calendar. H.F. 137, carried by Sen. Douglas Johnson (DFL-Cook), abolishes a sunset provision related to competitive rates for electric utilities.

## Information Office services

The Senate Information Office and the Office of the Secretary of the Senate are located in Room 231 of the Capitol. These offices distribute all public printed materials and hand inquiries about Senate committee meetings, Senate districts, Senate telephone numbers, bill reference numbers and status, and bill sponsorship. Interested citizens may also request copies of bills or ask to be put on the mailing list for Senate publications.

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# Committee update

## Agriculture and Rural Development

### Task force review

Assistant Commissioner of Agriculture Bill Oemichen outlined recommendations of the Minnesota Corporate Farm Law Task Force Weds., Feb. 22, at a meeting of the Agriculture and Rural Development Committee. "The group was charged with examining current and projected impacts of corporate, partnership, and limited liability company farming enterprises on the economic, social, and environmental conditions and structures of rural Minnesota," said Oemichen.

Besides studying the corporate farm law, the ten-member panel reviewed a number of other issues including surface and ground water contamination, zoning authority, feedlot proposals, and limited liability companies. Committee Chair Joe Bertram, Sr. (DFL-Paynesville) served on the task force along with Sen. Charles Berg (DFL-Chokio), Sen. Steve Dille (IR-Dassel), and Sen. Steven Morse (DFL-Dakota).

Bertram asked about the status of the group's unused funds. "We were allocated \$40,000," Bertram said, "and we came in way below that figure, spending just \$4000 to cover some travel and meal expenses." He said that the remaining funds should be earmarked for agriculture, rather than returned to the general fund. Oemichen reported that the \$36,000 is available to the task force until June 30, 1995, and can be set aside exclusively for agriculture.

Commenting on the recommendations, Oemichen said that testimony was taken from both sides, and with the exception of including the dairy industry, allowing for limited liability companies, and creating an exception for a feedlot to be built by Minnesota Corn Processors, no other changes to the farm law were advised.

"Frankly, there is a lot of uncertainty out there," Morse told committee members, "and for now, we should just leave it alone."

Dille objected to the length of the statute itself, calling for a major reduction of the laws length, along with simplification of the language contained within it. "I'd like to see this reduced to five, better yet, two pages," Dille said.

Sen. Jim Vickerman (DFL-Tracy) objected to zoning regulations. "Townships are the greatest form of government in this state today," Vickerman said, "and I can tell you right now that I'm going to push to get this zoning authority at the local level."

Morse agreed with Vickerman that local units of government should be able to determine certain zoning issues, rather than the state. He added that he is in the

process of writing a bill to address the problem. "I'm all for putting those options at the local level, rather than letting these kinds of decisions be made here in St. Paul," said Morse.

Discussion regarding spending patterns of small farming operations, versus larger entities, ensued. Morse said that small farmers tend to spend in the local community, while large operators leapfrog the immediate commercial center, opting for larger outlets with more favorable pricing.

Sen. Arlene Lesewski (IR-Marshall) countered that larger operations contribute to a broader population base, more jobs, more taxes collected, and greater spending. "Whereas before, you had just one person contributing to the community's wealth, you now have two or more spending," Lesewski said.

## Commerce and Consumer Protection

### Bad faith insurers bill heard

A controversial bill permitting consumers to recover damages against insurance companies was heard by the Commerce and Consumer Protection Subcommittee on Insurance Weds., Feb. 22.

The bill, S.F. 121, is sponsored by Sen. Dallas Sams (DFL-Staples). Under the measure, consumers may recover compensatory and punitive damages when an insurer, in bad faith, refuses to pay or settle a claim. Bad faith conduct could include failing to conduct a reasonably thorough investigation before denying an insured's claim, unreasonable delay in the handling of a claim, and several deceptive practices.

As the bill was written, the remedy applies to any type of insurance. The panel, however, approved an amendment by Sen. William Belanger, (IR-Bloomington) that removes life, health, and workers' compensation insurance from the bill's scope. The amendment was approved over the objections of Sen. Edward Oliver (IR-Deephaven), who spoke in favor of further narrowing the bill to include only fire and property liability insurance.

The committee, chaired by Sen. John Hottinger (DFL-Mankato), began taking testimony on S.F. 121, hearing from several consumers whose claims were denied, delayed, or subject to alleged poor handling by insurance company investigators. One witness, whose home suffered serious fire damage, said her insurance company offered a settlement that included only modest funds for cleaning, even though five general contractors have said that the damaged areas cannot be salvaged by cleaning.

Other testifiers said that poorly qualified insurance company investigators have

declared claimants' fires to be caused by arson, and refused to pay claims, even though no charges have been filed. One business owner said "If they thought I was guilty, they should prosecute. They are just trying to stall it out." He added, "They are going to keep doing it as long as they can get away with it."

A Superior, Wisconsin attorney cautioned Senators to carefully consider insurance companies' upcoming testimony. Although insurers may claim that opening up the area of punitive damages would lead to a logjam of litigation, he said, in Wisconsin, the opposite seems to be true. Insurance companies know that insureds have recourse, he said, and "We don't see many of these suits." He added that insurers must pay interest on claims when they lose a judgment in a "bad faith" cases, making delay tactics unattractive to the companies.

The panel will hear further testimony on S.F. 121 at a future meeting.

In other business, the panel approved S.F. 34, a bill that corrects an oversight in last year's law requiring all health plans to cover physician-prescribed equipment and supplies for diabetes. The bill, sponsored by Sen. Deanna Wiener (DFL-Eagan), extends the coverage requirement to Medicare supplement plans, which were unintentionally excluded because they are not included in the legal definition of "health plan." The bill goes now to the full committee.

## Crime Prevention

### Warrantless arrest discussed

A bill that authorizes peace officers to make probable cause arrests for certain misdemeanors on school property advanced through the Crime Prevention Committee at the Thurs., Feb. 16, meeting.

The committee, chaired by Sen. Allan Spear (DFL-Mpls.), heard testimony in favor of S.F. 320, authored by Sen. John Hottinger (DFL-Mankato). The bill authorizes a peace officer, acting without a warrant, to arrest a person within four hours of the offense, if the officer has probable cause to believe the person committed a fifth-degree assault on school property.

Glenn Gabriel, director of Mankato Public Safety, said the bill was needed to deal with increasing juvenile crimes and make consequences of criminal activity immediate. "If someone with violent tendencies doesn't see the consequences, the violence tends to escalate," Gabriel said. A clear message sent early on can discourage juvenile crimes beyond the fifth-degree level, he said.

Currently, if a juvenile assaults a teacher or student, law enforcement

responds, collects statements and contacts the county or city attorney, Gabriel explained. The juvenile is later sent a formal complaint or petition. It may be four to eight weeks before the juvenile begins the process of punishment. "They'll think they got away with it, that the police, or anyone, didn't care," he said.

Under the bill, the juvenile would be arrested and then released to the custody of their guardians, he said, which has an immediate cause and effect impact.

The bill advances to the Senate floor.

S.F. 395, a bill that expands the scope of child endangerment by firearm access by including more people protected under the law, was laid over to fine tune the definitions outlined in the bill.

The bill, authored by Spear, changes the current law and finds a person guilty of child endangerment if the person intentionally or recklessly causes any child under 14 to be placed in a situation likely to injure or kill the child or another as a result of the child's access to a loaded firearm. The change includes children other than those of the owner of the firearm, Spear explained.

Committee members debated over whether the bill should apply to situations outside of the firearm owner's residence and whether adults should be protected as well. Sen. Gene Merriam (DFL-Coon Rapids) and Sen. John Marty (DFL-Roseville) wanted the bill expanded so the owner of a gun is responsible for a child's action no matter who is injured or where an incident takes place.

Sen. Thomas Neuville (IR-Northfield), who co-authored the bill, wanted the bill clarified to refer only to incidents committed in the person's residence and affecting other children. He asked, what if a gun was removed from a person's home, passed around to different children, and someone was injured. "I'm not sure if that's a situation where that person should be held accountable," he said. He also believes only children should be protected under the child endangerment laws and that any incident injuring or killing an adult should be covered in another section of statute.

In other business, Sen. Tracy Beckman (DFL-Bricelyn) presented S.F. 197, a bill allowing an inmate to request a name change only once. Since 1990, more than 300 prison inmates have changed their names, some three different times. Beckman said most are to preserve anonymity or for religious reasons, but some are changed to more frivolous names like Harley Davidson or Punisher X.

According to Jim Bruton, deputy commissioner of Corrections, each request costs \$400 to \$500 in county staff time. The \$142 filing fee usually is waived.

Sen. Randy Kelly (DFL-St. Paul) asked why the county should cover even one name change. Spear said inmates should

have the right to change their name at least once, especially for religious reasons. The bill advances to the floor.

## Public defense budget

At the Weds., Feb. 22, meeting, Crime Prevention Finance Division members continued review of the Public Defense Board's biennial budget request of \$47.7 million for FY 96 and \$47.5 million for FY 97, some \$20 million more than the governor's recommendation.

The division, chaired by Sen. Tracy Beckman (DFL-Bricelyn), focused discussion on the board's request to restore vetoed funding for the 1994 Juvenile Justice Act and provide money for additional attorneys to relieve a backlog of juvenile cases. The board also is seeking funding for equalization of salaries among public defenders throughout the state and to reduce case loads to statewide standards.

According to Kevin Kajer, fiscal director, the governor is recommending just \$2.3 million more than the current year's expenditures, which is not enough to cover increasing costs due to new statutory requirements. The '94 Juvenile Justice Act provides public defenders for any juvenile delinquents, including appeals cases.

Sen. Gene Merriam (DFL-Coon Rapids) asked what the board would do if it did not receive its full request for the biennium. Dick Sherman, chief administrator for State Public Defenders, said the board would set priorities, focusing on the salary equity proposal and reducing case loads. However, he added, some program requirements, such as juvenile appeals cases, may not be met.

The division also began a review of the Public Safety Department budget which oversees a variety of programs. Frank Ahrens, director of fiscal services, presented an overview of Emergency Management, which is responsible for coordination of emergency services during a natural or man-made disaster. The request is for just more than \$3 million to continue disaster prevention measures. Discussion of the budget will continue.

## Education

### Special ed reviewed

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), continued to review the governor's budget proposal Thurs., Feb. 16, focusing their attention on the recommendations for special education.

Under the governor's budget plan, \$648 million in revenue is slated for special education in the next biennium. However, another \$48 million in revenue above what the governor has proposed is needed to meet the funding requirements now in current law.

Tom Melcher, director of finance for the Dept. of Education, discussed the governor's proposal to appropriate \$9.8 million in FY 96 and another \$13.9 million for FY 97 for excess costs districts will have to make up in special education funding in the next biennium.

Due to the difference between current law and the governor's proposal, Melcher said school districts will probably transfer general education funds to cover the excess costs of special education. He said the initiative to be a safety net in easing the impact of those transfers for districts with the greatest amounts of excess costs.

Melcher said it is difficult to determine the amount that there will be in excess costs statewide without knowing how teacher contract settlements effect overall funding. "A three percent increase for inflation is built into the budget proposal," Melcher said, "It's hard to say what districts will do when their per pupil revenue is only increasing by less than one percent each year."

The proposal led the division into a discussion of special education funding in general. Melcher said the rule of thumb in funding special education is that districts receive two-thirds of their funding through categorical formulas. "We assume districts receive the other third through general education funding," he said.

Assistant Commissioner Bob Wedl cautioned against singling out the special education program in taking funds from general education. "Certainly, we're talking about a program that has high costs, but we want to keep in mind that they get more funding to cover those costs," he said, "But other programs, like the International Baccalaureate program, also have high costs and districts transfer funding into those programs to keep them going."

As part of the recommendations, the governor is proposing to extend an alternative funding method now used by the St. Paul School District to all special education funding. The formula gives school districts more flexibility in how the special education funds and program are managed.

The St. Paul schools were given legislative authority to use the alternative approach in 1991. That approach has not necessarily produced actual cost-savings, said Wayne Erickson, director of special education for the Dept. of Education, but the district has served more children with the same amount of revenue.

"There are some revenue increases built into the governor's proposal," Wedl said. "There are also some efficiencies that can be done under current law. But I don't know if those efficiencies will produce the savings that will be needed."

The division will continue to review and discuss the governor's budget proposal.

# Committee update

## Spending reductions reviewed

The governor's recommendations to phase out categorical aid for secondary vocational education and to reduce school districts' contribution rates to teacher's retirement funds were presented Weds., Feb. 22, to the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Tom Melcher, the Dept. Of Education's director of Finance, said the governor is recommending an \$11 million appropriation for secondary vocational programs in FY 96. He said that under the governor's plan, the categorical appropriation for the program would then be eliminated for FY 97. Melcher said the FY 97 aid for secondary vocational programs will be included as part of the funding for the Learner Improvement Program.

The governor's intent, said Melcher, is to give districts more flexibility in deciding how their funds will be used. "We are assuming that districts will decide to continue those programs," he said.

Sen. Gen Olson (DFL-Minnetrista) said she was concerned that districts might choose to not continue those programs. "Secondary vocational programs are expensive to maintain and they are generally underfunded now," she said, "If we don't put money in the pot, they may not continue them at a time when we are saying that providing school-to-work transition programs is important."

Ron Hackett of the Dept. of Finance discussed the recommendation to reduce the rate used to determine the amounts that school districts contribute towards teacher retirement funds. He said actuarial analysis has determined the contribution rate is about 0.8 percent higher than is needed to support the current pension benefits required by law.

Reducing the rate, Hackett said, would lower the amount that school districts contribute by about \$26 million. He said the governor is also recommending that the savings realized by the rate reduction be left at the district level.

The division also discussed an analysis comparing FY 95 funding levels to the governor's budget proposal on a district-by-district basis. Further review of the governor's proposal will continue in the coming week.

## Environment and Natural Resources

### Bills advance

A bill that extends the Blufflands Trail System into Winona County was approved by the Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), at its Tues., Feb. 21, meeting.

S.F. 310, authored by Sen. Steven Morse (DFL-Dakota), authorizes seven communities in Winona County to pursue rights-of-way for the development of a biking and walking trail.

The committee also approved a bill that allows the sale of tax-forfeited land bordering Lake Elizabeth in Kandiyohi County to an adjacent landowner. The bill, authored by Sen. Dean Johnson (R-Willmar), is necessary because the land borders public waters.

In other business, the committee heard an overview of the federal "Beyond Compliance" legislation presented by Darril Wegscheid of 3M Company. The legislation offers an alternative to the Clean Air and Water acts and other federal environmental regulations, Wegscheid said.

The program, if enacted, would be voluntary and implemented through the states, instead of a federal organization. The legislation sets environmental standards and allows companies to decide how to meet them, he said, thus reducing the amount of reporting and paperwork often required with federal regulations.

### Budget overviews

At a Tues., Feb. 21, meeting, members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), heard presentations of several agency budgets for the coming biennium.

Susan Kafka, executive director of the Academy of Science, presented the academy's request of \$36,000 for each fiscal year, which is the same as in FY 95. The money represents about 31 percent of the program's funding. According to Kafka, the academy's mission is to involve Minnesota students in the scientific inquiry process with the help of scientists from industry, government and academia.

Milton Knoll, chair of the Citizens Council on Voyageurs National Park, outlined the council's budget request of \$60,000 for FY 96 and \$62,000 for FY 97, that includes a 3 percent inflationary increase. The council's purpose is to study issues and make recommendations to federal and state agencies that oversee the operation of the national park.

David Dille, city administrator for Orr, Minn., updated division members on an international study of the impacts of water level on fisheries and other industries. The water level of lakes in and around Voyageurs Park has been controversial in recent years because of its effect on the region's two main industries, logging and tourism, Dille said.

Members also heard a budget report from Jim Peterson, president of the Science Museum of Minnesota (SMM). The museum is requesting an inflationary

increase of 3 percent each fiscal year for a total of \$2.3 million for the biennium.

SMM budget overview will continue at coming division meetings.

### Park boundary bill approved

The Environmental and Natural Resources Subcommittee on Public Land and Water, chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake), approved a bill, Weds., Feb. 22, adding a total of about 500 acres to three state parks.

S.F. 548, sponsored by Sen. Steve Morse (DFL-Dakota), adds land to and deletes two sites from the holdings managed by the Dept. of Natural Resources (DNR) State Parks Division. Morse said that because the boundaries of each of the state parks are defined in law, any changes to the boundaries must be brought to the Legislature for approval.

Bill Morrissey of the DNR discussed the land acquisitions in the Morse bill. Under the measure, he said, the boundaries of Forestville Park in Fillmore County will extend to the north and south incorporating 350 acres of new woodland. Morrissey said the area is now managed by the DNR's Forestry Division and adding it to the state park will protect the existing watershed and several threatened species in that area. He also noted the bill allows the DNR to sell 5.5 acres of timberland now held as part of the part to a neighboring landowner.

The bill also changes the boundaries at Gooseberry Falls State Park, in Lake County, to include a 30-acre tract of land just north and east of the park. Expressing a desire to preserve that land from development, Morrissey said the private owners had contacted the DNR about the potential purchase.

In addition to the boundary change, the members also learned of plans to construct a new rest stop and visitor's center at Gooseberry Falls. The construction will be done in conjunction with the work to done on the Highway 61 bridge that spans the falls. To accommodate visitors who wish to use the rest stop and visitor's center, the bill specifies a park permit will not be needed to gain admittance to those facilities.

William O'Brien State Park in Washington County will gain another 125 acres under S.F. 548, Morrissey said. The new land is located on the southern end of the park, he said.

Other provisions in the bill formally change the designation of the John Latsch State Wayside to a state park, and removes the Pine Tree State Wayside in Beltrami County from the DNR's authority. Morrissey said the wayside will become a county park.

The land acquisitions total about \$700,000, Morse said, and the funds in

existing accounts will be sufficient to cover them. The bill was approved and now goes to the full Environment and Natural Resources Committee for consideration.

## Family Services

### Child abuse modifications

In response to false accusations and inconsistent procedural requirements, Sen. Allan Spear (DFL-Mpls.) sponsored S.F. 342, a bill modifying the Child Abuse Reporting Act and increasing protection of the accused in child abuse investigations. Spear explained that the bill, included in the 1994 human services omnibus bill vetoed by the governor, originated from people falsely accused of child abuse who had experienced "bureaucratic and legal nightmares".

The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), considered the bill at its meeting Thurs., Feb. 16. The bill tightens statewide protocols for investigations, including extending immunity provisions to persons investigating abuse. The bill permits the accused to access documentation of mistreatment, requires a preponderance of evidence for conviction, and adds a conflict of interest provision for persons making assessments. The bill also entitles an alleged perpetrator who prevails in a civil action to recover attorney fees and other costs in the action. The provisions will "strengthen the due process rights of those accused and make the system work better," said Spear.

Several witnesses testified to the devastation due to the inconsistent process and lack of accountability in investigations. Greg Olson of the Minnesota Foster Care Association said that thorough state investigation procedures will save children and their families from unnecessary anguish. Discussion and testimony on the bill will continue.

Members also received an overview of federal human service reforms by John Petraborg, deputy commissioner of the Dept. of Human Services. Petraborg explained that federal initiatives may include block grants for states for temporary assistance to needy families. The program, Petraborg said, is a capped entitlement program designed to end government dependency and promote work and marriage. Cash benefits would not be available to children born out of wedlock to minor mothers, and a work requirement may be established. Personal responsibility will be a focus of legislation, Petraborg said. Petraborg explained that much of the current discussion at the federal level will affect Minnesota as soon as this Oct. In addition, he added, the balanced budget amendment may force difficult funding decisions which could seriously affect human service reforms.

## Finance

### Deficiency bill approved

The Finance Committee met Tues., Feb. 21, and approved a proposal to appropriate \$2.17 million to cover budget deficiencies facing three state agencies in FY 95.

The committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), also began its review of a bill appropriating more than \$34 million for environmental and natural resources project. The members also heard presentations on the funding problem facing the Polluted Lands Program and on the management of the state's budget reserve.

S.F. 335, authored by Sen. Dennis Frederickson (IR-New Ulm), proposed supplemental appropriations of \$3.2 million in the current fiscal year to seven state agencies to cover unplanned program costs. Along with the appropriations, the Dept. of Human Services and the Dept. of Agriculture would be allowed to transfer funds from special accounts to other programs.

Frederickson offered an amendment deleting a portion of the appropriations and both fund transfers, leaving \$2.17 million for programs run by the Board of Public Defense, the Minnesota Racing Commission and the Dept. of Veterans Affairs. Merriam said the amendment eliminates those appropriations that are less urgent and that can be dealt with in the regular budget process.

The Public Defense Board will receive \$1.5 million to support the agency's work in a juvenile justice program created by the 1994 Legislature. Sen. Tracy Beckman (DFL-Bricelyn) said the funding replaces part of the \$2.6 million that had been vetoed last session. Another \$600,000 will go to the Dept. of Veterans Affairs to supplement the State Soldiers Assistance Program, and \$77,000 is earmarked for the Racing Commission to cover its costs associated with the reopening of Canterbury Downs.

Both the amendment and bill were approved. The measure now goes to the Senate floor.

The committee also began discussion of S.F. 102, a bill providing appropriations of more than \$34 million to 80 separate environment and natural resources initiatives. The measure, sponsored by Sen. Steve Morse (DFL-Dakota), is the result of the work done by the Legislative Commission on Minnesota Resources (LCMR) since 1993. Morse said the LCMR received more than 500 funding requests, reviewed about 170 of those proposals and appropriated money for the projects in the bill.

Morse said funding for these projects comes from four sources - the Environmental Trust Fund, the Future Resources

Fund, an oil overcharge revenue account, and the Great Lakes Protection account. No general fund appropriations are included in the bill, Morse said. The committee did not act on the measure and will take it up again Mar. 2.

A pollution clean-up grant program set up in 1993 will not have the resources it needs to operate, Jenny Engh, deputy commissioner of the Dept. of Trade and Economic Development, told the committee. She said the funding mechanism created in 1993 has generated only \$58,000 and that more than \$7 million in grant requests have been received. Engh said the program was to have been supported by a special assessment based on the difference in a property's value before and after it was cleaned up. That assessment was expected to have generated about \$2 million each year.

"The situation is we find ourselves with a critical, fundamental issue," said Sen. Randy Kelly (DFL-St.Paul), "Our cities have sites that can be developed and that in turn will create jobs. But first, we need to clean up those sites and we need to make it a priority to decide how this can be funded."

In other business, Commissioner Laura King of the Dept. of Finance discussed how the state's budget reserve is managed. The account, she said, alleviates the need for the state to borrow funds on a short-term basis. But she noted that as expenditures begin to exceed revenues, there will be more pressure on how those funds are managed. "It's important, in the minimum, that we maintain a \$350 million reserve," King said, "Even with this reserve, we are going to be challenged to avoid short-term borrowing to meet our obligations." King also said additional information will be available when the next revenue forecast is issued on Feb. 28.

### Revenue budget heard

The state's tax collection agency presented its proposed budget for the next biennium to the State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), Weds., Feb. 22.

The Dept. of Revenue is proposing a total \$156.8 million budget for the next two fiscal years, said Deputy Commissioner John Lally. In that spending plan, he said the department is seeking general fund appropriations of \$146.4 million.

Lally said the governor is also recommending a \$2 million appropriation for a business process initiative that will allow the department replace several manual filing systems with an automated one in the department's Document Processing Division. The division processes all payments and nearly all tax returns and the initiative will help the department reduce processing costs and errors.

Commissioner Matt Smith said the

# Committee update

governor may recommend that the department receive additional resources to cover the department's costs associated with the \$327 million Cambridge bank settlement. Smith said more than 700 claims have been submitted to the department, some seeking as little as \$1, that must be processed. "It's hard to estimate the total (cost) impact at this point," Smith said. "Settling the claims could tie up a significant portion of our tax staff for a few years. That could affect our ability to deal with other claims."

## Gaming Regulation

### Advertising ban expanded

A last minute amendment that prohibits advertising of all forms of gambling, except at two exempted locations--Indian lands and licensed racetracks--was added onto S.F. 304 by the Gaming Regulation Committee Weds., Feb. 22.

The bill's author, Sen. John Marty (DFL-Roseville), strongly objected to the amendment made by Sen. Thomas Neville (IR-Northfield), saying that Neville's language significantly alters the original intent of S.F. 304.

Marty's proposal is to prohibit advertising of the state lottery with public funds; Neville's amendment expands the ban on all advertising of gaming, whether it be with public or private dollars, except on Indian lands or regulated racetracks.

"The intent of S.F. 304 is to prohibit the use of public money to promote gambling," Marty said, emphasizing that it is the use of tax dollars to promote gambling that he objects to. He said that the bill was drafted specifically to address this problem and suggested that Neville's amendment stand as a separate bill.

In a close vote of 5-4, members adopted the amendment, and laid the bill over for further consideration.

S.F. 92, a bill that allows minors to play bingo for cash at specified church events, when accompanied by a parent or grandparent was presented by Sen. Joe Bertram, Sr. (DFL-Paynesville). "This is not about expanding gambling," Bertram said, "it's about families."

Several Senators aired concerns about the message sent by such a policy, and claimed that it can be viewed as an expansion of gambling. "I think we can say that we agree with the goals of such events--to raise money for schools and such, but it's the end result, the message, that I object to," said Sen. Dean Johnson (IR-Willmar).

Sen. Kenric Scheevel (IR-Preston) agreed, saying "Bingo per se, it not the problem. But providing a very innocent vehicle that legitimizes gambling for kids under 18, is a problem."

Committee Chair, Sen. Charles Berg

(DFL-Chokio) suggested that the bill be laid over for further study, saying that as it stood, he believed the bill would fail. "I don't think you have the votes," Berg said.

But Bertram pointed out that he had presented the bill once before to members, and rather than put it off further, he opted for a vote. The bill failed.

## Governmental Operations and Veterans

### License refunds proposed

A bill requiring a fee refund if a license is not issued within six weeks was presented to the Governmental Operations and Veterans Committee, Weds., Feb. 22.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also laid over bills exempting one advisory council from expiration and reinstating three others.

S.F. 538, authored by Sen. Steve Murphy (DFL-Red Wing), requires state agencies refund the costs of a license to an applicant if that license is not received within six weeks after an application is received. The bill, he said, is intended to hold the agencies accountable for responding more efficiently to license applications. "The bill offers the public a money-back guarantee," Murphy said, "My hope is that the agencies will get a handle on the paper tiger that's been created."

Murphy admitted that some problems have yet to be addressed related to those licenses that require more work than just processing an application. He said the proposal was presented to get it before the committee and asked that the members lay the bill over for further discussion. Sen. John Hottinger (DFL-Mankato) moved to do so, and the committee adopted the motion. Further discussion on the bill is expected next week.

The panel also discussed two bills sponsored by Sen. Pat Piper (DFL-Austin), but delayed action on both measures for further consideration.

Piper first presented S.F. 163, to exempt the Crime Victim and Witness Advisory Council from a state law that requires the council to cease operations in 1997. She said the bill is in response to a 1994 law that terminates a number of commissions and councils on June 30, 1995.

Mary Ellingson, assistant commissioner of the Dept. of Public Safety, said the department could continue the council without statutory authorization. But placing the council in law, she argued, validates such a council at the local level.

"Because something is in statute, people tend to build jobs around it," Sen. Phil Riveness (DFL-Bloomington) said, "I'm not challenging the need for this group,

but many groups are running on autopilot because they are in law. He said the committee needs to consider whether or not to continue an advisory council when the council's responsibilities should be an agency's responsibility. Riveness then moved to lay the bill over and his motion was approved.

S.F. 72 reinstates three advisory councils under the State Board of Medical Practice - the Physical Therapy Council, the Physician Assistant Advisory Council and the Respiratory Care Practitioners' Advisory Council. Piper, the author, said all three were eliminated by action taken in the 1994 session.

Leonard Boche, executive director of the Board of Medical Practice, said the councils are "an efficient method to regulate those practices that state law and rule require to be regulated." He said the board licenses those medical practitioners and the fees from those licenses support the costs of maintaining the councils.

## Health Care

### Budget review continues

Funding of chemical dependency treatment was the focus of the Health Care and Family Services Funding Division meeting on Thurs., Feb. 16. Chaired by Sen. Don Samuelson (DFL-Brainerd), the committee continued to review budget requests for the 1996-1997 biennium.

Shirley Patterson of the Dept. of Human Services explained that the Chemical Dependency Division promotes the availability and quality of chemical dependency prevention, intervention, and treatment services. Activities of the division include management of the Consolidated Chemical Dependency Treatment Fund, which funds treatment services for low-income, chemically dependent Minnesotans. Through a single source with one set of eligibility criteria, the fund combines numerous funding sources such as Medicaid/Medical Assistance (MA), General Assistance Medical Care, state appropriations and federal block grant funds. Patterson noted that there are three tiers of eligibility, depending on individual income levels.

A decrease in funding for the Tier II classification is recommended by the governor. Tier II is a category of services for clients who exceed MA income limits but who have an income less than 60 percent of the state median income, Patterson explained. Cindy Turner of the department noted that the decrease is an effort to adjust imprecise funding distribution among the tiers as mandated by administrative rules. Tier II services, not utilized as often as projections had indicated, experienced a surplus. Turner

said that the rules mandating specific targeting of resources had created more administrative problems for the department. Sen. Sheila Kiscaden (IR-Rochester) expressed concern about reducing treatment services because of administrative difficulty, and wanted to ensure that all clients in need are receiving treatment.

Budget recommendations for the department extend to the Finance and Management Division. Responsible for developing and maintaining information management systems, many division requests include the updating of statewide data management computer programs to respond to federal and state initiatives. Samuelson encouraged the division to revisit computer systems, including the department's billing procedures. "The billing system has gone from bad to worse," Samuelson said, and suggested the possibility of privatizing the process. Sen. Linda Berglin (DFL-Mpls.) concurred, noting that the high cost of changing systems is "frustrating." Dennis Erickson of the department explained the difficulties are due to increasing intricacy of programs, the management of MinnesotaCare, and policy changes which require new systems.

Erickson highlighted one program designed to consolidate the accounts receivable throughout the department. Erickson explained that approximately \$30 million in bad debt toward the state is expected to be recovered.

Discussion of the budget will continue.

### Several bills advanced

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) approved several bills at the Tues., Feb. 21 meeting. S.F. 373, relating to subacute care, was sponsored by Berglin. The bill defines subacute care and requires the commissioners of health and human services to apply for federal waivers and pursue state law changes to remove obstructions to providing subacute care in nursing facilities. This will "create more incentives to moving people out of hospitals and into subacute care stays," Berglin stated. Subacute care costs can be as much as 40 to 60 percent lower than hospital costs, added Berglin.

Gary Hanson of Beverly Enterprises testified that the bill promotes consistency within the field and removes barriers which may prevent efficiency of service delivery.

The bill advances to the floor.

Berglin sponsored another bill, S.F. 417, authorizing the development of long-term care demonstration projects. Looking at models of change for the long-term care delivery system will provide valuable information and evaluation tools, Berglin stated. Helen Frampton of the Even Tide Lutheran Home supported the bill, noting that finding different models will provide

new approaches to payments, increased choices for consumers, and increased flexibility for providers. Frampton said that the long-term care system needs to operate under a combination of systems through a managed care entity. Berglin concurred, adding that current service structures originated from rigid funding streams, and that the models will combine sources resulting in a system that is "less compartmentalized."

The bill advances to the floor.

In other committee action, S.F. 566 was approved and sent to the floor. Authored by Sen. Jim Vickerman (DFL-Tracy), the bill allows Independent School District 518 to continue operating the Lakeview residential program serving children with disabilities at its present location until July 1, 1996. Under the bill, the construction of five cottages is permitted, which is an expansion of the three cottages that were approved in 1994.

Director of the residential program, Mike Donohue explained that the program serves "very unique students with very significant needs" in a 24-hour comprehensive setting.

S.F. 161 was also okayed and sent to the Health Care and Family Services Funding Division. The bill, sponsored by Berglin, authorizes vendors of day training and habilitation services to appeal a decision denying a rate variance request or denying a rate recommended by the county.

### Reimbursement rate discussion

Responding to the lack of adequate Medical Assistance (MA) reimbursement for home care services, Sen. Dallas Sams (DFL-Staples) presented S.F. 212 to the Health Care Committee Weds., Feb. 22.

Beth Krehbiel of the Minnesota HomeCare Association testified that the lack of increases for nursing and home health aide service reimbursement has resulted in a system in which MA home care reimbursement is 25 to 75 percent less than provider costs. "In response to the current situation," Krehbiel said, "although not highly publicized, some home care providers have been limiting their number of MA clients."

Pat Jump of Shamrock In-Home Nursing Care, Inc. concurred that there is problematic situation faced by providers. Jump stated, "the result of this severe shortfall in reimbursement is that care to MA clients is placed in jeopardy." In addition, Jump added that the "problem-riddled billing system" further causes difficulties in serving MA clients.

The bill establishes a new payment method for health care services including home nurses, health aides, and physical, occupational, and speech therapy. Services must be reimbursed at the rate established by Medicare for an agency providing that service in the region. The established limits must be adjusted

annually to reflect Medicare reimbursement increases. Sams noted that home health services are currently being reimbursed at 1984 rates. The bill was laid over for further discussion.

Sams also sponsored S.F. 307, relating to acupuncture practitioner licensure. The bill, similar to a provision vetoed last year in the omnibus human services bill, establishes the licensure procedure for the practice of acupuncture, establishes rules of professional conduct for acupuncturists, and provides oversight by the Board of Medical Practice. Deah Cain, president of the Acupuncture Association of Minnesota, said that the association has been seeking regulation for over 10 years in order to establish standards of competence to protect the public and provide a method of recourse to the public if necessary. Two amendments were offered and approved clarifying the scope of practice for acupuncturists.

The bill was approved and advances to the Governmental Operations and Veterans Committee.

In response to a constituent's unusual situation, Sen. Don Samuelson (DFL-Brainerd) presented S.F. 47, expanding income deductions for institutionalized MA recipients. Samuelson explained that the bill deletes the requirement that in order to qualify for the allowance, a recipient who has children under 18 must have resided with the children immediately prior to admission. The client becomes eligible for MA despite an income level which is elevated, Samuelson explained. Samuelson believes the situation is the only one of its kind. The bill was approved and goes to the funding division.

Members also heard recommendations from the Interagency Board on Nursing Home Moratorium Modifications about the distribution of nursing home beds throughout the state.

Tom Moss, of the Long Term Care Management Division in the Dept. of Human Services, explained that the shifting bed supply in regions can be solved by non-institutional alternatives as well as bed transfers. The current bed supply is adequate and will be until at least the year 2000, Moss said. However, Moss recommended establishing a policy on bed transfers that permits the redistribution of services from overbedded to underbedded areas of the state. A policy should be instituted that also requires the closure of whole facilities before any transfer of beds is permitted, Moss stated. He said that this procedure is more cost effective. In addition, the board recommended coordinating the development of improved information about seniors' housing options and other alternatives.

*Continued on page 10*

# 1995 Senate Committee Assignments

## Agriculture and Rural Development (11)

Chair: Bertram                      Vice Chair: Hanson  
 Office: 323                          Telephone: 296-7405  
 Meets: M, W; 12 noon-2 p.m.; Room 107

Berg	Morse	Scheevel
Dille	Murphy	Stevens
Lesewski	Sams	Vickerman

## Higher Education Division (11)

Chair: Stumpf                      Vice Chair: Price  
 Office: G-24                        Telephone: 296-8660

Kleis	Murphy	Pogemiller
Larson	Neuville	Solon
Moe, R.D.	Ourada	Wiener

## Commerce and Consumer Protection (15)

Chair: Solon                        Vice Chair: Wiener  
 Office: 303                         Telephone: 296-4158  
 Meets: M, W; 12 noon-2 p.m.; Room 112

Anderson	Hottinger	Limmer	Samuelson
Belanger	Janezich	Metzen	
Chandler	Kroening	Oliver	
Day	Larson	Price	

## Environment and Natural Resources (19)

Chair: Lessard                      Vice Chair: Chandler  
 Office: 111                         Telephone: 296-1113  
 Meets: T 2-4 p.m., F 10-2 p.m.; Room 107

Anderson	Johnson, J.B.	Morse	Riveness
Berg	Laidig	Novak	Stevens
Dille	Lesewski	Olson	
Finn	Merriam	Pariseau	
Frederickson	Mondale	Price	

## Crime Prevention (13)

Chair: Spear                        Vice Chair: Anderson  
 Office: G-27                        Telephone: 296-4191  
 Meets: M, W, Th; 2-4 p.m.; Room 15

Beckman	Kelly	Limmer	Neuville
Belanger	Knutson	Marty	Ranum
Cohen	Laidig	Merriam	

## Environment and Natural Resources Finance Division (12)

Chair: Morse  
 Office: G-24                        Telephone: 296-5649

Berg	Johnson, J.B.	Merriam	Price
Finn	Laidig	Olson	Riveness
Frederickson	Lessard	Pariseau	

## Crime Prevention Finance Division (9)

Chair: Beckman  
 Office: 306                         Telephone: 296-5713

Cohen	Knutson	Merriam	Ranum
Kelly	Laidig	Neuville	Spear

## Ethics and Campaign Reform (11)

Chair: Marty                        Vice Chair: Reichgott Junge  
 Office: G-9                         Telephone: 296-8866  
 Meets: T, Th; 12 noon-2 p.m.; Room 107

Cohen	Johnson, D.J.	Pariseau
Day	Laidig	Pogemiller
Johnson, D.E.	Moe, R.D.	Sams

## Education (23)

Co-Chair: Pogemiller              Co-Vice Chair: Krentz  
 Co-Chair: Stumpf                Co-Vice Chair: Price  
 Office: 235                         Telephone: 296-4185  
 Meets: T, W, Th; 10 a.m.-12 noon; Room 112

Beckman	Langseth	Olson	Robertson
Hanson	Larson	Ourada	Scheevel
Janezich	Moe, R.D.	Pappas	Solon
Kleis	Murphy	Ranum	Wiener
Knutson	Neuville	Reichgott Junge	

## Family Services (14)

Chair: Piper                        Vice Chair: Betzold  
 Office: G-9                         Telephone: 296-9248  
 Meets: T, Th; 12 noon-2 p.m.; Room 15

Berglin	Kiscaden	Ourada	Samuelson
Chandler	Kramer	Riveness	Solon
Johnson, J.B.	Krentz	Robertson	Stevens

## Education Funding Division (15)

Chair: Pogemiller                Vice Chair: Krentz  
 Office: 235                         Telephone: 296-7809

Beckman	Langseth	Ranum	Stumpf
Hanson	Larson	Reichgott Junge	
Janezich	Olson	Robertson	
Knutson	Pappas	Scheevel	

## Finance (21)

Chair: Merriam                      Vice Chair: Kelly  
 Office: 122                         Telephone: 296-4157  
 Meets: M, T, W, Th; 4-6 p.m.; Room 123

Beckman	Johnston	Morse	Samuelson
Cohen	Kroening	Neuville	Spear
Frederickson	Laidig	Piper	Stumpf
Johnson, D.E.	Langseth	Ranum	Terwilliger
Johnson, J.B.	Larson	Riveness	

**Finance State Government Division (12)**  
Chair: Cohen  
Office: 317  
Vice Chair: Riveness  
Telephone: 296-5931

Frederickson  
Johnston  
Kelly  
Kroening  
Langseth  
Merriam  
Morse  
Neuville  
Piper  
Terwilliger

**Gaming Regulation (9)**  
Chair: Berg  
Office: 328  
Meets: T, W, F; 8-10 a.m.; Room 107  
Vice Chair: Janezich  
Telephone: 296-5539

Johnson, D.E.  
Lessard  
Marty  
Mondale  
Neuville  
Scheevel  
Spear

**Governmental Operations and Veterans (14)**  
Chair: Metzen  
Office: 303  
Meets: T, W, F; 8-10 a.m.; Room 15  
Vice Chair: Riveness  
Telephone: 296-4175

Beckman  
Bertram  
Hottinger  
Kleis  
Kramer  
Morse  
Pogemiller  
Runbeck  
Stevens  
Stumpf  
Terwilliger  
Wiener

**Health Care (11)**  
Chair: Berglin  
Office: G-9  
Meets: T, W, Th; 10 a.m.-12 noon; Room 15  
Vice Chair: Sams  
Telephone: 296-4151

Betzold  
Finn  
Kiscaden  
Kramer  
Oliver  
Piper  
Samuelson  
Terwilliger  
Vickerman

**Health Care and Family Services Finance Division (12)**  
Chair: Samuelson  
Office: 124  
Telephone: 296-4875

Berglin  
Betzold  
Kiscaden  
Kramer  
Piper  
Riveness  
Sams  
Solon  
Stevens  
Terwilliger  
Vickerman

**Jobs, Energy and Community Development (14)**  
Chair: Novak  
Office: 322  
Meets: T, W, Th; 10 a.m.-12 noon; Room 107  
Vice Chair: Johnson, J.B.  
Telephone: 296-1767

Anderson  
Chandler  
Chmielewski  
Dille  
Frederickson  
Johnson, D.J.  
Kelly  
Kroening  
Lesewski  
Limmer  
Metzen  
Runbeck

**Jobs, Energy and Community Development Finance Division (11)**  
Chair: Kroening  
Office: 124  
Telephone: 296-4302

Anderson  
Chandler  
Chmielewski  
Dille  
Frederickson  
Johnson, J.B.  
Lesewski  
Limmer  
Metzen  
Novak

**Judiciary (12)**  
Chair: Flynn  
Office: G-29  
Meets: M, W; 12 noon-2 p.m.; Room 15  
Vice Chair: Finn  
Telephone: 296-4274

Berglin  
Betzold  
Cohen  
Kiscaden  
Kleis  
Knutson  
Krentz  
Reichgott  
Robertson  
Spear  
Junge

**Metropolitan and Local Government (16)**  
Chair: Vickerman  
Office: 226  
Meets: M, W, Th; 2-4 p.m.; Room 107  
Vice Chair: Mondale  
Telephone: 296-4150

Betzold  
Day  
Flynn  
Hottinger  
Janezich  
Johnston  
Langseth  
Lessard  
Oliver  
Pappas  
Pariseau  
Robertson  
Runbeck  
Wiener

**Rules and Administration (28)**  
Chair: Moe, R.D.  
Office: 208  
Meets: On call  
Vice Chair: Reichgott Junge  
Telephone: 296-4196

Belanger  
Berg  
Berglin  
Bertram  
Chmielewski  
Flynn  
Frederickson  
Johnson, D.E.  
Johnson, D.J.  
Knutson  
Laidig  
Larson  
Lessard  
Marty  
Merriam  
Metzen  
Neuville  
Novak  
Olson  
Piper  
Pogemiller  
Solon  
Spear  
Stumpf  
Terwilliger  
Vickerman

**Taxes and Tax Laws (21)**  
Chair: Johnson, D.J.  
Office: 205  
Meets: M, T, W, Th; 4-6 p.m.; Room 15  
Vice Chair: Pappas  
Telephone: 296-4839

Belanger  
Berglin  
Bertram  
Day  
Dille  
Flynn  
Hottinger  
Marty  
Mondale  
Murphy  
Novak  
Oliver  
Olson  
Pariseau  
Pogemiller  
Price  
Reichgott Junge  
Runbeck  
Sams

**Transportation and Public Transit (14)**  
Chair: Chmielewski  
Office: 325  
Meets: T, W, F; 8-10 a.m.; Room 112  
Vice Chair: Ranum  
Telephone: 296-4186

Belanger  
Day  
Flynn  
Hanson  
Johnston  
Krentz  
Langseth  
Lesewski  
Murphy  
Ourada  
Pappas  
Vickerman

**Transportation and Public Transit Finance Division (8)**  
Chair: Langseth  
Office: G-24  
Telephone: 296-3205

Belanger  
Chmielewski  
Day  
Flynn  
Hanson  
Johnston  
Vickerman

# Committee update

## Jobs, Energy and Community Development

### Affordable housing bill approved

The Economic Development and Housing Subcommittee, chaired by Sen. Ellen Anderson (DFL-St. Paul), recommended S.F. 334 for passage at a Thurs., Feb. 16, meeting. The bill proposes a comprehensive strategy intended to revitalize declining residential neighborhoods. A presentation on mortgage interest deduction was also given by Mary Anderson and Lyle Wray, of the Minnesota Citizen's League.

Sen. Randy Kelly (DFL-St. Paul), authored S.F. 334 and called it "an effort by many people to meet Minnesota's housing needs." The bill provides assistance to contract for deed home buyers, requires a community impact statement before construction of low-income rental housing in targeted neighborhoods, and establishes a rental tax equity pilot project. St. Paul Mayor Norm Coleman, also spoke on behalf of the bill. Coleman called S.F. 334 "a workable bill," and urged members to break the negative cycles in Minnesota's declining neighborhoods by renovating and revitalizing them. Coleman stated, "I have met with people of various economic backgrounds, and all are extremely supportive."

Joan Archer, executive vice president of the Builders Association of Minnesota, testified against the bill stating that, "from an industry standpoint this bill may actually take away help and add confusion." Archer agreed that funding is needed to rectify Minnesota's critical housing problems, but urged members to streamline their efforts by first consulting builders. Kelly stated that the bill "merely takes the successes of housing programs already in place and adds funding." The subcommittee approved the bill and referred it to the funding division.

Mary Anderson and Lyle Wray, of the Minnesota Citizen's League, offered an informal presentation on mortgage interest deductibility as it relates to regional housing challenges. The Citizen's League proposed that the Legislature designate housing in the Metropolitan Area as a regional system and charge the Metropolitan Council with taking the leadership to propose housing policy objectives and implementation strategies. They also suggested that the state cut across-the-board subsidies provided to homeowners, regardless of their incomes.

### Workers comp testimony continues

The Jobs, Energy and Community Development Subcommittee on Employ-

ment, chaired by Sen. Kevin Chandler (DFL-White Bear Lake), met Tues., Feb. 21, to hear testimony from the Minnesota Employer-Employee Attorneys Committee. The group introduced a 16-point plan for workers compensation reform, addressing such issues as reducing litigation, and creating a balanced benefit structure for employers and employees.

Steve Hawn, co-chair of the Minnesota Trial Lawyers Workers Comp Committee, testified with Peter Pustorino, chair of the Minnesota Defense Lawyers Workers Comp Committee. The 16-point plan introduced by Hawn and Pustorino, aims to reduce litigation by creating a permanent partial disability payment based on percentage of disability to the whole body. This permanent pay schedule differs from the current system of compensation. Under the current system, companies which are unable to place injured workers in alternate positions are forced to pay large compensation fees, while companies with more diverse placement resources pay less. Settling on one payment schedule, the attorneys committee argued, would provide physically capable employees with an incentive to return to work.

The attorneys committee also suggested that members consider repealing many of the rules recently introduced by the Department of Labor and Industry. They also urged members to consider merging the litigation functions of the Department of Labor and Industry into the Office of Administrative Hearings.

The subcommittee will continue to hear testimony on the issue of litigation in workers compensation at a later date.

### Landlord utility bill okayed

A bill aimed at stopping alleged abuses and inaccuracies in some renters' utility billings cleared the Jobs, Energy and Community Development Committee at the Weds., Feb. 22, meeting.

S.F. 249, authored by Sen. Janet Johnson (DFL-North Branch), requires owners of multi-unit residential buildings with a single meter to be the customer of record in the service contract with the utility. Johnson said that when there is only one meter, tenants are sometimes charged for utilities used by other tenants and by commercial enterprises in their buildings. She said that the issue is raised every year by the state's 36 legal aid offices, and that the Attorney General's Office receives many calls from people who believe they are being charged for other tenants' utility usage. The bill, Johnson said, is supported by the PUC and the Attorney General's Office. S.F. 249 goes next to the Judiciary Committee.

The committee also approved H.F. 435, sponsored by committee chair Sen. Steven Novak (DFL-New Brighton). The

bill allows gas utilities, given the approval of the Public Utilities Commission (PUC), to adopt a competitive rate plan using a framework of market factor benchmarked rates.

The bill, according to Betsy Engelking of the PUC, is the result of a two-year consensus building process with utilities that was initiated by the PUC. Engelking said the bill provides incentives to buy gas at the lowest price. Under the measure, utilities must share the cost savings with customers, including residential customers. The amount of the shared portion is determined by the PUC on a case by case basis. The bill also requires that the competitive rate plan include a penalty if the requirements of the plan are not met, effectively penalizing participating utilities for purchasing gas at too high a price.

H.F. 435 now goes to the Senate floor.

## Judiciary

### Child support bill discussed

The Judiciary Family Law Subcommittee, chaired by Sen. Don Betzold (DFL-Fridley), held an evening hearing Tues., Feb. 21, to consider a bill providing for enforcement of child support obligations. The bill, S.F. 217, authored by Sen. Richard Cohen (DFL-St. Paul), contains seven initiatives designed to aid in the collection of child support.

The measure provides for a streamlined employment reporting program to aid in garnishing wages from paychecks for child support; authorizes the revocation of drivers licenses from parents who refuse to pay child support and places liens on their vehicles; provides for a pilot program for parents who cannot pay child support because they are unemployed to do community service instead; provides for a visitation mediation pilot program; sets up an on-going public education campaign to change public attitudes about child support; and provides for a child support assurance welfare reform initiative.

Debate during the hearing centered primarily on the provisions dealing with the employment reporting program and drivers license suspensions. The bill sets forth a more streamlined procedure for employers to report hiring new workers by simply requiring that the employers send a copy of each new hire's W-4 form or W-9 form to an employment registry maintained by the Dept. of Human Services. The department then cross-references the data against the registry's database of child support obligors and automatically generate an income withholding order.

An amendment, offered by Cohen, changed the term "employee" to "worker." According to Tammy L. Pust of the Attorney General's Office, the change is

designed to eliminate confusion and yet be broad enough to include both employees and independent contractors. The amendment also allows employers to report by filing any hiring document in addition to a W-4 or W-9 form. Another provision of the amendment adds an exemption for household workers. The amendment was adopted.

Joseph Mariano, testifying on behalf of the Direct Sellers Association, objected to the inclusion of independent contractors in the reporting requirements. According to Mariano, the majority of individuals who do direct sales, such as Amway or Mary Kay Cosmetics salespeople, are in the business because of the independence the business offers. Mariano said requiring businesses to collect information and report on independent contractors would have a chilling effect on recruiting and that the burden would far outweigh the benefit.

Mark Nygaard, testifying on behalf of R-KIDS, said the provisions for employment reporting and drivers license suspension exemplify a hostile and retributive attitude that appears to be counterproductive to the enforcement of child support obligations. Nygaard also argued that the bill does not take into account computer errors or the time lag between when the employer withholds the child support and the actual payment.

Jean Holloway representing the Childrens Defense Fund argued, however, that the provisions were not unduly burdensome. "Even if it were a burden, it would be worth the effort in terms of reducing child poverty," she said.

The bill provided for covering the cost of employee reporting by allowing employers to deduct a one-time charge of \$2 from the employee's initial earnings. Sen. Sheila Kiscaden (IR-Rochester) offered an amendment, which was subsequently adopted, to delete the \$2 charge provision.

Members also discussed the provision authorizing suspension of drivers licenses for nonpayment of support. Discussion centered on the notion that depriving an obligor of a license may prevent the obligor from working and paying child support. Members considered several alternatives but took no action. The measure was laid over.

### **Gov liability limits bill okayed**

A bill raising tort liability limits for claims against governmental units was approved by the Judiciary Committee at a meeting Wed., Feb. 22. The bill, S.F. 230, increases the limits for individual claims and for multiple claims stemming from a single occurrence. Much of the discussion on the measure, sponsored by Sen. Randy Kelly (DFL-St. Paul), revolved around the actual amounts of the increase.

The bill originally increased the limit for individual claims from \$200,000 to \$250,000 and raised the limit for multiple claims arising out of single occurrence from \$600,000 to \$750,000 for claims arising on or after Jan. 1, 1996. In addition, the measure raised the limit for multiple claims to \$1 million for claims arising on or after Jan. 1, 2000. Several individuals, representing local governmental units, testified that liability limits are necessary in order to strike a balance between the interest of the taxpayers and an individual seeking damages. Joel Jamnik of the League of Minnesota Cities said cities realize the limits must be reviewed periodically for fairness. St. Paul City Attorney Tim Marx said liability caps are a reasonable balance of interests.

An amendment, offered by Sen. Richard Cohen (DFL-St. Paul), set different dollar amounts for the limits. Under the amendment, the limit for a single claim is \$500,000 and the limit for multiple claims from one occurrence is \$1.5 million. However, the amendment was amended to set the limit for a single claim at \$300,000 and to delete the \$1.5 million figure. The Cohen amendment was adopted. Thus, the bill specifies that the liability limit for a single claim is \$300,000 and for multiple claims arising from a single occurrence is \$750,000 for claims arising on or after Jan. 1, 1996. The limit for multiple claims is increased to \$1 million for claims arising on or after Jan. 1, 2000. The bill was approved and sent to the full Senate.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), also approved a bill allowing medical examiners to share data with a state or federal agency investigating a death. The measure, S.F. 229, authored by Sen. Sheila Kiscaden (IR-Rochester), was sent to the Senate floor.

## **Metropolitan and Local Government**

### **Financial audit bill okayed**

Members of the Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Wed., Feb. 22, and advanced two bills to the full Senate.

S.F. 265, authored by Sen. Dallas Sams (DFL-Staples), clarifies the requirements for financial audits in cities and towns in which the offices of clerk and treasurer are combined. Under the bill, in cities and towns that have less than \$100,000 annual revenue, the financial audit must only be performed once every five years and need only be for one year. The measure also clarifies that for cities operating under Optional Plan A, the audit shall be for a one-year period, the actual year to be determined by the person performing the audit. Optional

Plan A cities are those cities that provide for the appointment of the clerk-treasurer. The bill was advanced to the Senate floor.

In other action, the committee also approved a bill making numerous technical changes to laws relating to metropolitan government. S.F. 281, authored by Sen. Carol Flynn (DFL-Mpls.), primarily clarifies language and removes obsolete references. The measure was recommended for passage and placement on the Consent Calendar.

## **Taxes and Tax Laws**

### **Empowerment zones discussed**

A bill providing for empowerment zones in areas with declining property values was the focus of debate at the Wed., Feb. 22, meeting of the Taxes and Tax Laws Subcommittee on Property Tax. S.F. 301, authored by Sen. Linda Berglin (DFL-Mpls.), provides for streamlining and simplifying county administrative procedures in order to fund the empowerment zone initiative.

Hennepin County Commissioner Mark Andrew, testifying in support of the bill, said the measure is designed to aid economic development by creating jobs to work on land reclamation projects in distressed neighborhoods. The resulting greenways and park-like areas would then act as a magnet for attracting business development and help raise adjacent property values.

Subcommittee members, chaired by Sen. John Hottinger (DFL-Mankato), generally applauded the innovative concepts contained in the bill but expressed some concerns about the details of implementation. Hottinger said that the bill would lie over in order for members to further study the measure.

In other action the panel advanced two bills to the Subcommittee on Income and Sales Tax and sent one measure to the full committee. S.F. 93, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), authorizes Stearns County to refund the money paid by the city of Melrose for the acquisition of a building. The measure was approved and advanced to the full committee.

S.F. 514, sponsored by Sen. Len Price (DFL-Woodbury), is a Revenue Department technical bill. The measure makes numerous changes of a technical nature in provisions relating to property, sales and income taxes. Subcommittee members reviewed the sections of the bill relating to property taxes, approved the measure and referred it to the Subcommittee on Income and Sales Tax.

A similar process occurred for S.F. 513, sponsored by Hottinger. The measure is a departmental bill outlining tax policy in several areas including the treatment of park trailers, the frequency of mailing valuation notices, the treatment of cooperatives and leasehold cooperatives,

# Committee update

the treatment of fraudulent homesteads, the ceiling and floor for delinquent tax interest rates, the penalties for failure to issue certificate of rent paid statements and the timing of local government aid payments. The measure was approved and sent to the Subcommittee on Income and Sales tax for further review.

## Transportation and Public Transit

### License fee refund bill

People applying for Minnesota drivers licenses will get their money back if their license is not received within six weeks, according to a bill authored by Sen. Steve Murphy (DFL-Red Wing).

Murphy presented the bill to members of the Transportation and Public Transit Finance Division, chaired by Sen. Keith Langseth (DFL-Glyndon), at a meeting held Tues., Feb. 21. Members approved the bill, which advances to the full committee.

The bill requires the Department of Public Safety to refund the fee paid by an applicant who does not receive a drivers license, permit or identification card within six weeks of application. The refunds are valid for applications submitted on or after July 1.

The refunds are in response to constituent concerns heard by many Legislators over the last few months, Murphy said. Because of problems with switching to a digitized licensing process, about 30,000 of 350,000 applications, were lost or defective. Some applicants still have not received licenses after six months.

It is an attempt to "hold our own feet to the fire," Murphy said, adding the bill is submitted in conjunction with another that ensures all state license and permit applications are dealt with promptly.

Sen. William Belanger, Jr. (IR-Bloomington) opposed the bill, saying it did not address the real problem of correcting the contracting process at the department level. He suggested a legislative audit of the procedures to determine why the "fiasco" happened in the first place. He also asked how the refunds would affect the department's budget.

Murphy said he has not estimated the budget impact, but added the department should be nearly caught up with the backlog of applications by July. He said he believed the bill does deal with the problem from a citizen's perspective, by making government pay for its mistakes. "I know of no better way to make a department solve a problem than to take money away," he said.

Sen. Terry Johnston (IR-Prior Lake) also opposed the bill, stating the reason the bill was written was because of the public outcry. She cautioned the Senators

against a knee-jerk reaction, especially with another bill proposed to deal with all state licensing.

In other business, the committee heard budget reports from the Transportation Regulation Board (TRB) and the Minnesota Safety Council. According to Commissioner Richard Helgeson, the TRB is proposing to sunset itself after a year of studying how to deal with the federal de-regulation of the trucking industry.

### LRT plans continue

Some 73 percent of car owners in the seven-county Metro Area believe development of light rail transit (LRT) is a good idea, according to a survey done in August 1994 by the Metro LRT Joint Powers Board.

At a Weds., Feb. 22, meeting, Commissioner John Finley, chair of the board, presented an update on the status of LRT to members of the Transportation and Public Transit Committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake).

Planning is underway on three elements of a central corridor LRT line, according to Finley, including alignment in downtown Minneapolis, economic development and land use, and low-floor vehicle technology. The first-priority central corridor involves an 11-mile route running from Union Depot in downtown St. Paul, to the Convention Center in downtown Minneapolis. The 20 stations in between would include the State Capitol, the Westgate business district, the Metrodome, and the University of Minnesota. Estimated ridership is 33,700 per day by the year 2010.

Finley said fares for LRT would be consistent with bus fares. LRT would replace existing express bus services in the corridor, and will be integrated with improved bus service and linked to other transit modes throughout the area.

Finley and others who testified at the meeting pointed to the success of LRT in St. Louis, Mo., which opened an 18-mile line in July 1993. Daily ridership exceeds projections by some 200 percent, and 79 percent of the people using the new LRT line are new to public transit.

Bill Beyer of the American Institute of Architects, Minneapolis Chapter, was among seven others who testified in favor of LRT. Beyer said studies of cities throughout the world showed LRT helped create a higher quality of living. He and others ticked off a variety of benefits, including lowered traffic congestion, improved air quality, increased viability of the downtown areas, and better use of land.

Barb Thoman, a citizen of St. Paul, has been studying the feasibility of LRT in the

Metro Area for several years from a citizen's perspective and supports the development. "I am willing to pay higher taxes to get it," she said. "We can't afford not to."

Lyle Wray, executive director of the Citizens League, however, does not agree that integrating LRT in a metropolitan transit plan will solve the anticipated traffic problems of the future. The issue is urban sprawl, he said, and the solution lies in creative land use planning and increasing the density of urban areas, thereby putting less emphasis on transportation.

In other business, the committee agreed to lay over S.F. 537, a bill authored by Sen. Steve Murphy (DFL-Red Wing) that allows refunds of license fees if an applicant does not receive a license within six weeks.

Katherine Burke-Moore of the Department of Public Safety testified on the matter, saying she would like to see some changes in the bill's language. She added the department expects to be responding within six weeks of all license applications by July.

Members questioned the financial impact of the bill. Others also asked if the bill could address situations beyond the department's control that caused licenses to be delayed. The bill is expected to return to the committee next week.

## Floor action

### Mock election bill passed

The Senate met for a brief floor session Tues., Feb. 21, and granted final passage to two bills. S.F. 168, authored by Sen. Sam Solon (DFL-Duluth), provides for simulated elections for minors to be held in regular polling places. The measure gained final passage on a vote of 46-20.

Members also granted final passage to one bill on the Consent Calendar. S.F. 91, sponsored by Sen. Harold "Skip" Finn (DFL-Cass Lakes), expands eligibility for participation as a provider in the state compulsive gambling program.

Senators also granted concurrence and repassage to a bill, S.F. 75, clarifying the requirements relating to filing notices of mechanics' liens. The measure was sponsored by Sen. Don Betzold (DFL-Fridley).

## Frequently called numbers

Senate Information	296-0504
Committee hotline	296-8088
TDD	296-0250
Copies of bills (voice mail)	296-2343

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# Preview

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## The Minnesota Senate Week at a Glance

Monday, February 27

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Continuation - budget review for the Dept. of Natural Resources.

The Senate will meet at 11 a.m.

### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

12 noon Room 107 Capitol

Agenda: S.F. 327-Lessard: Requiring drainage authorities to maintain town road bridges and culverts located on a drainage system. S.F. 404-Berg: Increasing the maximum increment for ethanol projects exempt from state aid reductions. S.F. 257-Morse: Soil and water conservation district boards.

### Commerce and Consumer Protection Subcommittee on Insurance

Chair: Sen. John Hottinger

12 noon Room 112 Capitol

Agenda: Continuation - S.F. 121-Sams: Insurance claims payment refusal remedies.

### Judiciary Committee

Chair: Sen. Carol Flynn

12 noon Room 15 Capitol

Agenda: S.F. 218-Robertson: Providing for care of children by noncustodial parents. S.F. 206-Merriam: Eliminating a sunset on computer matching agreement requirements. S.F. 293-Betzold: Providing for prompt payment of subcontractors of municipal contractors. S.F. 303-Finn: Providing for the form and record of certain assignments. Report of the Legislative Auditor on Guardians Ad Litem.

### Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 512-Spear: Vulnerable Adults Act revision.

### Jobs, Energy and Community Development Funding Division

Chair: Sen. Carl Kroening

2 p.m. Room 112 Capitol

Agenda: Overview of the budget for the Dept. of Trade and Economic Development (DTED). Presentation, representatives of women's business groups.

### Legislative Commission on Employee Relations

7 p.m. Room 107 Capitol

Agenda: Election of officers. Adoption of rules. Adoption of the proposed FY 1996-97 budget. Presentation on interest arbitration.

Tuesday, February 28

### Gaming Regulation Committee

Chair: Sen. Charles Berg

8 a.m. Room 107 Capitol

Agenda: S.F. 304-Marty: Prohibits advertising in connection with the lottery (as amended). S.F. 618-Berg: Resolution amending the Indian Gaming Regulatory Act.

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

8 a.m. Room 15 Capitol

Agenda: S.F. 459-Novak: Resolution, Taiwan, United Nations. S.F. 359-Metzen: Reimbursement for bomb squad, hazardous response teams. S.F. 557-Flynn: Ratifying certain labor agreements. S.F. 306-Lesewski: Governor's work force development council.

### Transportation and Public Transit Finance Division

Chair: Sen. Keith Langseth

8 a.m. Room 112 Capitol

Agenda: Overview of the budget, Dept. of Transportation.

### Education Funding Division

Chair: Sen. Lawrence Pogemiller

10 a.m. Room 112 Capitol

Agenda: Review of the governor's budget

recommendations for community and family education, education facilities and equipment, education organization and cooperation, and Access to Excellence.

### Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

Agenda: S.F. 577-Janezich: Nursing home administrators. Testimony - governor's budget recommendations.

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

12 noon Room 123 Capitol

Agenda: Budget review for the Pollution Control Agency.

### Ethics and Campaign Reform Committee

Chair: Sen. John Marty

12 noon Room 107 Capitol

Agenda: Presentation on S.F. 115-Flynn: Grove Commission recommendations. Presentation on S.F. 2-Larson: Election changes.

### Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

2 p.m. Room 107 Capitol

Agenda: S.F. 548-Morse: Additions and deletions to state park system. Possible additions - S.F. 174-Lessard: Continuing the authorization for residents under age 16 to take deer of either sex; S.F. 343-Olson: Requiring financial security for certain fishing contests.

### Finance State Government Division

Chair: Sen. Richard Cohen

4 p.m. Room 318 Capitol

Agenda: Overview of the budget for the Dept. of Administration.

### Tax and Tax Laws Committee

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: Review of the February forecast. Review of the governor's supplemental budget recommendations. Discussion on the price of government. S.F. 513-

Hottinger: Dept. of Revenue policy bill. S.F. 514-Price: Dept. of Revenue technical bill.

### **Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*  
6 p.m. Room 107 Capitol

**Agenda:** Continuation - governor's budget recommendations, Dept. of Human Services.

**Wednesday, March 1**

### **Transportation and Public Transit Committee**

*Chair: Sen. Florian Chmielewski*  
8 a.m. Room 112 Capitol

**Agenda:** S.F. 573-Murphy: Requiring drivers license fee refunds. S.F. 224-Samuelson: Allowing the option to register recreational trailers for three years. S.F. 522-Stumpf: Allowing school authorities to appoint non-pupil adults to school safety patrols. S.F. 264-Lesewski: Abolishing a separate review process for commercial drivers license disqualification. S.F. 341-Ourada: Limiting license plate impoundment provisions to self-propelled motor vehicles. H.F. 383-Ourada: Traffic regulations. S.F. 348-Johnston: Clarifying power to appoint motor vehicle deputy registrars. S.F. 358-Johnston: Applying odometer disclosure laws to motor vehicles regardless of age. S.F. 528-Johnston: Requiring adult motorcycle riders to wear eye protection device.

### **Health Care Committee**

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol

**Agenda:** S.F. 337-Krentz: ENABL. S.F. 486-Hottinger: Nursing facility rental per diem. S.F. 515-Hottinger: State agency hearings, MA prior authorization. S.F. 386-Berglin: Nursing home moratorium exceptions.

### **Higher Education Division**

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol

**Agenda:** Discussion on University of Minnesota Health Sciences, Mayo, and Higher Education Coordinating Board (HECB) programs. Continuation - budget presentation, Minnesota State Colleges and Universities (MNSCU).

### **Agriculture and Rural Development Committee**

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol

**Agenda:** S.F. 443-Frederickson: Exempting districts established for the purpose of constructing or expanding an agriculture processing facility from aid reductions. S.F. 368-Lesewski: Clarifying the employment status of certain farm crisis assistance personnel. S.F. 429-Morse: Eliminating the sunset date for the Farmer-Lender Mediation Act.

### **Commerce and Consumer Protection Committee**

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol

**Agenda:** Presentation on genetic testing, Dr. Paul Billings, Stanford University School of Medicine; Dr. Chambers, Lincoln National Life Insurance Company. S.F. 34-Wiener: Medicare supplement insurance policies coverage for diabetic equipment and supplies. S.F. 139-Solon: Viatical bill. S.F. 318-Lesewski: Crop hail insurance rates filing date modification. S.F. 353-Bertram: Dice in licensed liquor establishments.

### **Judiciary Committee**

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol

**Agenda:** To be announced.

### **Permanent and Joint Rules Subcommittee of Rules**

*Chair: Sen. Ember Reichgott Junge*  
12 noon Room 237 Capitol

**Agenda:** Discussion on proposals to amend Senate Rules and Joint Rules.

### **Environment and Natural Resources Subcommittee on Public Lands and Water**

*Chair: Sen. Harold "Skip" Finn*  
2 p.m. Room 112 Capitol

**Agenda:** S.F. 127-Terwilliger: Authorizing conveyance of tax-forfeited land in Hennepin County. S.F. 273-Price: Providing for the classification of water supply systems and wastewater treatment facilities. S.F. 406-Price: Appropriating money to the DNR for exploration of groundwater supplies. S.F. 407-Price: Providing penalties for misrepresentations regarding environmental matters. S.F. 496-Price: Requiring analysis of water quality and quantity data.

### **Crime Prevention Finance Division**

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol

**Agenda:** Budget review for the Dept. of Public Safety.

### **Finance State Government Division**

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol

**Agenda:** Continuation - overview of the budget for the Dept. of Administration. Information Policy Office recommendations. Energy efficiency issues.

### **Taxes and Tax Laws Subcommittee on Property Tax**

*Chair: Sen. John Hottinger*  
4 p.m. Room 15 Capitol

**Agenda:** Continuation - S.F. 301-Berglin: Empowerment zones initiative, planning, and funding.

### **Legislative Commission on Pensions and Retirement**

*Chair: Rep. Richard Jefferson*  
5:30 p.m. Room 10 SOB

**Agenda:** Consideration of the commission's FY 1996-97 budget request. H.F. 119-Greiling, S.F. 338-Krentz: Employer contribution obligations for certain part-time teachers. H.F. 669-Pugh, S.F. 361-Metzen: Forfeiture of survivor benefits if survivor caused member death. H.F. 465-Pugh, S.F. 422-Metzen-Early retirement incentive for West St. Paul city official. H.F. 689-Pugh, S.F. 460-Metzen: PERA-P&F; benefit for West St. Paul Police survivor. H.F. 99-Brown: Service credit purchase by Swift County employee. H.F. 116-Rukavina, S.F. 177-Janezich: Eveleth Police and Fire, Retiree Benefit Increase. H.F. 152-Mares, S.F. 101-Chandler: Purchase of Sabbatical Leave Service Credit. H.F. 189-Jaros, S.F. 148-Solon: Early retirement incentive eligibility for certain technical college teacher. H.F. 293-Jaros, S.F. 234-Solon: Military service credit purchase by St. Louis County employee. H.F. 271-Dorn, S.F. 187-Hottinger: Subsidized bounceback feature for term certain optional annuities. Increase in Fire State Aid appointments - H.F. 48-Bertram, S.F. 17-Bertram; H.F. 134-Bertram; H.F. 155-Cooper; H.F. 163-Leighton; H.F. 165-Schumacher; H.F. 313-Hackbarth, S.F. 256-Runbeck; H.F. 424-Hasskamp; H.F.

755-Johnson, R. Increase in Police State Aid appointments - H.F. 746-Jefferson, S.F. 617-Solon: Police pension plans; reporting by domestic mutual insurance companies.

### **Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*

6 p.m. Room 123 Capitol

**Agenda:** Continuation - governor's budget proposals, Dept. of Human Services.

### **Joint House and Senate Subcommittee on Claims**

*Co-Chairs: Sen. Randy Kelly and Rep. Edgar Olson*

6 p.m. Room 500N SOB

**Agenda:** Property and injury claims against the Dept. of Corrections.

### **Judiciary Subcommittee on Family Law**

*Chair: Sen. Don Betzold*

6 p.m. Room 112 Capitol

**Agenda:** S.F. 217-Cohen: Child support.

### **Legislative Commission on Employee Relations**

7 p.m. Room 107 Capitol

**Agenda:** Presentation, testimony, and adoption of a commission bill implementing recommendations on interest arbitration.

## **Thursday, March 2**

### **Rules and Administration Committee**

*Chair: Sen. Roger Moe*

8 a.m. Room 15 Capitol

**Agenda:** Personnel issues. Update on the NCSL Study of the Senate personnel system.

## **The Senate will meet at 9 a.m.**

### **Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*

10 a.m. Room 112 Capitol

**Agenda:** S.F. 601-Robertson: School bus safety.

### **Health Care Committee**

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** Presentation of reports on hospital studies, Ann Damon, assistant commissioner, Dept. of Health; Donna Peterson, director, Maternal and Child Health, Dept. of Human Services. S.F. 410-Marty: Statewide drug formulary.

### **Legislative Commission on Planning and Fiscal Policy**

*Chair: Sen. Roger Moe*

12 noon Room 15 Capitol

**Agenda:** Discussion on the price of government resolution.

### **Ethics and Campaign Reform**

*Chair: Sen. John Marty*

12 noon Room 107 Capitol

**Agenda:** Presentation of election bills - S.F. 269-Betzold; S.F. 291-Novak; S.F. 37-Laidig.

### **Crime Prevention Committee**

*Chair: Sen. Allan Spear*

2 p.m. Room 15 Capitol

**Agenda:** S.F. 287-Lesewski: Video arraignments. S.F. 632-Betzold: Fleeing a peace officer.

### **Jobs, Energy and Community Development Funding Division**

*Chair: Sen. Carl Kroening*

2 p.m. Room 123 Capitol

**Agenda:** Overview of the budget for Minnesota Technology, Inc. Presentations from the Natural Resources Research Institute, Minnesota Project Innovation, Minnesota Inventors Congress, Cold Weather Resource Center, Minnesota Technology Corridor Corporation, and the Minnesota Council for Quality.

### **Metropolitan and Local Government Committee**

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** S.F. 387-Berg: Authorizing Swift County to establish a rural development finance authority. S.F. 494-Morse: Authorizing Winona County to enter into a contract for deed with a county developmental achievement center. H.F. 37-Chmielewski: Allowing the towns of Glen and Kimberly in Aitkin County to have an alternative annual meeting day.

### **Finance Committee**

*Chair: Sen. Gene Merriam*

4 p.m. Room 123 Capitol

**Agenda:** Budget forecasts and the governor's supplemental recommendations, Laura King, commissioner, Dept. of Finance. Confirmation hearing - Laura King, commissioner, Dept. of Finance. Continuation - S.F. 102-Morse: LCMR bill on Environmental Trust Fund and Future Resources Fund appropriations.

### **Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*

6 p.m. Room 112 Capitol

**Agenda:** S.F. 276-Novak: School enrichment partnership program. S.F. 450-Hottinger: LeSueur-Henderson school district levy adjustment.

## **Friday, March 3**

### **Transportation and Public Transit Finance Division**

*Chair: Sen. Keith Langseth*

8 a.m. Room 112 Capitol

**Agenda:** Overview of the budget, Dept. of Transportation.

### **Environment and Natural Resources Committee Subcommittee on Environmental Protection**

*Chair: Sen. Kevin Chandler*

10 a.m. Room 107 Capitol

**Agenda:** S.F. 290-Kelly: Contamination cleanup grant. S.F. 345-Stumpf: Wastewater infrastructure funding program. S.F. 445-Lesewski: Requiring the PCA to permit operation of waste combustors. S.F. 507-Novak: Petroleum tank release cleanup fund. S.F. 638-Runbeck: Requiring the PCA to meet with parties before issuing a penalty.

### **Legislative Commission on Planning and Fiscal Policy**

*Chair: Sen. Roger Moe*

10 a.m. Room 15 Capitol

**Agenda:** Discussion on the price of government resolution.

### **Environment and Natural Resources Finance Division**

*Chair: Sen. Steven Morse*

12 noon Room 107 Capitol

**Agenda:** Continuation - budget review for the Dept. of Natural Resources.

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Party	Phone	Name	Room	Dist.					
DFL	5537	Anderson, Ellen R.	G-27	Cap. 66	DFL	5645	Marty, John	G-9	Cap. 54
DFL	5713	Beckman, Tracy L.	306	Cap. 26	DFL	4154	Merriam, Gene	122	Cap. 49
IR	5975	Belanger, William V., Jr.	113	SOB 41	DFL	4370	Metzen, James P.	303	Cap. 39
DFL	5094	Berg, Charles A.	328	Cap. 13	DFL	2577	Moe, Roger D.	208	Cap. 2
DFL	4261	Berglin, Linda	G-9	Cap. 61	DFL	7-8065	Mondale, Ted A.	226	Cap. 44
DFL	2084	Bertram, Joe, Sr.	323	Cap. 14	DFL	5649	Morse, Steven	G-24	Cap. 32
DFL	2556	Betzold, Don	G-24	Cap. 48	DFL	4264	Murphy, Steve L.	301	Cap. 29
DFL	9307	Chandler, Kevin M.	111	Cap. 55	IR	1279	Neuville, Thomas M.	123	SOB 25
DFL	4182	Chmielewski, Florian	325	Cap. 8	DFL	4334	Novak, Steven G.	322	Cap. 52
DFL	5931	Cohen, Richard J.	317	Cap. 64	IR	4837	Oliver, Edward C.	121	SOB 43
IR	9457	Day, Dick	105	SOB 28	IR	1282	Olson, Gen	119	SOB 34
IR	4131	Dille, Steve	103	SOB 20	IR	5981	Ourada, Mark	145	SOB 19
DFL	6128	Finn, Harold R. "Skip"	306	Cap. 4	DFL	1802	Pappas, Sandra L.	G-27	Cap. 65
DFL	4274	Flynn, Carol	G-29	Cap. 62	IR	5252	Pariseau, Pat	109	SOB 37
IR	8138	Frederickson, Dennis R.	139	SOB 23	DFL	9248	Piper, Pat	G-9	Cap. 27
DFL	3219	Hanson, Paula E.	328	Cap. 50	DFL	7809	Pogemiller, Lawrence J.	235	Cap. 59
DFL	6153	Hottinger, John C.	G-29	Cap. 24	DFL	7-8060	Price, Leonard R.	235	Cap. 57
DFL	8017	Janezich, Jerry R.	328	Cap. 5	DFL	7-8061	Ranum, Jane B.	325	Cap. 63
IR	3826	Johnson, Dean E.	147	SOB 15	DFL	2889	Reichgott Junge, Ember D.	205	Cap. 46
DFL	8881	Johnson, Douglas J.	205	Cap. 6	DFL	7-8062	Riveness, Phil J.	317	Cap. 40
DFL	5419	Johnson, Janet B.	322	Cap. 18	IR	4314	Robertson, Martha R.	125	SOB 45
IR	4123	Johnston, Terry D.	117	SOB 35	IR	1253	Runbeck, Linda	107	SOB 53
DFL	5285	Kelly, Randy C.	122	Cap. 67	DFL	7-8063	Sams, Dallas C.	G-9	Cap. 11
IR	4848	Kiscaden, Sheila M.	143	SOB 30	DFL	4875	Samuelson, Don	124	Cap. 12
IR	6455	Kleis, Dave	151	SOB 16	IR	3903	Scheevel, Kenric J.	129	SOB 31
IR	4120	Knutson, David L.	133	SOB 36	DFL	4188	Solon, Sam G.	303	Cap. 7
IR	8869	Kramer, Don L.	131	SOB 47	DFL	4191	Spear, Allan H.	G-27	Cap. 60
DFL	7061	Krentz, Jane	235	Cap. 51	IR	8075	Stevens, Dan	127	SOB 17
DFL	4302	Kroening, Carl W.	124	Cap. 58	DFL	8660	Stumpf, LeRoy A.	G-24	Cap. 1
IR	4351	Laidig, Gary W.	141	SOB 56	IR	6238	Terwilliger, Roy W.	115	SOB 42
DFL	3205	Langseth, Keith	G-24	Cap. 9	DFL	5650	Vickerman, Jim	226	Cap. 22
IR	5655	Larson, Cal	153	SOB 10	DFL	7-8073	Wiener, Deanna	303	Cap. 38
IR	4125	Lesewski, Arlene J.	135	SOB 21		6511	DFL Senators' Fax		
DFL	4136	Lessard, Bob	111	Cap. 3		9441	IR Senators' Fax		
IR	2159	Limmer, Warren	132D	SOB 33		0250	TDD number		
						0504	Senate Information Office		

# Briefly

The Minnesota Senate Week in Review

March 3, 1995

## Human rights bill considered

A bill allowing claims of harassment to be filed up to two years after the incident occurred sparked discussion during the Mon., Feb. 27, floor session.

Meeting as the Committee of the Whole to consider bills on General Orders, the Senate took up S.F. 57, a bill extending the statute of limitations, from one to two years, for discrimination violations under the Human Rights Act to be brought to court. The measure, sponsored by Sen. John Marty (DFL-Roseville), also prohibits employers from asking employees to furnish information about unlawful discrimination complaints or charges they have made, and limits discovery and admission of some evidence that may be used in actions on claims of alleged sexual harassment.

Sen. Thomas Neville (IR-Northfield) offered an amendment deleting all of the bill's provisions except the section limiting the discovery and admission of evidence. His amendment modifies that provision, allowing some discovery and admission of medical or psychological history if good cause is shown.

Neville said his main objection to the bill was in extending the statute of limitations. "We are one of only eight states that now have a statute of limitations longer than 300 days," he said. "What the bill will do is put an additional strain on the District Courts. These are the types of claims that should be brought to an employer's attention and that need to be resolved as quickly as possible."

Sen. Randy Kelly (DFL-St. Paul) moved to divide the Neville amendment so that the Senate could consider whether the statute of limitations extension should remain in the original bill. Sen. Ember Reichgott Junge (DFL-New Hope) and others urged the members to oppose Neville's attempt to delete that extension. "Studies have shown that two-thirds of the people who have been subjected to discrimination are so fearful that they don't come forward," she said, "This is a very special kind of action. A person is not going to say 'this happened to me yesterday, so I'm going to file a claim tomorrow.'"

Sen. Martha Robertson (IR-Minnetonka) said she opposed efforts to extend the statute of limitations. "There is the responsibility on the part of a victim to come forward as soon as possible," she said, "There is an obligation on the part of the employer to fix the situation as quickly as possible."

The portion of the Neville amendment removing the statute of limitations extension from the bill was approved on a roll call vote, 36-30.

Another motion by Sen. John Hottinger

divided the rest of Neville's amendment.

The Senate then rejected the part of the amendment that would delete what information employers could ask of potential employees by a 28-38 vote. Neville's amendment was then adopted on a voice vote. Marty progressed the bill and no further action was taken.

## Deficiency appropriations okayed

A bill providing \$2.177 million in deficiency appropriations to three programs advances to the Senate Calendar after approval by the Senate Committee of the Whole during an hour-long floor session held Thurs., Mar. 2.

S.F. 335 was acted on because of the urgency of the funding, according to Sen. Dennis Frederickson (IR-New Ulm), author of the bill. The bill appropriates \$1.5 million to the Board of Public Defense to cover a deficit incurred through changes in the 1994 Juvenile Justice Act, he said. The '94 Legislature had designated some \$2.65 million through the act for increased public defense services, but the governor vetoed the item.

Sen. Charles Berg (DFL-Chokio) asked Frederickson whether the Crime Prevention Finance Division had looked into the Public Defense budget to see if the deficiency was really needed. Frederickson said the division spent more than three hours on the matter and emphasized that the deficit was caused from legislative action last year.

Sen. Tracy Beckman (DFL-Bricelyn) clarified the Juvenile Justice Act approved by the '94 Legislature, adding that members are voting on a bill that appropriates less than what was originally approved.

The remaining portion of deficiency appropriations is directed to the Racing Commission (\$77,000) and Veterans Affairs (\$600,000).

## Information Office Services

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## License refund bill advances

A bill requiring the Department of Public Safety to refund the application fee for a drivers license if the license is not received within six weeks was advanced to the Senate floor. The bill was approved by the Transportation and Public Transit Committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), during a Weds., Mar. 1, meeting.

The amended version of S.F. 537, carried by Sen. Steve Murphy (DFL-Red Wing), contained a request to the Legislative Audit Commission to direct the auditor to conduct an evaluation of the improved security drivers license program and report to the Legislature by January 1996.

Murphy said he included the audit request in the bill because of the importance of getting the matter investigated. "I believe this is a major priority to find out why this went on," he said, adding that members should be able to tell their constituents what really happened.

The amendment arose from Senators' concerns about the process leading up to the transition to a digitized licensing system. According to officials, the department was forced to begin operating the new system in July 1994 without adequate testing or equipment. The result has been extended delays for residents applying for drivers licenses or identification cards.

The audit provision in the bill outlines the focus of the investigation, including the bidding process leading to the award of the contract, the authorization to begin work under contract, the costs incurred before execution of contract, and the roles of the departments of Public Safety and Administration.

The committee also advanced seven other bills. S.F. 528, authored by Sen. Terry Johnston (IR-Prior Lake), requires adult motorcycle riders to wear eye protection. S.F. 224, authored by Sen. Don Samuelson (DFL-Brainerd), allows the option to register recreational trailers for three years. S.F. 522, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), allows school authorities to appoint non-pupil adults as safety patrols. S.F. 264, carried by Sen. Arlene Lesewski (IR-Marshall), abolishes separate review processes for commercial drivers license disqualification. H.F. 464, which limits license plate impoundment provisions to self-propelled motor vehicles, was carried by Sen. Mark Ourada (IR-Buffalo). H.F. 383, relating to minor traffic regulations, also was carried by Ourada. S.F. 348, authored by Johnston, clarifies the power to appoint motor vehicle deputy registrars.

# Committee update

## Agriculture and Rural Development

### Two bills advance

The Agriculture and Rural Development, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville) approved two bills at a brief meeting Mon., Feb. 27. S.F. 404, carried by Sen. Charles Berg (DFL-Chokio), was approved and re-referred to the Tax Committee, while S.F. 257, authored by Sen. Steven Morse (DFL-Dakota) was sent to the full Senate.

Morse said that the bill allows for an individual who holds the office of soil and water conservation district supervisor to also serve in the office of mayor, clerk, clerk-treasurer or council member if the town's population is less than 2,500. Brought to him by a Rolling Stone resident who was forced to choose between the two offices, Morse said that it didn't make sense to prohibit the individual from serving in both positions. "Small towns frequently have difficulties in getting individuals to serve in local government, and if people are willing to serve, we should let them," Morse continued.

In the event that a person holds both offices, the bill contains a provision prohibiting him or her from voting on issues that come before both bodies, and that have a substantial effect on both.

S.F. 404, a bill related to tax increment financing for ethanol plants in rural Minnesota, increases the exemption amount from \$1 million to \$1.5 million. Additionally, the bill stipulates that the county auditor must notify the commissioners of revenue and education of the expiration of the exemption. The bill proceeds to the Taxes and Tax Laws Committee.

### Processing plants exempted

At a Weds., Mar. 1 meeting of the Agriculture and Rural Development Committee, Senators approved S.F. 443. The measure exempts agricultural processing facilities from a reduction in state tax increment financing aid. Author Sen. Dennis Frederickson (R-New Ulm) said the bill "falls in line with what TIF was originally intended for."

Sen. Charles Berg (DFL-Chokio) offered an amendment expanding the scope of the facilities to include livestock, wood, and poultry producing facilities. Members adopted the amendment, along with increasing the amount of the increment cap to \$1.5 million for the district.

The bill also requires that the district be outside of the seven-county Metro Area, and that the county board approve, by resolution, the TIF plan. The next goes to the Taxes and Tax Laws Committee.

S.F. 368, a bill that clarifies the employment status of farm crisis advocates, was presented by Sen. Arlene Lesewski (R-Marshall). "This bill simply clarifies that those who work at the farm crisis centers are independent contractors, not state employees."

The members approved the bill and re-referred it to the Governmental Operations and Reform Committee.

S.F. 429, authored by Sen. Steven Morse (DFL-Dakota), prompted debate amongst members. The bill eliminates the sunset date for the Farmer-Lender Mediation Act passed in 1986.

"Mediation is a cost-effective dispute resolution tool," Morse said, "and it gets people to the table earlier, before all communication has broken down."

Berg argued that the program has been extended five times already. Noting that the state kicks in 50 percent of the program's annual cost, he said, "I think it's time to cut it off."

Committee Chair Sen. Joe Bertram, Sr. (DFL-Paynesville) said "I have met with lenders, and they tell me there is no reason to continue it."

Testifying in support of the measure was Dr. Kathleen Mangum from the University of Minnesota's Extension Service. Mangum said that mediation provides a unique opportunity for debtors and creditors to meet as a group to resolve financial issues.

In addition to saving both time and money, mediator Mary Alton said that mediation is a respectful process that allows both parties to retain their dignity.

Discussion of S.F. 429 will continue at a later date.

## Commerce and Consumer Protection

### Insurance remedy bill advances

A bill to permit consumers to recover punitive damages from insurance companies that refuse to pay cleared the Commerce and Consumer Protection Subcommittee on Insurance at the Mon., Feb. 27, meeting.

S.F. 121, authored by Sen. Dallas Sams (DFL-Staples), allows policyholders to recover punitive damages when an insurer, acting in bad faith, refuses to pay a claim.

The subcommittee, chaired by Sen. John Hottinger (DFL-Mankato), took testimony from the state fire marshal, insurance industry representatives and the Department of Commerce.

Gary LaVasseur, Dept. of Commerce, testified that the department is opposed to the bill, based on the belief that it would not significantly increase insurance companies' regulatory compliance. LaVasseur said the department believes that there are already adequate forms of consumer recourse in this area.

Tom Brace of the Minnesota Fire Marshal's Office also spoke against the bill, cautioning Senators that encouraging insurance companies to pay more quickly could seriously hinder the fight against arson. Brace said that arson is the second leading cause of fire in Minnesota, after home heating, and is by far the number one cause of dollar loss in fires. "We do not want to be in a position to hammer insurance companies to settle claims on fires that have been deliberately set by the policyholder," Brace said.

Also testifying against the bill was Bob Johnson, Insurance Federation of Minnesota. Johnson said that the law already directs companies to make a thorough and effective investigation, and that representa-

tives of the insurance industry and the Dept. of Commerce have invested a great deal of effort to make handling consumer complaints an administrative function rather than a court function.

Hottinger presented and received the subcommittee's approval of four amendments to the bill. The first removes a provision that would have allowed consumers to recover attorney's fees and costs when they prevail in actions against their insurers to recover benefits owed under the policy. The provision allowed recovery whether or not the insurers acted in bad faith.

The second amendment to the bill provides that the need for punitive damages be proven to the court, rather than being determined at the start of the proceeding. The third excludes pending litigation from the bill. The fourth amendment changes the standard for determining bad faith behavior to the standard used by Wisconsin and several other states.

Although subcommittee members were divided on whether the S.F. 121 should be approved, the Senators who favored advancing it to the full committee prevailed, and the bill was approved.

### Genetic testing briefing

The future uses of genetic testing and the compelling social and ethical issues it raises were the topics of discussion at the Weds., Mar. 1, meeting of the Commerce and Consumer Protection Committee.

Much of the testimony heard by the committee focused on the impact of genetic testing breakthroughs on insurance consumers and the insurance industry.

Dr. Paul Billings, acting associate professor of medicine at Stanford University, said that laboratory tests for all medically associated genes may become feasible within the next ten years, raising a host of ethical and social issues.

Billings said that a group he is involved with, working under the jurisdiction of the federal Human Genome Project, has identified several hundred cases in which people have been discriminated against on the basis of their genetic makeup.

In one case, he testified, a young child was found to have the gene for a disorder that causes sudden death in young adulthood. Billings said that even though there is an effective medication for preventing the disorder, and the potentially affected family members were taking it, the child's whole family was excluded from a group health insurance policy.

Billings spoke in support of a bill that Sen. Gene Merriam (DFL-Coon Rapids), expects to introduce this session, saying that states need to outlaw discrimination on the basis of inborn characteristics.

Dr. Don Chambers of the Lincoln National Life Insurance Company testified at the request of the Insurance Federation of Minnesota. Chambers, who limited his testimony to issues surrounding life insurance, said "We are in the business of selling life insurance at the lowest rate we can sell it. We offer standard rates to well over 95 percent of the population." Chambers said that only 2 to 3 percent of applicants are

such bad risks that they are denied coverage.

Chambers said that for the insurance risk process to be fair, insurers must have access to all relevant information about the applicant. Sen. Carl Kroening (DFL-Mpls), asked Chambers whether the insurance interests he represents oppose the forthcoming genetic discrimination bill. "We're against being precluded from having access to genetic information," Chambers said. He added that the insurance industry's handling of HIV test results has demonstrated its ability to handle privacy issues well. "Nobody could be more sensitive to the ethics of this issue than we are," Chambers added.

Discussion ensued about the issue of anti-selection -- situations in which people, after learning that they have the likelihood of genetically-based disease, purchase large insurance policies. Insurance industry representatives contend that denying insurers access to the same genetic information puts insurers at a disadvantage in the risk assessment process.

The genetic discrimination legislation is expected to be heard by the subcommittee on insurance at a future meeting.

The committee also heard S.F. 139, a bill to regulate living benefits settlements for life insurance policyholders. The measure, sponsored by Solon, provides several regulatory requirements for viatical brokers -- people who purchase the right to receive life insurance death benefits from policyholders who are terminally ill.

S.F. 139 establishes minimum permitted discounts for viatical purchases. Also included in the bill are requirements that viatical brokers be licensed, that licensees file an annual statement with the commissioner of commerce, and that advertising for viatical services be truthful. In addition, the measure specifies that viatical brokers must disclose certain information to clients, including alternatives to the viatical settlement, possible tax implications of receiving the settlement, possible impact on Medicaid and other government benefits, and the right to rescind the contract and receive a refund within 30 days after the contract is made.

Senators heard testimony from a Adrianna Bloch, a social worker at Ramsey Hospital. Bloch testified that some clients of the services have been given inflated estimates of their potential settlements, only to receive less. "I've never had a patient get the highest amount" that was mentioned, Bloch said. Bloch stressed that legal controls are needed because the viatical transactions are made when patients are most vulnerable.

That concern was reinforced by Bob Tracy, public policy director for the Minnesota AIDS Project. Tracy stressed that although the organization supports the option of people with HIV to choose viatical settlements, the consumer protections in the bill are very much needed to encourage above-board operations in a growing, high-profit business. The Minnesota AIDS Project estimates that viatical companies are earning approximately 25 percent on their investments.

The panel then voted on S.F. 139, approving it and sending it to the Senate floor.

The Senators also approved and sent to the floor two other bills. The first, S.F. 34, sponsored by Sen. Deanna Wiener (DFL-Eagan), corrects an oversight in the 1994 bill requiring health plans to cover physician-prescribed equipment and supplies for diabetes. The bill extends the coverage requirement to medicare supplement plans.

The second, S.F. 318, sponsored by Sen. Arlene Lesewski (IR-Marshall), requires hail insurance companies to file their insurance rates with the commissioner on March 1 of the year in which a policy is issued.

## Crime Prevention

### Alcohol use monitoring

A bill establishing a three-year program testing the effectiveness of electronic monitoring of multiple DUI offenders was approved by the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), at a meeting held Thurs., Feb. 23.

The bill, authored by Sen. Janet Johnson (DFL-North Branch), appropriates \$1 million to the commissioner of corrections to reimburse two judicial districts chosen to implement the pilot program.

Judge Jim Dehn of the 10th Judicial District, who testified at the meeting, has been offering the electronic alcohol-use testing since January 1993 as an alternative to an offender posting bond and as part of some sentences. According to Dehn, the device is similar to an alcohol breath analyzer but includes a television monitor to guarantee the offender is actually using the analyzer. A central monitoring office provides the units and oversees the testing. The DUI offender must test three times a day, seven days a week. If he or she fails or misses a test, the police are called and a warrant is issued for an arrest.

Dehn said the monitoring ensures DUI offenders are not using alcohol or drinking while driving prior to sentencing. If used as a sentencing measure, electronic monitoring uses less jail space and offers more protection for the public. The program also provides a "kick-start" toward an effective treatment plan for those offenders who have a drinking problem.

Sen. Tracy Beckman (DFL-Bricelyn) said the committee had supported the unique prevention effort and approved a similar bill but it was vetoed. He asked for data to quantify expected savings. The bill advances to the finance division.

The committee also advanced a bill that limits the situations in which the commissioner of corrections can rescind the impoundment order of license plates that are registered to someone other than the violator. S.F. 308, authored by Sen. John Marty (DFL-Roseville), specifically distinguishes between violators who had a valid drivers license at the time of the violation and violators who did not.

Marty said many times people who have numerous driving violations purposely drive vehicles that are registered in someone else's name so if the license plates are impounded due to another driving violation, the owner of the vehicle can retrieve them. Under the bill, if the violator did not have a valid drivers license, the person (who is not the violator) seeking to have the impoundment

order rescinded must have filed a police report before the violation occurred stating that the vehicle had been stolen or was being used without permission.

The bill also provides \$22,000 for improving the department's driving records computer system, and for training regarding enforcement of the statute. The bill advances to Crime Prevention Finance Division.

The committee also advanced two additional bills. S.F. 292, authored by Sen. Ember Reichgott Junge (DFL-New Hope), changes the name of the McGruff Safe House Program to the McGruff House Program. S.F. 39, carried by David Knutson (IR-Burnsville), relating to controlled substance crimes, limits stays of adjudication to possession crimes and first-time offenders.

### VAA revision bill discussed

A bill carried by Sen. Allan Spear (DFL-Mpls.) that revises the 15-year-old Vulnerable Adults Act (VAA) was debated during a Mon., Feb. 27, meeting of the Crime Prevention Committee. After taking testimony, the committee, chaired by Spear, laid the bill over for more discussion.

Spear outlined the major changes included in the bill which originate from a two-year study of the current act by the Attorney General's Office. Spear said the bill has a broad-base of support from a variety of interested parties, but some representatives of the provider community who testified at the meeting suggested improvements.

The goals of the reform are precision, simplicity, efficiency and fairness, Spear said. Those goals are accomplished through changes in four main areas of the act: definitions, reporting and initial response, investigations, and consequences. As outlined in a report, the new definitions clarify key terms in the law to help eliminate confusion over what to report and how to respond. The new VAA is streamlined to allow reporters of abuse or neglect to call one place which will then dispatch the information to the agency best suited to respond. The bill designates one lead investigative agency to eliminate problems associated with multiple-agency investigations. The bill also specifies consequences for perpetrators that range from training, to disqualification from employment, to criminal prosecution in rare cases.

S.F. 512 also includes a new provision to protect vulnerable adults from financial exploitation, Spear said, which will improve reporting, investigation and provide appropriate consequences.

Several people testified in favor of the bill, including representatives from health care facilities, the Minnesota Nurses Association, and the Minnesota Senior Federation. Mamie Segall, assistant attorney general, said the bill represents a positive product created by a unique partnerships of various interested groups. She highlighted significant areas of improvement, including the fairness aspect of the bill. The revised act recognizes room for innocent human errors, she said, while also penalizing those caregivers who purposely set out to cause harm to a vulnerable adult.

Julian Zweber, attorney, testified in

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support of improvements to the bill, saying he and others in the Probate Court system did not have an opportunity for input to the bill before the hearing. While the bill is a definite improvement over the current law, Zweber said, it still will not correct all the problems. He specifically noted the areas of simplifying investigations and respecting the rights of vulnerable adults to control their own lives. The bill has far-reaching effects, he said, and should be looked at further. "We want a bill, but not at the expense of a bill that only takes care of half the problem," Zweber said.

Spear said the bill does not attempt to deal with every aspect of the law covering vulnerable adults, adding that the VAA is a reporting law. He asked that people come back when the bill is heard on March 2 with specific suggestions, particularly in the criminal section since the bill will be heard by five committees and divisions.

## Education

### U of M budget presented

The University of Minnesota's Biennial Budget Partnership Proposal was laid out before the Higher Education Division of the Education Committee, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), Thurs., Feb. 23.

Jean Keffeler of the Board of Regents said a two-year \$143 million effort is planned to invest in high priority programs and quality improvements at the University. The effort, named the Budget Partnership Proposal, combines state funds, tuition and reallocations to make up that investment.

Associate Vice President Richard Pfitzenreuter said the University submitted an \$87.7 million request for state aid in support of the effort. He said the governor recommended a state appropriation of \$61 million to support the Partnership Proposal.

Senior Vice President Ettore Infante outlined the components of the budget plan. He said portions of the \$143 million will be directed towards the components of the U2000 program, to support salary increases, and to address the university's utilities and building maintenance needs.

Even though the governor is not recommending the amount that the University had requested, Keffeler said the Board of Regents is exploring ways to generate the \$143 million. "We are committed to carrying out this plan," she said.

Mary Galen O'Connor, a university employee, asked that the division require the institution to examine how current procedures are managed before any appropriations are made.

### ECFE proposal heard

The governor's budget proposals for Early Childhood Family Education and other community education programs were presented Tues., Feb. 28, to the Education Funding Division of the Education Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

The governor recommends that the Early Childhood and Family Education (ECFE) program be fully funded as current law

requires, Tom Melcher of the Dept. of Education said. Under the budget proposal, he said ECFE revenue would total \$32.1 million for FY 96 and \$32.8 million in FY 97. The amount of state aid for ECFE would equal \$13.9 million in each fiscal year under the governor's budget.

Melcher said the governor's proposal for general community education programs calls for a state aid entitlement of \$2.737 in FY 96 and \$512,000 in FY 97. The amount of community education aid is reduced in FY 97 to coincide with a reduction in the community education formula rate, he said. Currently, districts receive community education revenue at a rate of \$5.95 per pupil and that rate is reduced to \$4.95 per pupil under the governor's plan. In addition, said Melcher, revenue for youth service, amounting to \$1.00 per pupil, is eliminated in FY 97.

Along with the changes to the general community education program, the governor is recommending elimination of the tax levies for extended day programs and community service. Melcher said that while the recommendations reduce tax levies by \$2.6 million statewide, "it isn't net property tax relief."

"In general the levies that are eliminated for these programs are used for the general education program, where a school district has the most flexibility," Melcher said.

State aid for Adult Basic Education programs is set at \$8.37 million for both FY 96 and FY 97 under the governor's proposal, Melcher said, while Adult Graduation Aid increases slightly in the next biennium from \$1.86 m in FY 96 to \$2 million for FY 97.

### Bonding bills approved

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), heard and approved three bills Tues. evening, Feb. 28., all of which authorize state bonds for construction of new schools.

Each of the three bills presented to the division request funding under the Maximum Effort School Loan Program. Under the program, state funds, generated through the sale of capital bonds, are loaned to local schools for the construction of new buildings. Dan Bryan of the Dept. of Education said schools districts qualify for the program if they are unable to generate the amount of revenue needed for a construction project because of low property values. Lee Mehrkens of the Dept. of Finance said a capital bonding budget has not been proposed this year and that the governor plans to make bonding recommendations in 1996.

The first of the bills, S.F. 278, approves a \$6.9 million capital loan for the Kelliher School District. Sen. Roger D. Moe (DFL-Erskine), the bill's author, said the loan will be used to construct a new K-12 facility. Larry Phillips, superintendent of the district, said the new facility will replace a K-12 school built in 1929. The total cost of the project will be \$9 million and district voters have approved a \$2.1 million bond issue in support of the project, Phillips said.

S.F. 331, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), authorizes a \$7 million loan to the Littlefork-Big Falls School

District. Rod Bergstrom, a member of the local school board, said the funding will be used to build a new facility for grades 7-12. The building, he added, will be connected to the current elementary school.

Sen. Mark Ourada (IR-Buffalo) presented S.F. 727, a bill authorizing a \$9.7 million capital loan to the Big Lake School District. In 1994, the Senate had included the Big Lake project in its capital budget proposal, but Bob Lageson, district superintendent, said the loan was not included in the final bonding bill. Lageson said enrollment is growing in his district while property values remain low, which continues to limit the district's ability to generate the revenue needed for new facilities.

All three bills were approved. Pogemiller said it is unclear whether the Senate will approve any capital budget this session, but all three bills will be re-referred to the Finance Committee.

### Budget reviews continue

Discussion of the budget for the Minnesota State Colleges and Universities (MnSCU) continued at the Weds., March 1, meeting of the Higher Education Division.

Representatives of each of the community colleges, state colleges and technical colleges encouraged the division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), to support MnSCU's request for appropriations that will capitalize on opportunities provided by the merger of the three institutions. The merger of the 60 campuses of colleges and universities across the state will take place July 1.

According to the budget report, unique opportunities arose as a result of the merger and the system is seeking more than \$11.7 million in direct general fund appropriations to help cover the initiatives. The system would reallocate some \$16.3 million and seek an additional \$4.6 million in tuition.

Some of the initiatives proposed are expanding Metro State into a comprehensive university for the Metro Area, improving instructional equipment including telecommunication technology, bringing the technical colleges on-line to the automated library access system, and staff development.

Dr. Susan Cole, president of Metro State University, said despite the governor's budget proposal for higher education, the demographics of the state's post-secondary population will not change. Growing numbers of citizens want greater access to higher education. She echoed presidents from other institutions, saying the systems have continued to reallocate, cut back, and become more efficient. But more of the same will not solve the problems that exist, she said.

Division members spent some time discussing the Developmental Education initiative that requires students to complete developmental courses before enrolling in college-level courses. Sen. Cal Larson (IR-Fergus Falls) questioned the practice of providing preparatory courses in college when the high schools should be getting students ready for post-secondary education. Sen. Leonard Price (DFL-Woodbury) suggested a policy that reduces developmen-

tal courses would essentially reduce access to higher education. Price said a reduction in college developmental courses should correspond to an increase in funding at the K-12 levels in order to provide that extra preparation.

The division also continued discussion of the Minnesota Higher Education Coordinating Board's budget.

## Environment and Natural Resources

### Budget proposals heard

Officials of the Office of Environmental Assistance (OEA) presented an overview of the agency, including a biennial budget request of \$41 million, to members of the Environment and Natural Resources Finance Division during a Thurs., Feb. 23, meeting.

The OEA is organized into five technical areas to deliver its services: Waste Prevention, Market Development, Research and Planning, Environmental Education and Information, and Local Government Assistance. Some OEA activities are commercial recycling promotional efforts and grants, pollution prevention conferences, and educational campaigns encouraging consumer waste reduction and recycling.

According to Deputy Director Art Dunn, the agency is seeking the same level of funding for the biennium, as well as some \$1.6 million from the Legislative Commission on Minnesota Resources (LCMR) for specific projects. The agency plans to allocate more than \$28 million to county block grants.

In other business, the division continued review of the budget for the Science Museum of Minnesota. The museum is requesting an inflationary increase of 3 percent each fiscal year for a total of \$2.3 million for the biennium. According to President Jim Peterson, the museum continues to investigate plans to move to a riverfront site along Kellogg Boulevard. Peterson said a development agreement with St. Paul is expected by early next year.

### Owl-trapping bill advances

Owners or operators of poultry farms are allowed to trap great horned owls according to a bill approved by the Environment and Natural Resources Subcommittee on Fish and Wildlife, chaired by Sen. Charles Berg (DFL-Chokio). Members discussed the bill and two others at the Fri., Feb. 24 meeting.

S.F. 155, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), expands current law which allows licensed game farmers to trap great horned owls.

Stumpf explained that smaller turkey farms suffer economic losses from the owls. Many of the 15 turkey farms in Northern Minnesota are open or partially open facilities, making the birds vulnerable to the big owls, he said. Direct kills from owls are fairly rare, however the presence of the owls often causes severe stampeding and smothering. One farmer who testified at the meeting said he recently lost 400 turkeys because an owl got trapped inside the barn.

According to the bill, the trap must be a padded jaw trap and mounted at a height so

the trapped owl may rest on the ground. Mike Doncarlos of the Dept. of Natural Resources said the DNR is not opposed to the bill but has some concerns, including the possibility of capturing other birds or animals.

Sen. Steven Morse (DFL-Dakota) asked how much damage the padded trap could cause to an owl. He also questioned using traps when other methods might be more effective at keeping owls away from turkeys. He suggested adding an amendment limiting trapping to free-range turkey farms but withdrew it for lack of support.

Sen. Harold "Skip" Finn (DFL-Cass Lake) added an amendment that states the traps must be tended at least twice a day. The bill advances to the full committee.

The subcommittee also approved a bill that requires proof of financial security in connection with fishing contests with entry fees of more than \$10 per person and total prizes valued at more than \$2,000. The bill is in response to a recent fishing contest in which the prize checks bounced.

According to S.F. 343, authored by Sen. Gen Olson (IR-Minnetrista), applicants for a contest permit must provide a surety bond, insurance policy, cash or cash equivalent deposit in an amount not less than the total prizes. The requirement is limited to first-time applicants and those who previously had defaulted on prize awards. The bill also allows the DNR to charge a permit fee of up to \$50.

S.F. 174, authored by Sen. Bob Lessard (DFL-Int'l. Falls), also advanced to the full committee. The bill repeals the sunset provision on a law allowing residents under age 16 to take deer of either sex. An amendment to include hunters over age 70 in the law may be added at the full committee level.

### Ag budget heard

At a Fri., Feb. 24, meeting of the Environment and Natural Resources Finance Division, the matter of indirect costs and how they are calculated arose again during another budget overview of the Department of Agriculture.

Members of the division, chaired by Sen. Steven Morse (DFL-Dakota), reviewed specific activities and questioned how each was being subsidized with agency general funds instead of being completely covered by fees.

After continued discussion on how the agency and the Department of Finance have been calculating the fees for the seed programs, Deputy Commissioner William Oemichen said he could not justify subsidizing the program at the hearing and would attempt to do so at a future meeting.

Sen. Gene Merriam (DFL-Coon Rapids) said he thought there was a growing credibility problem with the agency reports. Oemichen responded, saying there has been some confusion within the Agriculture Department, and among committee members and the Finance Department, but that the department is not deliberately trying to mislead anyone. "In no way are we attempting to snow any member of this committee," he said.

In other business, the division also heard testimony against continuing the

department's grain inspection program.

The agency is seeking \$1 million in deficiency appropriation to cover cash-flow needs in FY 95, as well as \$360,000 in direct appropriations for each year of the biennium. According to the budget report, the mission of the program is to facilitate fair and equitable marketing of grain by providing official grain grades, and to monitor the accuracy of grain quality measuring equipment. Program officials point to the '93 floods and problems with recent train delays as causes for the deficit in the activity budget.

Steve Dewey, president of Southern Minnesota Grain Inspection Inc. in North Mankato, testified in favor of privatizing the grain inspection program for reasons of efficiency and cost savings.

He said despite agency claims, he believes the reason the agency is in deficit is because it is losing business. "The market went around them because their fees are too high," he said, referring to a comparison of fee ranges among neighboring inspection companies.

### DNR budget continues

Members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), continued review of the Department of Natural Resources (DNR) budget with discussion on the Forest Management Program.

At the Mon., Feb. 27, meeting, Ron Nargang, DNR deputy commissioner, reviewed the three activities of the program, including Forest Management, Firefighting and Youth Programs.

Some members questioned whether the nursery operations were recovering all costs through fees as specified in statute. The matter has been discussed by division members during other agency budget reviews.

Sen. Harold "Skip" Finn (DFL-Cass Lake) asked why the problems with fees and indirect costs were arising in several agencies when the laws have been in effect for a number of years.

"I think we haven't been paying good attention," Morse said. "I think it's sloppy management and sloppy oversight."

Senators discussed the philosophy behind fee-run programs and whether agencies should be able to use general fund money to subsidize them. Sen. Gene Merriam (DFL-Coon Rapids) said it may not always be appropriate that fees cover program costs, but that the agency and Legislature should know to what extent the program is subsidized. "There should be some accountability as to how the fees are set and why," he said.

Members also discussed the Firefighting activity and questioned the open appropriation revenue account which projects a \$2,000 appropriation for each fiscal year of the coming biennium. Morse said that account should be mostly "zeros" and otherwise reserved for unanticipated events.

Discussion of the DNR budget will continue.

### Antlerless deer bill approved

A bill that makes permanent the law that gives people under age 16 the right to take

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deer of either sex was approved by the Environment and Natural Resources Committee during a hearing held Tues., Feb. 28.

S.F. 174, carried by Sen. Bob Lessard (DFL-Int'l. Falls), removes a sunset provision of the current law. "It's one of the most popular pieces of legislation we've done for our young people," Lessard said in his presentation to the committee.

Sen. Dennis Frederickson (IR-New Ulm) offered an amendment that would allow citizens over the age of 74 to benefit from the antlerless deer provision. He withdrew the amendment after some discussion during which Lessard said he would oppose the amendment.

The bill advances to the Senate floor.

After somewhat extensive debate, S.F. 343 was approved and sent to the full Finance Committee. The bill, authored by Sen. Gen Olson (IR-Minnetrista), requires proof of financial security for organizations running certain fishing contests. The bill specifically applies to first-time permit applicants and those that have failed to make required prize awards.

Sen. Leonard Price (DFL-Woodbury) asked why the provisions did not cover all permit applicants since the bill is designed to prevent fraud. According to the bill, Price argued, an applicant could hold a good contest the first time but could run a bad contest a second time.

Olson said the original bill was written to require security for every applicant but was changed after discussion with various interested groups. The intent, she said, is not to make reputable non-profit groups to jump through hoops or prevent them from conducting contests with costly insurance requirements.

The committee also approved S.F. 548, authored by Sen. Steven Morse (DFL-Dakota), which provides for several additions to and deletions from state parks, establishes a new state park, and deletes two state waysides. The bill advances to the floor.

## Subcommittee bills advance

A bill that originates from the Legislative Water Commission requiring analysis of water quality and quantity and appropriates funds to do so, was laid over for further discussion by members of the Environment and Natural Resources Subcommittee on Public Lands and Waters, chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake).

At a Weds., Mar. 1, meeting, Sen. Leonard Price (DFL-Woodbury) presented S.F. 496, a bill relating to groundwater protection. The bill includes provisions concerning water assessments and reports, water appropriations fees, evaluation of Best Management Practices for groundwater protection, well sealing cost-share program, and additional appropriations of \$2.95 million.

Much of the discussion focused on the appropriations portion of the bill, specifically \$102,000 appropriated from several agencies for coordination among agencies that regulate groundwater protection programs. Sen. Steve Dille (IR-Dassel) wanted to delete that appropriation from the

bill, saying the agencies should be able to coordinate without taking money away from their budgets.

Several members wanted to continue discussion on that and other issues contained in the bill before sending the bill to the full committee. Finn agreed more work needed to be done on the bill and scheduled another hearing for next week.

In other business, the subcommittee advanced three other bills. S.F. 127, carried by Sen. Roy Terwilliger (IR-Edina), authorizes the conveyance of certain tax-forfeited land in Hennepin County. S.F. 273, authored by Price, provides for the classification of water supply systems and wastewater treatment facilities. And S.F. 407, also authored by Price, provides penalties for misrepresentations regarding environmental matters.

## Ethics and Campaign Reform

### Ethics bill upset

At a meeting of the Ethics and Campaign Reform Committee Thurs., Feb. 23, members approved a controversial amendment to S.F. 339 that deletes the ban on gifts, meals, and entertainment to local officials. The action is a reversal of last year's legislation, and the bill's author, Sen. John Marty (DFL-Roseville) called the move "a massive step backwards."

After a series of amendments, including a failed attempt to include school board members under last year's legislation, what remained as S.F. 339 was a significant departure from the original bill Committee Chair Marty hoped Senators would approve, but which members laid over instead.

Discussion came from both sides of the issue. Concerning Marty's attempt to broaden the ban to include local officials, Sen. Dean Johnson (IR-Willmar) asked why the state should be "micro-managing" the affairs of local governments. "If there are any sweetheart deals being made out there, then the county and city attorneys have some work to do." He argued that the net effect of the amendment would be to discourage people from serving at the local level. "They'll say it's too much hassle," Johnson said, "and this just sets up one more barrier."

An attempt to include school board members under the ban, offered by Sen. Lawrence Pogemiller (DFL-Mpls.) was also defeated. Prompted by controversy surrounding the sale of class rings to Minneapolis high school students by a city jeweler, both Marty and Pogemiller said that excluding school board members from the bill allows ample opportunity for unfair influence.

"There's enough evidence out there to show that when you do something nice for someone, they feel obligated to repay the favor," Marty said. School boards deal with millions of dollars of tax payer money he continued, and "to allow them to be wined and dined is just plain wrong."

Sen. Roger Moe (DFL-Erskine) asked, "how many school board members do we know of who have been influenced this way? Where's the problem?"

Sen. Dallas Sams (DFL-Staples) said "we degrade the local institutions and the individuals themselves by suggesting that they can be bought off-it's time for some common sense."

### Caucus system review

The Ethics and Campaign Reform Committee, chaired by Sen. John Marty (DFL-Roseville), met Tues., Feb 28, and reviewed two bills that make changes in election procedures.

S.F. 115, carried by Sen. Carol Flynn (DFL-Mpls.) incorporates recommendations suggested by the Growe Commission. Flynn pointed out that there are numerous reasons for diminished voter involvement, and said "this bill is an effort to reverse that trend."

Secretary of State Joan Growe testified in support of the bill. "Many Minnesotans feel removed from the political process," Growe said, "and the commission has some recommendations that they believe will increase the vitality of the process and voter participation."

The first significant change is to hold afternoon precinct caucuses on either Saturday or Sunday of the first weekend in April. The bill also strengthens certification provisions, requiring that candidates have received at least 20 percent of the vote at the party endorsing convention. Thirdly, the measure replaces the word "primary" with "party nominating election." And finally, it moves the event (party nominating election) to the first Tuesday in August.

Several witnesses were on hand to support the bill including Jane McWilliams, a volunteer advocate from the League of Women Voters; Joan Higinbotham, executive director of Common Cause; and two members of the Growe Commission, Steven Young and Clair Thoen-Levin.

S.F. 2, authored by Sen. Cal Larson (IR-Fergus Falls), was also heard by the committee. "This bill does away with the precinct caucuses and moves the primary to the second Tuesday in June," Larson said.

Testifying in support of the bill were former state Senator George Pillsbury (IR-Wayzata) and well-known DFLer Mike Hatch. Both emphasized that society has moved forward, into the information age, and that caucuses no longer serve the purpose they once did.

"Things have changed significantly," Pillsbury said, "and I reluctantly say that we'd be better off if we reformed or replaced the caucus system."

Sen. Lawrence Pogemiller (DFL-Mpls.) objected to the bill saying "the caucus system, with all its imperfections, is still better than open primaries."

No action was taken on either bill.

## Family Services

### Abuse investigation bill heard

Testimony continued on S.F. 342, a bill modifying the Child Abuse Reporting Act and increasing protection of the accused in child abuse investigations. The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin) considered the bill at its

meeting Thurs., Feb. 23. Sen. Allan Spear (DFL-Mpls.) carried the bill and noted that it originated as a result of people falsely accused of child abuse who had experienced legal and bureaucratic obstacles.

"This bill mandates that all the information will be investigated thoroughly to protect kids and parents" from a procedure that sometimes removed children from healthy families, said Marc Kurzman, an attorney. The investigation procedure, Kurzman suggested, should be accomplished within 72 hours of a complaint. Other protocols, such as setting the minimum credentials of investigators and specifying the minimum collection of information need to be placed into statute, Kurzman said.

Kurzman encouraged approval of the bill, which directs the Dept. of Human Services to establish specific statewide protocols for investigations and provide improved due process for accused perpetrators. The bill entitles an alleged perpetrator who prevails in a civil action to recover attorney fees and other costs in the actions. Also, the bill extends immunity provisions to certain persons investigating abuse.

Julie Brunner of Anoka County Human Services agreed that people feel victimized by the current system, but stated that the bill would "put a real chill" on child protection. Establishing liability of workers and allowing the payment of attorney fees will "flow right down to the actions of the staff," Brunner said, and have detrimental effects on performance. Pat Conley of the Association of Minnesota Counties agreed, stating that occasionally mistakes are made by social workers in a delicate and high pressure position. Numerous testifiers cited the strong need for social worker training. Errors are often due to a lack of understanding of cultural differences, misinterpretations and personal biases, they noted.

System difficulties exist, Brunner continued, but the bill "isn't the solution for the problems presented." Very explicit directions need to be given to the department on protocols and guidelines, Brunner suggested. In addition, clarification is needed of definitions and the investigation procedure in the measure. Due to continuing discussion, no action was taken on the bill.

### Child abuse investigation changes

After considerable public discussion and input, Sen. Allan Spear (DFL-Mpls.) presented the changes to his child abuse investigation modification bill, S.F. 342. The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin) had considered the bill at previous meetings and had expressed concerns about certain provisions. The reworked bill was approved at the meeting Tues., Feb. 28.

The bill attempts to increase protection of accused perpetrators by directing the Dept. of Human Services to establish investigation protocols. In addition, the bill permits the accused to access data and information regarding the allegations. Revisions were presented in an amendment by Spear. The amendment, which was adopted, revises the immunity provision by reinstating the duty to exercise due care. The child protection worker must act in good faith and with due

care or in accordance with the protocols in order to be immune from liability.

The amendment also puts into statute specific protocols which must be followed by investigators. Spear said that the provision will provide statewide uniformity and standards in procedure. Sen. Kevin Chandler (DFL-White Bear Lake), expressed concern about mandating investigative procedures. Chandler wanted assurance that workers would "not turn into robots" and would retain the important components of judgement and reasoning in making a determination. The amendment was amended to outline assessment protocols where available. In addition, the amendment deletes the provision allowing the subject to obtain specific data documenting the reasons for the determination. The bill, as amended, advances to the Judiciary Committee.

In other action, the committee approved S.F. 604 and sent the bill to the Health Care and Family Services Funding Division. Sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), the bill permits the establishment of children's supervised visitation facilities, encourages other funding sources, and requires a 25 percent local match for new facilities and 35 percent match for existing facilities in order to receive state funding. The purpose of the facilities is to reduce children's vulnerability to violence and trauma related to visitation where a history of domestic violence exists. Centers offer supervised visitations to ensure that children are provided with healthy interaction with parents to help mend the relationship.

Kim Cardelli, founder of Children's Safety Centers, explained that due to security issues of noncustodial parents, courts are ordering the use of the safety centers during visitations. As the only center in the Metro Area providing supervised visitations, there is a waiting list of over 600 families, Cardelli said. Four other facilities exist in Greater Minnesota. The measure would be funded by increasing the marriage license fee from \$65 to \$71.

## Finance

### Agency budgets reviewed

The State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), continued to review state agency budget proposals, Thurs., Feb. 23, by hearing presentations from the Dept. of Military Affairs, the Vinland Center, and the Office of Administrative Hearings.

Chief Warrant Officer Gary Bloedel of the Dept. of Military Affairs reviewed the activities of the department and presented the agency's biennial request.

Bloedel said the department, which manages the Air and Army National Guard, receives about \$156 million in federal funds each year. He said the agency is seeking \$19 million in state funding in the next biennium to go with that federal support. Bloedel said \$11.2 million of the appropriation will be used to maintain the National Guard's training facilities and \$4.7 million is earmarked for the National Guard's enlistment incentive and tuition reimburse-

ment program.

Included in the governor's budget recommendations is a \$500,000 appropriation for the Vinland National Center to provide rehabilitation services for disabled veterans, said Marty Cushner, the center's executive director. He said the center works with chronically unemployed or underemployed disabled veterans to provide them with the skills necessary to enter and succeed in the work place.

The division also reviewed the \$12 million biennial budget plan for the Office of Administrative Hearings. Chief Judge Kevin Johnson said the office is responsible for conducting administrative hearings in worker's compensation cases; local government licensing and personnel disputes; establishing or enforcing child support orders; and creation of state rules.

Johnson said the office receives no appropriations from the state budget. Instead, the agencies or local governments that have requested the services of an administrative law judge are billed for those services, he said.

### Budget overviews continue

The State Government Division of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), continued to review state agency budget proposals, Tues., Feb. 28, with a presentation from the Dept. of Administration.

The Department of Administration is responsible for providing business management and administrative services to state government and will do so with the same level of operating funds as they are using in FY 95, Commissioner Elaine Hansen said. "There is a growing demand for the services of the department," she said. "Our revenues have essentially stayed the same so there is an increasing challenge for us to provide the services that are needed."

Hansen said only about 14 percent of the agency's total operating budget comes from the state's general fund. Most of the revenue, about 68 percent, comes from revolving fund sources.

Hansen and Terry Boch, assistant commissioner, presented the Dept. of Administration's budget request and governor's proposal, which calls for a total agency operating budget of \$154 million in FY 96 and \$156.8 million in FY 97. The general fund appropriations, Boch said, amount to \$25.4 million in both FY 96 and FY 97.

Boch presented the budget recommendations for two of the department's six divisions - the Operations Management Bureau (OMB) and the InterTechnologies Group. The OMB provides materials management, travel management, and print communications services to state agencies, he said. The division's budget proposal totals \$41 million for FY 96 and \$41.9 million in FY 97. Boch said the proposal includes general fund appropriations of \$2.6 million in both fiscal years to run the state mail system and \$1 million over the biennium to support the print communications section. Another \$600,000 for the biennium is requested to support the work of the Minnesota Office of Volunteer Services, he said.

# Committee update

The budget proposal for InterTechnologies Group of \$68 million in FY 96 and \$71 million for FY 97 includes a request for general fund appropriations of \$7 million for the biennium. Boch said the governor is recommending a \$4.5 million initiative as part of the request to develop the infrastructure of MnNET, the state-run telecommunications system.

The other function of the InterTechnologies Group is to provide technical and management assistance for the statewide 911 Emergency Services Program. While no general fund appropriation is requested, Boch said the agency is proposing a \$12.8 million budget to support the program over the next two fiscal years. He said the funds for this responsibility are generated by a monthly fee of 14 cents per telephone line.

## Dept. of Admin budget heard

The State Government Finance Division, chaired by Sen. Richard Cohen, continued its review of the budget proposal of the Dept. of Administration, Weds., Mar. 1.

Assistant Commissioner Terry Boch discussed the budget proposals for two of the department's six divisions - the Facilities Management Bureau and the Administrative Management Bureau.

Boch said the Facilities Management Bureau manages state-owned or leased facilities, administers and enforces the state's building codes, and provides architectural and engineering services to state agencies. The bureau's proposed biennial budget amounts to \$53 million and Boch said \$10.2 million is requested from the general fund as part of that total.

The Facilities Management Bureau handles the leasing of space for state agencies. "Studies have shown that it is better to own, rather than lease, space," Boch said, "Part of our strategic plan is to do so in the long-term."

Boch also discussed the Administrative Management Bureau's budget proposal, which includes a general fund request of \$4 million for the biennium. The bureau contains the agency's administrative, fiscal and human resources, and the state's Employee Assistance Program. Boch said the bureau also administers a weatherization grant program that is supported by oil overcharge funds. Those funds, he said, are the proceeds of a federal court settlement against oil companies for pricing violations during the 1970's.

## Gaming Regulation Committee

### Advertising ban advances

A bill that bans all advertising of gambling--except at certain locations exempted under the bill--was approved by the Gaming Regulation Committee at its meeting Tues., Feb. 28. The committee, chaired by Sen. Charles Berg (DFL-Chokio) re-referred the bill to the Environment and Natural Resources Committee.

Sen. John Marty's (DFL-Roseville) bill, S.F. 304, started out as a advertising ban on the state lottery, but was amended to

include all forms of legal gaming. "I am not fond of gambling period," said Marty, "but I have a particularly strong aversion to the state being in the business of promoting it."

Members raised concerns about the constitutionality of the law. Senate Counsel Tomas Stafford said that the compacts covering casino gambling between the Indians and the state pose the greatest questions concerning the law's status.

Sen. Allan Spear (DFL-Mpls.) offered an amendment, adopted by the committee, that added a separability clause to the bill. The amendment insures that the compacts remain separate from the law, if the courts find the law to be unconstitutional.

Sen. Linda Runbeck (IR-Circle Pines) presented S.F. 479, a bill that regulates lawful purpose expenditures by or to certain charitable gambling organizations. The bill allows charitable gambling organizations to donate funds to community festival organizations, such as New Brighton's Stockyard Days, Little Canada's Canadian Days, and the Raspberry Festival.

Currently, only 501(c)(3) organizations may make expenditures of gambling funds or receive contributions from gambling funds as lawful purpose expenditures. Runbeck said that not many small towns have 501(c)(3)s. The addition of "festival organizations" to the list, "allows local communities to benefit from the gaming that goes on there," Runbeck said. The bill now proceeds to the floor.

Berg presented S.F. 618, a resolution that asks Congress to amend the Indian Gaming Regulatory Act to insert a termination date in the compacts negotiated between the state and the Indian Tribes.

Sen. Ted Mondale (DFL-St. Louis Park) objected, saying "to ask the federal government to amend an existing agreement sends the message that you can't trust us--that you can't bargain in good faith with the state of Minnesota."

Spear added that the state went into the negotiations with "their eyes wide open," and that to change it now is a "bad faith gesture." The committee took no action on the bill.

## Governmental Operations and Veterans

### Merger bill advances

A proposal consolidating the laws governing three of the state's public higher education systems was approved, Fri., Feb. 24, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. John Hottinger (DFL-Mankato) for Sen. James Metzen (DFL-South St. Paul), amended and approved S.F. 477, re-referring it to the Education Committee for further consideration.

The bill combines the state laws applied to the State University, Community College and Technical College Systems into one chapter, said the author, Sen. Len Price (DFL-Woodbury). Beginning July 1, 1995, the three systems will be governed by the Higher Education Board (HEB) and the bill gives the board the statutory guidance to

manage the systems, Price said.

"We don't want a system where the campuses are working under different sets of laws," the author said, "We need to make the higher education system as seamless as possible. That didn't always happen in the past despite the best intentions of all the systems."

The committee specifically examined the provisions clarifying the HEB's hiring and salary authority, allowing the board to grant extended leaves of absence, and sections pertaining to early retirement and benefit provisions.

Six amendments were offered by Sen. LeRoy Stumpf (DFL-Thief River Falls) and adopted. The amendments were largely technical in nature, replacing current boards with the HEB in laws relating to bookstore management, granting degrees, and creating model schools. One amendment also clarifies the relationship between the HEB and the Fond du Lac Tribal Board in governing the Fond du Lac Community College.

The committee also approved an amendment, offered by Sen. Deanna Wiener (DFL-Eagan), that gives the HEB the authority to develop a plan for awarding associate degrees and allows the board to buy insurance for facilities.

Sen. Dave Kleis (IR-St. Cloud) offered an amendment requiring that the current governing boards maintain control of their systems until the anticipated costs of the merger are identified in law. The Kleis amendment also requires the Legislature to appropriate the funds necessary to cover those costs before the merger could proceed. His amendment was not approved.

## State contract bill advances

A bill ratifying the contract settlements for employees of three post-secondary education systems was approved, Tues., Feb. 28, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also approved a bill providing state reimbursement to bomb squads when they respond to calls for assistance in areas beyond their jurisdictional limits.

S.F. 557 ratifies two collective bargaining agreements and six other compensation plans that were reached between the state and several groups of employees from the State University, Community College and Technical College Systems. Sen. Carol Flynn (DFL-Mpls.), the author, said the bill presents those agreements for legislative ratification. Each of the agreements was given preliminary approval by the Legislative Commission on Employee Relations (LCER) in the interim between the 1994 and 1995 sessions, she said.

On average, the settlements provide a 2.38 percent increase in salary and benefits, Flynn said. The agreements provide a range of increases, from a 1.52 percent hike in compensation for the 400-member State University Administrative and Service Faculty to a 2.46 percent increase awarded to the State University Inter-Faculty Organization, which represents 2,500 faculty members in that system. "The LCER tends

to accept contracts that are not out of line with other state settlements," she said.

The agreements, which apply to FY 94 and FY 95, were reached last August and December and are now in effect, Flynn said. The impact the contracts may have higher education spending for FY 96 and FY 97 was questioned, particularly in light of the planned merger of the three systems on July 1. From that discussion, Sen. LeRoy Stumpf (DFL-Thief River Falls) moved that the bill be recommended to pass and re-referred to the Education Committee. The motion was approved.

S.F. 359, sponsored by Metzen, was presented to the committee. He said there are four bomb squads in the state, located in Minneapolis, St. Paul, Bloomington and Brainerd. Under the bill, those squads would be eligible for reimbursement from the Dept. of Public Safety when they respond to calls outside of their local areas of jurisdiction. Metzen said a \$100,000 appropriation is provided for these reimbursements under the bill. The bill was approved and re-referred to the Crime Prevention Committee for further consideration.

In other business, the committee also took up S.F. 306. Authored by Sen. Arlene Lesewski (IR-Marshall), the bill repeals the Job Training Council and replaces it with a Workforce Development Council. The bill is based on federal law changes that require the state to have the council in order to receive federal funding, Lesewski said. The bill was laid over for further discussion.

### Collection bill heard

A bill creating an enterprise to collect the state's past due accounts was presented to the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), Weds., Mar. 1.

S.F. 503, authored by Sen. Phil Riveness (DFL-Bloomington), establishes the Minnesota Collection Enterprise under the management of the Commissioner of Finance and as a separate unit within the Dept. of Revenue. Under the bill, any debts owed to the state may be transferred to the enterprise for collection, and allows the unit to use some of Dept. of Revenue's tax collection remedies currently available in law.

The measure also calls for a 15-percent penalty on debts referred to the commissioner of finance for collection and the penalty may rise to 25 percent if legal action is taken in an effort to collect the debt. The bill also allows the penalty to be waived based on individual income levels and hardship, requires that individuals are notified of the penalty before it is imposed, and provides mechanisms for cancellation and appeal of the penalty.

The state presently has \$1.8 billion in outstanding debt, Riveness said. "About \$1.2 billion of the debt is collectable and about \$700 million of that would go into the state's general fund," he said. "These additional funds will be particularly important as we face tighter state budgets," Riveness said.

State government is in a different position in handling its accounts receivable than the business community is, Riveness said.

"With state government, the vast majority of accounts receivable arise out of a tax, a fee or a judgement," he said. "Those who pay the money for these may not see a direct benefit like you would if you pay a business for a service."

Gerald McClure of the Dept. of Revenue said it is difficult to determine the amounts of debt owed to the state the enterprise can reclaim. He said the unit "can't possibly handle all of the debt" and some of the accounts will be distributed among the six private collection agencies under contract with the department.

The state should not be setting up its own collection activity, Shanah Windey, president of the Minnesota Association of Collectors, said. She said the Collections Enterprise places the state in direct competition with private agencies, and that the unit will have an unfair advantage through its access to information that private companies do not have. The enterprise, she argued, would also not be subject to the Fair Debt Collection Act.

## Health Care

### Budget recommendations heard

The Health Care and Family Service Funding Division met Thurs., Feb. 23 to review budget proposals from the Dept. of Human Services. Chaired by Sen. Don Samuelson (DFL-Brainerd), the committee heard proposals by Assistant Commissioner Deborah Huskins.

Funding is requested for the Economic Self-Sufficiency initiative, encompassing many welfare reform proposals including employment and training services to help public assistance recipients become self-sufficient, said Huskins. Huskins explained that many state programs are "non-welfare solutions" that contribute to empower people and encourage independence. These programs, Huskins said, include the sliding fee scale for child care, child support enforcement, earned income tax credits, and MinnesotaCare. "MinnesotaCare is an essential piece of our overall strategy," Huskins added.

In addition to the welfare reform initiatives, the economic self-sufficiency proposals include child care programs, the creation of a curriculum for early childhood providers, sliding fee program increases and a study of alternative funding sources and distribution. Huskins explained that measures will consolidate funding streams for child care services. Initiatives are directed to child support and will centralize payments, simplify the withholding and reporting requirements of employers and align state law with federal mandates. Components of child support proposals also establish a simple procedure that is accessible to parents without the need of legal counsel. Sen. Linda Berglin (DFL-Mpls.) cautioned the department and members to be mindful of federal action, noting that changes in federal funding will have a significant effect on the initiatives.

In the area of welfare reform, the governor recommends a decrease in the budget base of \$3.77 million in 1996 and an increase of \$4 million in 1997 to implement proposals. Of the base amount, approximately \$22 million

is directed to the restructuring of the STRIDE program, establishing performance-based standards, emphasizing work, and providing workers compensation for mandatory work programs.

An increase of \$2.2 million is allocated to the expansion of the Minnesota Family Investment Program (MFIP) to Ramsey County and increased case management. Samuelson questioned whether MFIP will reduce the number of people on welfare. Huskins responded that the department expects that the initiative may not necessarily reduce the number of people on welfare in general, but should reduce the number of children that are living in poverty, which is the goal of the administration.

Within the economic self-sufficiency initiatives, Huskins explained, the child support enforcement division will have a significant effect on welfare recipients. Consolidating the system, providing a centralized mechanism and reforming guidelines through an income-sharing model which looks at both parents' incomes will improve the amount of support collected, Huskins stated. She added that although Minnesota is fourth in the nation for the amount of support collected, much improvement can be made. The program will reduce need for public assistance by ensuring that noncustodial parents support their children, Huskins said.

### Testimony on budget heard

Many members of the public attended the Health Care Committee meeting Tues., Feb. 28, to testify on the governor's budget recommendations. Witnesses expressed particular concern about the proposed reduction in personal care assistant (PCA) services. The budget calls for a decrease of \$1.54 million in 1996 and \$2.2 million in 1997 and reducing number of PCA service hours provided.

Jeff Bangsberg of Beckland Home Health Care Inc. explained that the proposed changes will "deny care to those most in need." The result will be an increased need for more clients to be institutionalized, Bangsberg said. The current method, he continued, is cost effective by keeping individuals out of institutions and also allowing for flexibility for those clients with specialized needs.

Leah Welch of Independence Crossroads agreed, stating that the decrease in PCA hours provided will increase other medical costs for recipients. Instead of the reduction, Welch suggested the elimination of the licensure procedure. Sen. Linda Berglin (DFL-Mpls.), chair of the committee, encouraged other possible solutions from witnesses and proposed the grouping of services to increase accountability and efficient management. Judy Soderberg of West Fairview Multiple Sclerosis Achievement Center encouraged members to consider assisted living arrangements in which a base of services would be available on-site. This proposal would be a more cost-effective method of delivery, Soderberg said.

Bob Brick, executive director of ARC Minnesota supported the request for establishing a developmental disabilities waiver alternative allocation structure. The current system, Brick said, is "biased against

# Committee update

families who have raised their disabled children into adulthood, at a tremendous cost savings to society, but who are no longer able to care for that person at home." The proposal would re-structure rates based on need rather than residential setting, thereby making rates more fair. Brick also encouraged members to approve additional funding for developmental disabilities waivers. With a list of more than 1,000 families waiting to place their children in residential services, Brick said, the situation is "reaching crisis proportions."

## Budget recommendations heard

The Health Care and Family Services Funding Division continued its review of the governor's budget recommendations at the meeting Tues. evening, Feb. 28. Members considered the Dept. of Human Services requests for mental health administration, state grants and funding for regional treatment centers (RTC).

Elaine Timmer of the department explained that the mental health initiatives work with other programs to promote independence and productivity among recipients. Timmer noted that mental health care needs to be better integrated into the overall health care system and into communities, instead of having a heavy reliance on institutions. The governor recommends \$295 million for the initiatives, which include programs such as the Children's Integrated Mental Health Fund, family community support services, and crisis services, as well as funding for RTCs.

The integrated fund for children, Timmer explained, provides a process to integrate Medical Assistance (MA) and MinnesotaCare funds with mental health and social service funds. The model, which allows local services to draw funding from a single local source, is more efficient at addressing the requirements of children with special needs.

A total of \$38 million is requested for state mental health grants. Adult residential grants, a large portion of the grants, are used to assist facilities in meeting minimum program licensure standards such as staffing, individual program plans, and health and safety requirements.

Timmer also highlighted changes for RTCs, including the downsizing and closure of facilities. This is in part due to the transitioning of individuals into State-Operated Community Services (SOCS) and residential and day training habilitative services. The changes, Timmer said, reflect the department's belief that individuals with developmental disabilities are better served in community settings. Review will continue.

## ENABL bill approved

In a move to discourage teen pregnancy, the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) approved S.F. 337 Weds., Mar. 1. Authored by Sen. Jane Krentz (DFL-May Township), the bill establishes a Minnesota ENABL (Education Now and Babies Later) program targeted to youth ages 12 to 14 with the goal of reducing the incidence of adolescent

pregnancy in the state.

Krentz explained that the bill allows community-based local contractors to provide the education component of the program in a variety of settings such as school, church, or community centers. The program also includes a comprehensive media and public relations campaign and a training component providing training to the contractors and education staff. Aimed at both boys and girls, ENABL will encourage postponing sexual involvement with strategies and publicity that kids find "cool," Krentz said. Krentz added that the bill is unusual in that it receives a broad range of support from diverse interest groups. The bill advances to the Health Care and Family Services Funding Division.

Berglin presented a bill modifying the Dept. of Health process for approval of exceptions to the nursing home moratorium. S.F. 386 allows the repair or replacement of a facility that was damaged by natural causes. Current statutes require that the facility be destroyed. The bill also requires the moratorium application process to be conducted from two to four times each biennium, if money is appropriated. Berglin explained that a rolling process will permit facilities to make changes and return to the interagency long-term care planning committee (INTERCOM) for "a second chance." More specific information on projected costs and quality assurance problems is required of proposals.

The bill also prohibits the review of projects, except those that involve bed transfers, from using any distinctions based on the geographic location of the proposal. Sen. Sheila Kiscaden (IR-Rochester) suggested weighting criteria so that there are "beds where the people are." Loren Coleman of Unicare Health Facilities, supported the bill, stating that it ensures "comprehensive and progressive change" to an aging system. The bill was approved and sent to the floor.

Two bills were sponsored by Sen. John Hottinger (DFL-Mankato). S.F. 515 allows medical vendors to represent public assistance recipients at state agency hearings regarding appeals of agency decisions. The agency is required to present evidence prior to or at the hearing. In addition, the bill establishes administrative rules regarding criteria for review of prior authorization requests for therapy services and establishes a task force to recommend standardization of prior authorization documentation requirements for therapy services. Hottinger noted that the bill's expected cost is \$110,000. The bill was approved and sent to the Funding Division.

S.F. 486, also carried by Hottinger, relates to nursing home rental facility's per diem rate. The bill provides a formula for determining the new property payment rate when a facility is totally replaced, either through new construction or a transfer to another physical plant. Both bills were in the 1994 omnibus human services bill vetoed by the governor, Hottinger explained.

The bill advances to the Funding Division.

## Continued budget review

Budget recommendation review continued at the Health Care and Family Services Funding Division meeting Weds., Mar. 1. Chaired by Sen. Don Samuelson (DFL-Brainerd), members considered Regional Treatment Centers (RTC) funding and self-sufficiency initiatives.

Elaine Timmer of the Dept. of Human Services noted that the systemwide RTC request totals \$230 million annually. This amount, Timmer said, reflects continuous downsizing over the past ten years as well as facility closures. The budget reflects a savings of \$15 million due to the downsizing of RTC Developmental disabilities programs and the transitioning of individuals into State-Operated Community Services (SOCS) and day training and habilitative services (DT&H). Timmer noted that the changes have had a significant effect on communities with RTCs and employees of the centers. However, the initiative supports the department's goal of encouraging individuals to receive services in community settings instead of in institutions, Timmer explained. Several members questioned which method of delivery was most cost effective and encouraged the department to consider the most efficient alternative.

Recommendations include the closure of the Faribault Regional Center in accordance with an agreement with the Dept. of Corrections. Services in the region will be provided through SOCS and DT&H programs.

Deborah Huskins, assistant commissioner, presented components of the economic self-sufficiency proposals of the department. Huskins highlighted the child support initiatives, which consist of the creation of a central payment center to improve collection efforts and simplify procedures. In addition, the administrative process regarding contested matters is simplified through a statewide uniform procedure that is accessible without the need of legal counsel. Huskins explained that new guidelines will be based on the costs of raising children, will consider both parents' incomes, and will be easier to automate and administer. Discussion will continue.

## Jobs, Energy, and Community Development

### Youth intervention bill approved

Members of the committee on Jobs, Energy and Community Development, approved a bill Thursday, Feb. 23, which provides grants to non-profit community agencies for non-residential community-based programs involving education, counseling, and referral services to youths and their families. The committee, chaired by Sen. Steven Novak (DFL-New Brighton), also recommended two other housing and employment bills for passage.

Sen. Pat Piper (DFL-Austin), introduced S.F. 268, which doubles the resources of the Youth Intervention Program Association. Under the new legislation, this organization,

which is currently funded at \$550,000 a year, would receive additional funding to expand existing programs, and to create new programs in underserved areas. Scott Beaty, executive director of the Minnesota Youth Intervention Program Association, also spoke in support of the bill. Beaty urged members to recommend additional funding, explaining that the cost of early intervention programs is modest when compared to the cost of placing a child in a group home or residential treatment facility. Representatives from 4 of the 23 Y.I.P.A. programs also testified in support of the bill. Sen. Kelly (DFL-St. Paul) offered an amendment to the bill, limiting the authority of the commissioner to waive or modify the requirement for local match in underserved communities. The committee approved Kelly's amendment and recommended the bill for passage.

The bill moves on to the finance division of the full committee.

Sen. Ellen Anderson (DFL-St. Paul), introduced S.F. 323, a bill prohibiting home park owners from taking retaliatory action against residents who make good faith complaints to the owner. There was no known opposition to the bill. The committee approved S.F. 323 and recommended it for placement on the consent calendar.

Anderson also authored S.F. 364, a bill establishing the obligation by employees in the vocational rehabilitation division of the Department of Economic Security to communicate threats of physical violence to potential victims. The bill was recommended for passage and referred to the Judiciary Committee.

### Historical Society budget briefing

The Jobs, Energy and Community Development finance division, chaired by Sen. Carl Kroening (DFL-Minneapolis), heard testimony Thurs., Feb. 23, on the proposed Minnesota Historical Society budget. The Minnesota International Center also presented a budget proposal.

Nina Archabal, director of the Minnesota Historical Society provided an overview of the organization's programs and services. Archabal described increased public interest in the Minnesota History Center, as well as the historical library and public archives. While stressing success, Archabal also urged members to recognize the negative effect of unfunded pay plans on the Historical Society. She stated that employees of the Historical Society have not received regular salary increases for over six years, and budget recommendations for the 1996-97 biennia have ignored this fact. John Wood, Legislative Liaison for the Historical Society, presented the organization's budget proposal to the committee.

Cynthia Threlkeld, executive director of the Minnesota International Center, also presented a budget proposal to the committee. Threlkeld described the organization's efforts to provide Minnesota students with adequate exposure to international speakers. She requested additional funding to expand the number of speakers in Minnesota classrooms.

### DTED budget heard

The Jobs, Energy and Community Development Funding Division, chaired by

Sen. Carl Kroening (DFL-Mpls.), heard a budget overview from the Department of Trade and Economic Development, Mon., Feb. 27.

E. Peter Gillette, commissioner of the Department of Trade and Economic Development, briefed members on the proposed budget, which requests a \$14.5 million increase for additional initiatives. The DTED promotes business development through a number of programs. These programs include financing of business retention and expansions, funding customized training for businesses, and providing information on laws and regulations governing businesses. The department is also responsible for promoting and marketing Minnesota as a place to do business. Gillette admitted that the proposed budget increase was significant, but urged members to consider additional funding as an investment with a sizeable payoff for the state of Minnesota. Gillette cited DTED's Economic Recovery Fund as an example. In FY 1994, ERF grants leveraged more than \$400 million in new private financing for business development projects and assisted in the creation of 1,700 private sector jobs. Each \$1 of state assistance leveraged \$5 of new private investment in business development financing.

Jennifer Engh, deputy commissioner of Business and Community Development Dept. also testified on the budget. Engh walked members through a number of initiatives, including DTED's Job Skills Partnership, and Small Business Development Centers Match.

### Two bills approved

Members of the Jobs, Energy and Community Development committee, chaired by Sen. Steven Novak (DFL-New Brighton), recommended two bills for passage Tues., Feb. 28.

S.F. 759, authored by Novak, was supported by E. Peter Gillette, commissioner of the Minnesota Department of Trade and Economic Development, and Jennifer Engh, deputy commissioner of Business and Community Development Dept. The bill removes one duty of the commissioner of economic development and reorganizes Advantage Minnesota, a public non-profit corporation created to market the economic potential of the state of Minnesota. Members also agreed to pass an amendment introduced by Sen. Carl Kroening (DFL-Mpls.), permitting the Rural Development Board to publish a rural investment guide once every four years rather than on a biannual basis. The measure saves the state approximately \$180,000 over the next four years. The bill was recommended to pass and re-referred to the Governmental Operations and Veterans committee.

Novak also introduced S.F. 768, a bill requesting an additional \$400,000 for the Minnesota Foodshelf Program. The bill was supported by Genine Laird, executive director of the Minnesota Foodshelf Assn., Rita Rushmeyer, Litchfield foodshelf coordinator, and Gordon Elliot, Minneapolis foodshelf coordinator. The supporters updated members on the use of foodshelf programs as well as the current needs of the Minnesota Foodshelf Association. The bill

was recommended to pass and referred to the Jobs, Energy, and Community Development Funding Division.

## Judiciary

### Noncustodial care bill okayed

A bill allowing noncustodial parents to provide child care under some circumstances was the highlight of the Mon., Feb. 27, meeting of the Judiciary Committee. S.F. 218, authored by Sen. Martha Robertson (IR-Minnetonka), authorizes the court to allow addition visitation to the noncustodial parent to provide child care while the custodial parent is working if the arrangement is reasonable and in the best interests of the child. The bill also specifies that the court is to consider the ability of the parents to cooperate, methods for resolving disputes regarding the child's care, the parents' willingness to use those methods and whether domestic abuse has occurred between the parties.

Discussion on the bill centered on whether the bill micro-managed custody arrangements. Sen. Allan Spear (DFL-Mpls.) questioned the need for the bill since "the bill is permissive and presumably the court can do this now." Robertson said that although the court already had the authority, the legislation is needed to provide a statutory reference and demonstrate legislative intent. However, Sen. Ember Reichgott Junge (DFL-New Hope), argued that the bill adds more basis for future litigation. Robertson said that the measure was designed to ease situations by providing a commonsense solution. The measure was advanced to the full Senate on a voice vote.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), sent two additional bills to the Senate floor. S.F. 303, sponsored by Sen. Harold "Skip" Finn (DFL-Cass Lake), provides for the form and record of mortgage assignments, revises the Common Interest Ownership Act and changes the application of the curative and validating law for mortgage foreclosures. S.F. 293, carried by Sen. Don Betzold (DFL-Fridley), provides for prompt payment of subcontractors of municipal contractors and modifies provisions relating to liens and performance bonds.

Members also heard Deputy Legislative Auditor Roger Brooks and Susan Von Mosch, of the auditor's office, give a summary of a report on guardian ad litem services in Minnesota.

### Civil suits for bias victims okayed

A bill providing the victim of a bias crime with a civil cause of action against the person who committed the offense was the focal point of discussion at the Weds., Mar. 1, meeting of the Judiciary Committee. S.F. 123, authored by Sen. Ted Mondale (DFL-St. Louis Park), also provides that a plaintiff in the civil suit is entitled to recover \$500 or actual general and special damages, including damages for emotion distress, whichever is greater. In addition, under the bill, the plaintiff may also recover punitive damages and reasonable costs and attorney fees. Another provision of the bill provides that a plaintiff may also obtain an injunction or other appropriate relief. Further, the bill

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specifies that a person is entitled to bring a civil suit regardless of the existence or outcome of criminal proceedings involving the bias crime and that the burden of proof in a civil suit brought under the provisions of the bill is preponderance of the evidence. Finally, the measure specifies that the parent or guardian is jointly and severally liable for all damages.

Allen Saeks, president of the Jewish Community Relations Council and Matthew Ramadan of the Islamic Center Minnesota testified in support of the bill. In addition, Camilla Nelson, of the Attorney General's Office, spoke in favor of the measure. Nelson said that the bill "is a supplement to the criminal law and provides additional remedies to victims." Nelson also said the provision providing injunctive relief is an important element in preventing future bias offenses.

Committee debate centered on the provision specifying joint and several liability for parents and guardians. Sen. Linda Berglin (DFL-Mpls.) said "I am in favor of anything that can be done to diminish bias crimes but I don't want to do anything that will encourage parents to give up all responsibility for their children." Mondale countered that because of the damages caused by bias crimes, the expansion of liability is a suitable response to those types of crimes. Other members argued that one parent or guardian could be responsible for the actions of a group of young people based on ability to pay. After considerable discussion, members adopted an amendment, offered by Sen. Don Betzold (DFL-Fridley), eliminating the words joint and several and limiting the amount of damages for which a parent or guardian is responsible to \$5,000. The bill was the approved and advanced to the Senate floor.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), began discussing a bill providing liability protections for sport shooting ranges that comply with generally accepted operation practices. S.F. 581, authored by Sen. Paul Hanson (DFL-Ham Lake), specifies that a person who owns, operates, or uses a sport shooting range that conforms to generally accepted operation practices is not subject to civil liability or criminal prosecution in any matter relating to noise or noise pollution if the range is in compliance with noise control laws or ordinances that applied to the range at the time of construction. The measure also specifies that individuals who participate in sport shooting accept the risks associated with the sport to the extent the risks are obvious and inherent.

Committee members heard testimony on the bill and discussed singling out one specific activity for liability protections when there were several other bills pending dealing with similar subjects. Members took no action on the bill.

## Child support bill gains

A bill expanding enforcement remedies for child support collections was approved by the Judiciary Family Law Subcommittee at an evening hearing Weds., Mar. 1. S.F. 217, authored by Sen. Richard Cohen

(DFL-St. Paul), contains seven major initiatives designed to aid in the collection of child support.

The measure provides for a streamlined employment reporting program to aid in garnishing wages from paychecks for child support; authorizes the revocation of drivers licenses from parents who refuse to pay child support; authorizes placing liens to be placed on the vehicles of parents who do not pay support; provides for a pilot program for parents who cannot pay child support because they are unemployed to do community service instead; provides for a visitation mediation pilot program; sets up an on-going public education campaign to change public attitudes about child support; and provides for a child support assurance welfare reform initiative.

The subcommittee, chaired by Sen. Don Betzold (DFL-Fridley), confined their discussions on the bill primarily to provisions dealing with vehicle liens, an occupational license suspension provision, the community service work experience program and the cooperation for the kids program detailed in the bill. In addition, members considered several amendments.

Sen. Martha Robertson (IR-Minnetonka) offered an amendment to raise the dollar amount of child support that must be in arrears before the various enforcement provisions are activated. The bill had a figure of \$1,000 and the Robertson amendment raised the figure to \$3,000. The amendment was adopted. Later, Sen. Jane Krentz (DFL-May Township), offered an amendment to change the threshold figure to the greater of \$1,000 or two months of support payments.

The Krentz amendment failed on a voice vote.

Robertson also offered amendments to require an obligee to arrange transportation for an obligor for visitation if the obligor's drivers license is suspended under the bill; to specify that an obligee may not bring a motion to suspend an obligors license within 12 months of the denial of a previous motion; and to limit workers compensation claims under the community service work provision to \$1,000. After considerable discussion, all three amendments were withdrawn. Cohen offered an amendment to address concerns raised at a previous hearing over references to "independent contractor" in the measure. Under the Cohen amendment, the term is deleted from the bill. The amendment also specifies that the date of birth need only be included on the employment reporting form when available.

The amendment was adopted and the bill was sent to the full committee.

## Metropolitan and Local Government

### Emergency channel approved

A bill providing for coordination and consolidation of public safety radio, the 800 Mega Hertz system, was approved by the Metropolitan and Local Government Committee Thurs., Feb. 23. Chaired by Sen. Jim Vickerman (DFL-Tracy), the committee

listened while author Sen. Ted Mondale (DFL-St. Louis Park) explained the reasons behind S.F.467.

"This legislation will create a single shared emergency radio system across the metro area," Mondale said. Presently each entity operates on their individual channel, rather than on a shared frequency. "Compatibility is a public safety concern," Mondale continued, "and this system will enable local units of government to speak to each other."

Several witnesses testified in support of the bill. Besides the public safety issue, Mancel Mitchell, St. Louis Park police chief said that demand for a trunk system continues to grow along with the population. He added, "this is a finite resource, and it's our last chance to do this."

Commissioner of Public Safety Michael Jordan explained that if the frequencies are not bought by mid-year, they return to the Federal Communications Commission. "This is a one time opportunity," Jordan told members.

Jordan also said that collective purchase of frequencies enables citizens to "maximize output for time and money" expended. "The notion of government cooperation, to plan from the whole perspective rather than from the individual perspective, is a wise move," said Jordan.

Concerns were voiced by some members regarding costs. Sen. Deanna Wiener (DFL-Eagan) said that the price of being cut into the system is between \$1.2 million and \$1.5 million. "I know this term is overused," she said, "but I am concerned about unfunded mandates."

Mondale emphasized that use of the regional system is optional. Mitchell added that although communities would have to pay to be part of the backbone system, it would cost them less than if they were to build a system of their own.

Sen. Bob Lessard (DFL-Int'l. Falls) asked if anyone was opposed to the project. Mondale said that thus far he's received overwhelming support from the Metropolitan Council, and "almost unanimous support from the metropolitan governments across the state."

On hand to testify against the measure was Mike Nowich, executive secretary of the Minnesota Telephone Association. "We object to the use of emergency fees from the 911 account to pay for the backbone of the system," Nowich said. He said that private households shouldn't have to pay for an emergency communication channel that they don't use. "This is not related to their telephone service," Nowich said.

S.F. 467 proceeds to the Governmental Operations and Veterans Committee.

## Taxes and Tax Laws

### Technical bills advance

The Taxes and Tax Laws Subcommittee on Income and Sales Tax met Thurs., Feb. 23, and advanced two bills to the full committee. S.F. 514, sponsored by Sen. Len Price (DFL-Woodbury), is a Revenue Department technical bill. The measure makes numerous changes of a technical

nature in provisions relating to property, sales and income taxes. Subcommittee members, chaired by Price, reviewed the sections of the bill relating to sales and income taxes, approved the measure and referred it to the full committee.

S.F. 513, sponsored by Sen. John Hottinger (DFL-Mankato), was also scrutinized by the panel. The measure is a department bill outlining tax policy in several areas and making collection and administrative changes. The bill was approved and referred to the full committee.

### Budget update heard

The governor's supplemental budget recommendations provided a focal point for discussion at the Tues., Feb. 28, meeting of the Taxes and Tax Laws Committee. The panel, chaired by Sen. Douglas Johnson (DFL-Cook), heard an update from Commissioner Laura King, Dept. of Finance, on the impact of the revised February revenue forecast. According to King, the budget outlook improved slightly over the November forecast. State revenues are expected to be \$129 million above the previous estimate and expenditures are expected to be \$101 million less than previously estimated, King said. She also said that after \$170 million of the \$351 million cost of the Cambridge settlement is paid, an additional \$60 million will be available for the 1996-97 biennium.

However, King cautioned that the estimates for the 1998-99 biennium show a potential shortfall of \$1.049 billion. Accordingly, King said the governor is proposing the creation of a separate \$220 million budget reserve, and adoption of a four year strategic finance plan to deal with federal reductions, a structurally unbalanced state budget and the risk of a downturn in the state revenue forecast. The supplemental budget recommendations also include immediate reductions and decreases in the rate of spending growth. King said that the governor is proposing an additional \$69 million for K-12 reforms that will be aimed primarily at class size reduction and improving technology access. The supplemental budget recommendations also include funds for dealing with the recent meningitis outbreak in Mankato, ethical practices litigation, Peace Officer Standards and Training Board staff and legal expenses, the recent fire at O'Brien State Park, and economic recovery grants from the Dept. of Trade and Economic Development.

In other action, the committee, chaired by Sen. Douglas Johnson (DFL-Cook), advanced two bills to the full Senate. S.F. 514, authored by Sen. Len Price (DFL-Woodbury), is a Dept. of Revenue technical bill that makes technical and administrative changes, corrections and clarifications. S.F. 513, authored by Sen. John Hottinger (DFL-Mankato), is another departmental bill that makes tax policy, collection and administrative changes. Both bills move to the Senate floor for further consideration.

### Empowerment zones okayed

Members of the Taxes and Tax Laws Subcommittee on Property Tax met Wed., Mar. 1, to continue their discussion of a bill providing for empowerment zones in areas with declining property values. S.F. 301,

authored by Sen. Linda Berglin (DFL-Mpls.), provides for streamlining and simplifying county administrative procedures in order to fund the empower zone initiative. The measure is designed to aid economic development in areas with declining or stagnating property values by creating jobs to work on capital projects in distressed areas. According to Berglin and Hennepin County Board Chair Mark Andrew, the resulting greenways and park-like areas would act as a magnet for attracting business development and help raise adjacent property values.

The subcommittee members, chaired by Sen. John Hottinger (DFL-Mankato), focused their discussion on a provision of the bill setting limits on the use of empowerment zone tax receipts. The measure set forth broad guidelines for use of the funds, but Sen. Gen Olson (IR-Minnetrista) expressed concern that the actual language did not specify what the funds could be used for. After considerable discussion, the provision was amended to specify that the revenues are to be used solely to pay the costs of public infrastructure, maintenance, and improvements of natural systems, housing, or other capital improvements within an empowerment zone designed to enhance the local tax base. Further language was added to specify that the expenditures for the improvements must be planned to accomplish the goals of crime reduction, job skill improvement and community enhancement.

An amendment, offered by Sen. Lawrence Pogemiller (DFL-Mpls.), requires that county, city, school boards and park boards all approve the formation of an empowerment zone. The amendment was adopted. The measure was then advanced to the full Taxes and Tax Laws Committee.

## Transportation and Public Transit

### DOT budget overview

The Transportation and Public Transit Finance Division, chaired by Sen. Keith Langseth (DFL-Glyndon), began the budget presentation for the state Dept of Transportation at a meeting held Fri., Feb. 24.

MnDOT officials began an overview of the agency's programs, including the department's change initiatives for better business practices, service and investment preservation, and technology. MnDOT program areas encompass aeronautics, transit, railroads and waterways, bikeways, motor carriers, safety compliance, and state and local roads.

### MnDOT budget continues

Members of the Transportation and Public Transit Finance Committee continued their review of the transportation budget at the Tues., Feb. 28, meeting, hearing Dept. of Transportation budget requests for three areas.

Pat Murphy, state aid engineer, presented the Department's proposed budget for local roads. The proposal totals \$475 million for FY 1996 and \$485 million for FY 1997.

Raymond Rought, MnDOT's aeronautics director, presented the department's request

for its aeronautics programs. The total proposed budget for aeronautics is \$62 million for each of the next two years. Cecil Selness, Director of Rail and Waterways, reviewed the budget plan for his area, which totals \$7.8 million for FY 1996 and \$7.3 million for FY 1997.

## Floor action

### Religious dress exception passed

In other action during the Mon., Feb. 27, floor session, the Senate also gave final passage to H.F. 164, abolishing a sunset provision related to area development rate plans and allowing electric public utilities to offer area development rates under certain conditions. The bill, sponsored by Kelly, was passed, 51-12.

S.F. 214 was also passed and sent to the House by a 63-1 vote. The measure, authored by Sen. Allan Spear (DFL-Mpls.) provides an exemption, for religious purposes, to the prohibition on concealing identity in state law.

Final passage was also given on S.F. 141, sponsored by Sen. Dallas Sams (DFL-Staples), providing for review of certain school board plans by the Secretary of State. Sams moved the Senate concur with a House amendment clarifying the handling of special school board elections that occur when no other election is being held. The Senate adopted the motion and gave the bill its final passage, 61-1.

### Bills gain final passage

Members also considered two addition bills on the General Orders Calendar including S.F. 315, relating to elections and carried by Sen. Dallas Sams (DFL-Staples). The Secretary of State's housekeeping bill changes and clarifies certain provisions of the state's election laws. The bill proceeds to the Senate Calendar for final passage.

Another General Orders bill is S.F. 64, carried by Sen. Don Betzold (DFL-Fridley), requiring municipal notification before licensing some foster care facilities for delinquent children. S.F. 194, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), designates a bridge in St. Cloud as the Bridge of Hope, in honor of the Wetterling Foundation.

In addition to discussing bills on the General Orders Calendar, Senators granted final passage to bills on the Calendar and the Consent Calendar during the Thurs., Mar. 2, floor session.

Bills receiving final passage include S.F. 3, authored by Sen. Richard Cohen (DFL-St. Paul), providing for election judges who are not members of a major political party. S.F. 74, carried by Sen. Ember Reichgott Junge (DFL-New Hope), is a revisor's bill making numerous technical changes in laws passed last year.

The Consent Calendar contained two bills that received final passage. S.F. 281, authored by Sen. Carol Flynn (DFL-Mpls.), clarifies language and makes technical corrections to statutes relating to metropolitan government. S.F. 323, carried by Sen. Ellen Anderson (DFL-St. Paul), clarifies provisions relating to retaliatory conduct and manufactured home parks.

# Preview

## The Minnesota Senate Week at a Glance

Monday, March 6

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Budget review for the Minnesota Zoo, Kathryn Roberts, director; Connie Braziel, operations director.

The Senate will meet at 11 a.m.

### Commerce and Consumer Protection Committee

Chair: Sen. Sam Solon

12 noon Room 112 Capitol

Agenda: Confirmation - James Ulland, commissioner, Dept. of Commerce. S.F. 447-Cohen: Commerce commissioner administrative duties and notaries public appointment regulation. S.F. 440-Hottinger: Insurance omnibus bill. H.F. 554-Oliver: Securities broker dealer and investment metal definition expansion. S.F. 469-Solon: Real estate brokers, membership camping and subdivided land sales contracts and abstractors licensing provision modifications.

### Judiciary Committee

Chair: Sen. Carol Flynn

12 noon Room 15 Capitol

Agenda: S.F. 520-Krentz: Requiring the state court administrator to prepare a guide to informal probate. S.F. 626-Krentz: Eliminating a presumption for husbands in certain cases; allowing husbands to join in a recognition of parentage. S.F. 591-Finn: Clarifying and correcting provisions of the Uniform Probate Code. S.F. 625-Hottinger: Providing for investment of certain estate assets at the direction of the court.

### Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 287-Lesewski: Video arraignments. S.F. 632-Betzold: Fleeing a peace officer.

### Jobs, Energy and Community Development Finance Division

Chair: Sen. Carl Kroening

2 pm Room 112 Capitol

Agenda: Continuation - budget overview for the Dept. of Trade and Economic Development. Presentation, WomenVenture; Metropolitan Economic Development Association.

### Joint Crime Prevention and Judiciary Privacy Subcommittee

Co-Chairs: Sen. Jane Ranum and Sen. Harold "Skip" Finn

6 p.m. Room 15 Capitol

Agenda: S.F. 684-Merriam: Dept. of Administration advisory opinions. S.F. 16-Betzold: Neuroleptic medications. S.F. 144-Hanson: Disabled parking certificates private. S.F. 505-Cohen: Limiting access to human rights cases information. S.F. 372-Knutson: Authorizing access to social security numbers in certain circumstances. S.F. 329-Ranum: Crime Information office in the Dept. of Public Safety. S.F. 510-Ranum: Protection of child abuse victim video tapes. S.F. 206-Merriam: Eliminates sunset on computer agreement.

Tuesday, March 7

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzger

8 a.m. Room 15 Capitol

Agenda: S.F. 306-Lesewski: Governor's Workforce Development Council. S.F. 166-Metzger: Oversight of certain state and metro government contracts.

### Transportation and Public Transit Finance Division

Chair: Sen. Keith Langseth

8 a.m. Room 112 Capitol

Agenda: Overview of the budget for the Dept. of Transportation.

### Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

Agenda: Report on the University of Minnesota primary care training initiatives, Scott Giebink, M.D., chair, Primary Care Implementation Committee. S.F. 845-Berglin: Legislative Oversight Commission MinnesotaCare. S.F. 235-Kiscaden: Regulating health care access. S.F. 238-Terwilliger: Modifying MinnesotaCare.

### Higher Education Division

Chair: Sen. LeRoy Stumpf

10 a.m. Room 112 Capitol

Agenda: S.F. 477-Price: Consolidating and restructuring of certain higher education statutes. S.F. 627-Moe: Semester system. S.F. 557-Flynn: Ratifying labor agreements.

### Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 107 Capitol

Agenda: S.F. 752-Novak: Alternative regulation of telephone companies.

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

12 noon Room 123 Capitol

Agenda: Budget review for the PCA, Charles Williams, commissioner; Ann Glumac, deputy commissioner.

### Family Services Committee

Chair: Sen. Pat Piper

12 noon Room 15 Capitol

Agenda: To be announced.

### Ethics and Campaign Reform Committee

Chair: Sen. John Marty

12:30 p.m. Room 107 Capitol

Agenda: Presentations on election changes: S.F. 269-Betzold; S.F. 291-Novak; S.F. 37-Laidig; S.F. 192-Marty.

### Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

2 p.m. Room 107 Capitol

Agenda: S.F. 127-Terwilliger: Conveyance of tax-forfeited land in Hennepin County. S.F. 155-Stumpf: Allowing turkey farmers to trap great horned owls. S.F. 407-Price: Penalties for misrepresentations regarding environmental matters.

### Finance State Government Division

Chair: Sen. Richard Cohen

4 p.m. Room 318 Capitol

Agenda: Overview of the budgets for the Intergovernmental Information Systems Advisory Council (IISAC), Minnesota Humanities Commission, and the Ethical Practices Board.

### Taxes and Tax Laws Committee

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: Price of government resolution. S.F. 301-Berglin: Empowerment zones initiative, planning, and funding.

### Health Care and Family Services Finance Division

Chair: Sen. Don Samuelson

5 p.m. Room 123 Capitol

Agenda: Continuation - governor's budget proposal and supplemental budget for the Dept. of Human Services.

### Education Funding Division

Chair: Sen. Lawrence Pogemiller

6 p.m. Room 112 Capitol

Agenda: To be announced.

**Wednesday, March 8**

**Environment and Natural Resources Subcommittee Fish and Wildlife**

*Chair: Sen. Charles Berg*  
8 a.m. Room 107 Capitol  
**Agenda:** S.F. 621-Lessard: Extending protected status to and authorizing seasons on certain wild animals. S.F. 656-Merriam: Specifying the areas in which deer may be taken under a license to take antlered deer in more than one zone.

**Governmental Operations and Veterans Committee**

*Chair: Sen. James Metzger*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 538-Murphy: Money back guarantee, licenses. S.F. 204-Chandler: Report on analysis of federal mandates imposed on state agencies. S.F. 564-Frederickson: Establishing the Minnesota Quality College Program in the Dept. of Employee Relations. Continuation - S.F. 503-Riveness: Minnesota Collection Enterprise.

**Transportation and Public Transit Committee**

*Chair: Sen. Florian Chmielewski*  
8 a.m. Room 112 Capitol  
**Agenda:** S.F. 757-Samuels: Designating the POW/MIA Memorial Highway. S.F. 378-Samuels: Designating the Veterans Memorial Highway. S.F. 426-Janezich: Changing definition of fleet for vehicle registration purposes. S.F. 677-Marty: Authorizing suspension of vehicle registration in certain circumstances. S.F. 700-Murphy: Memorializing Congress to fund the Amtrak system. S.F. 687-Krentz: Relating to traffic regulations and bicycles. S.F. 691-Flynn: Authorizing and allocating charges for drivers license reinstatement. S.F. 673-Vickerman: Providing for determination of base value of motor vehicle for purposes of registration tax. S.F. 333-Vickerman: Clarifying who may conduct physical examinations for motor carrier drivers.

**Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*  
10:00 a.m. Room 112 Capitol  
**Agenda:** To be announced.

**Health Care Committee**

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Continuation - MinnesotaCare.

**Jobs, Energy and Community Development Committee**

*Chair: Sen. Steven Novak*  
10 a.m. Room 107 Capitol  
**Agenda:** Continuation - S.F. 752-Novak: Alternative regulation of telephone companies.

**Agriculture and Rural Development Committee**

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 325-Laidig: Providing sales tax exemption for sales of certain nonprocessed feed and bedding for horses. S.F. 562-Stumpf: Appropriating money for removal of dead farm animals in certain counties. S.F. 753-Dille: Repealing the interstate compact on agricultural grain marketing.

**Commerce and Consumer Protection Committee**

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 121-Sams: Insurance claims payment refusal remedies. S.F. 305-Chandler: Motor vehicle dealerships establishment or relocation limits clarification. S.F. 423-Price: Real estate transactions required disclosure short form. S.F. 446-Solon: Sales discrimination and competition law price markup provisions repeal. S.F. 588-Chandler: Environmental marketing deceptive trade practices regulation. S.F. 613-Anderson: Health insurance coverage for dental procedures hospitalization and anesthesia.

**Judiciary Committee**

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** Bills referred from the Joint Crime Prevention and Judiciary Privacy Subcommittee meeting of March 6, 1995.

**Crime Prevention Finance Division**

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** Budget review for the Dept. of Public Safety and the Courts.

**Environment and Natural Resources Subcommittee and Public Lands and Waters**

*Chair: Sen. Harold "Skip" Finn*  
2 p.m. Room 112 Capitol  
**Agenda:** S.F. 496-Price: Requiring analysis of water quality and quantity data. S.F. 444-Lesewski: Adding territory to Split Rock Creek State Park. S.F. 592-Stumpf: Providing for official confirmation of certain old town roads that cross state lands.

**Jobs, Energy and Community Development Finance Division**

*Chair: Sen. Carl Kroening*  
2 p.m. Room 318 Capitol  
**Agenda:** Overview of the budget for the Dept. of Public Service and Bureau of Mediation Services.

**Metropolitan and Local Government Committee**

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 170-Dille: Providing that maintenance or abandoned cemeteries by nonprofit organizations does not create a liability for local governments. S.F. 427-Solon: Western Lake Superior Sanitary District compliance with IRS

requirements. S.F. 526-Lessard: Changing local approval requirements for the Nashwauck-area ambulance district law. S.F. 531-Johnson, D.J.: Authorizing home rule charter cities to issue tax anticipation certificates.

**Finance Committee**

*Chair: Sen. Gene Merriam*  
4 p.m. Room 123 Capitol  
**Agenda:** Discussion on projected increases in the budget for the Dept. of Human Services. S.F. 566-Vickerman: Lakeville school; changing the scope of a bonding project; stating conditions for continued operation. S.F. 1-Samuels: Welfare reform.

**Legislative Commission on Pensions and Retirement**

*Chair: Rep. Richard Jefferson*  
6 p.m. Room 10 SOB  
**Agenda:** H.F. 99-Brown: PERA; service credit purchase by Swift County employee. H.F. 293-Jaros, S.F. 234-Solon: PERA; military service credit purchase by St. Louis County employee. H.F. 493-Jefferson: MERF; authorization of certain insurance premium deductions. H.F. 689-Pugh, S.F. 460-Metzen: PERA-P&F; benefit for West St. Paul police survivor. Increase in Fire State Aid appointments - H.F. 48-Bertram, S.F. 17-Bertram; H.F. 134-Bertram; H.F. 155-Cooper; H.F. 163-Leighton; H.F. 165-Schumacher; H.F. 313-Hackbarth, S.F. 256-Runbeck: Increase in certain fire insurance premium tax rates; H.F. 424-Hasskamp; H.F. 755-Johnson, R.: Increase in certain fire insurance premium tax rates; H.F. 864-Jefferson, S.F. 754-Solon: Police and Fire State Aid programs, increase in gross insurance premium tax rate for Mutual Insurance companies. H.F. 947-Johnson, R.: MSRS-correctional; expansion of plan membership. H.F. 128-McCollum, S.F. 149-Chandler: PERA-P&F; North St. Paul city manager eligible to retain plan coverage. H.F. 223-Skoglund: MERF; authority for retiree to change annuity option election. H.F. 688-Dauner, S.F. 643-Langseth: TRA; disability benefit for certain member. H.F. 799-Trimble, S.F. 725-Kelly: PERA; purchase of credit for St. Paul Public Health Bureau service. H.F. 968-Smith, S.F. 645-Neuville: TRA; purchase of credit for pre-age 25 pre-1957 teaching service by certain teachers. H.F. 463-Johnson, R., S.F. 189-Morse: State Patrol; benefit accrual rate and contribution increase. H.F. 923-Johnson, R., S.F. 766-Metzen: MSRS-correctional; benefit accrual rate and contribution increase.

**Thursday, March 9**

**The Senate will meet at 9 a.m.**

**Health Care Committee**

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** Continuation - MinnesotaCare.

**Higher Education Division**

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol

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**Agenda:** Continuation - Presentation on the budget for the Higher Education Coordinating Board - financial aid. S.F. 294-Kleis: Merger delay. S.F. 362-Lesewski: Student disciplinary sanctions related to speech.

### Jobs, Energy and Community Development Committee

**Chair:** Sen. Steven Novak  
10 a.m. Room 107 Capitol  
**Agenda:** S.F. 302-Kelly: Minimum wage.

### Family Services Committee

**Chair:** Sen. Pat Piper  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

### Ethics and Campaign Reform Committee

**Chair:** Sen. John Marty  
12: 30 p.m. Room 107 Capitol  
**Agenda:** S.F. 115-Flynn: Growe Commission recommendations.

### Crime Prevention Committee

**Chair:** Sen. Allan Spear  
2 p.m. Room 15 Capitol  
**Agenda:** To be announced.

### Jobs, Energy and Community Development Finance Division

**Chair:** Sen. Carl Kroening  
2 pm Room 112 Capitol  
**Agenda:** Overview of the budget for the Dept. of Economic Security.

### Metropolitan and Local Government Committee

**Chair:** Sen. Jim Vickerman  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 453-Janezich: Damage awards to affected property owners when town board adopts a recorded town road map. S.F. 713-Kiscaden: Authorizing Olmstead County to create a nonprofit corporation to own and operate a hospital and medical center. S.F. 715-Vickerman: Prohibiting the PCA from charging towns a fee for permits for certain

town road, bridge, or culvert projects. S.F. 764-Kelly: Added St. Paul authority in regards to teacher training institute.

### Environment and Natural Resources Finance Division

**Chair:** Sen. Steven Morse  
4 p.m. Room 123 Capitol  
**Agenda:** Budget review for the Board of Water and Soil Resources, Ron Harnack, executive director.

### Finance State Government Division

**Chair:** Sen. Richard Cohen  
4 p.m. Room 123 Capitol  
**Agenda:** Presentation, by violinist Isaac Stern. Overview of the budget for the State Arts Board.

### Taxes and Tax Laws Subcommittee on Property Tax

**Chair:** Sen. John Hottinger  
4 p.m. Room 15 Capitol  
**Agenda:** S.F. 78-Fredrickson: Springfield TIF. S.F. 122-Mondale: St. Louis Park TIF. S.F. 156-Novak: Columbia Heights Shetfield TIF. S.F. 225-Mondale: Hopkins TIF. S.F. 284-Olson: TIF reform bill. S.F. 366-Vickerman: Windom TIF. S.F. 403-Berg: Morris TIF. S.F. 404-Berg: Ethanol TIF. S.F. 419-Bertram: Brooten agricultural processing facilities TIF. S.F. 443-Fredrickson: Agriculture processing facility TIF. S.F. 491-Hottinger: Mankato TIF. S.F. 498-Piper: Glenville and Albert Lea TIF. S.F. 540-Price: Oakdale TIF. S.F. 589-Kelly: St. Paul Phalen Corridor TIF. S.F. 816-Vickerman: Lakefield TIF.

### Friday, March 10

### Governmental Operations and Veterans Committee

**Chair:** Sen. James Metzger  
8 a.m. Room 15 Capitol  
**Agenda:** Carryover of any bills not finished at the Tuesday and Wednesday meetings.

### Transportation and Public Transit Finance Division

**Chair:** Sen. Keith Langseth  
8 a.m. Room 112 Capitol  
**Agenda:** Overview of the budget, Dept. of Transportation.

### Education Funding Division

**Chair:** Sen. Lawrence Pogemiller  
10 a.m. Room 15 Capitol  
**Agenda:** To be announced.

### Environment and Natural Resources Committee

**Chair:** Sen. Bob Lessard  
10 a.m. Room 107 Capitol  
**Agenda:** S.F. 483-Stumpf: Modifying provisions relating to wetlands.

### Rules and Administration Subcommittee on Permanent and Joint Rules

**Chair:** Sen. Ember Reichgott Junge  
11 a.m. Room 224 Capitol  
**Agenda:** Discussion on amendments to Senate rules.

### Finance State Government Division

**Chair:** Sen. Richard Cohen  
2 p.m. Room 318 Capitol  
**Agenda:** Continuation - overview of the budget for the Dept. of Administration, Information Policy office; State contracting issues.

### Environment and Natural Resources Finance Division

**Chair:** Sen. Steven Morse  
3 p.m. Room 123 Capitol  
**Agenda:** Continuation - budget review for the Dept. of Agriculture, Elton Redalen, commissioner; William Oemichen, assistant commissioner.

# Briefly

The Minnesota Senate Week in Review

March 10, 1995

## Isaac Stern visits

World-renowned violinist Isaac Stern made a rare appearance Thurs., Mar. 9, before members of the Finance State Government Division to urge their continued support for the arts.

"The arts are basic to a civilized life," said Stern. "I can only give you feelings of shock, of disbelief that we would not support the arts."

"What troubles me is not the attacks on funding [by Congress], but the concept why," he said. "The idea that the arts are only for the wealthy, for the elite, is sheer garbage."

"The single greatest wealth of this country is the talent that is in its young people," he said, "If you let children work together in the arts, and it is insisted on by state government, they learn to get along."

"Hatred they don't learn in the arts."

Following Stern's remarks on the necessity of arts funding, the members of the division, chaired by Sen. Richard Cohen (DFL-St. Paul), began their budget review of the arts.

## License revocation approved

Individuals convicted of a felony-level criminal sexual conduct offense may not be licensed to practice medicine in Minnesota as the result of Senate action during the Mon., Mar 6, floor session.

Meeting as the Committee of the Whole to consider bills on General Orders, the Senate took up H.F. 231, a bill sponsored by Sen. Pat Piper (DFL-Austin), changing the requirements used by the Board of Medical Practice to grant licenses to foreign applicants.

Sen. Gene Merriam (DFL-Coon Rapids) offered an amendment preventing the board from granting a license to practice medicine to any person convicted of felony-level criminal sexual conduct. Under the amendment, such a conviction would also result in revocation of a license and that revocation cannot be appealed to the board unless the conviction is first overturned by the courts.

Merriam said the amendment stems from the board's decision earlier this year to reinstate the license of a doctor who was convicted of a felony-level criminal sexual conduct charge. "There are few occupational relationships like the one that exists between a doctor and a patient," Merriam said, "Some transgressions of that relationship should be cause to prevent individuals from practicing medicine."

Sen. Warren Limmer (IR-Maple Grove) moved to delete the language preventing an appeal of revoked license, but the motion failed on a voice vote. The Senate adopted the Merriam amendment on a 57-3 roll call

vote and then approved H.F. 231.

The Committee of the Whole also approved S.F. 145 on a voice vote. Under the measure, authored by Sen. Paula Hanson (DFL-Ham Lake), refunds for overpayment of motor vehicle registration taxes can be received up to three and one-half years after the payment was first made.

In other business, the Senate granted final passage to S.F. 315 on a 59-0 vote. The bill, authored by Sen. Dallas Sams (DFL-Staples), changes and clarifies several provisions in election law.

S.F. 64, requiring the Dept. of Corrections to notify local governments before foster care facilities for delinquents are licensed was also given final passage. The measure, sponsored by Sen. Don Betzold (DFL-Fridley), was passed, 61-0.

A bill providing supplemental appropriations to three state agencies for the current fiscal year was also passed, 62-0. S.F. 335, authored by Sen. Dennis Frederickson (IR-New Ulm), appropriates \$2.17 million to the Public Defender's Office, the Racing Commission, and the Dept. of Veterans Affairs for unbudgeted costs in FY. 95.

## Price of government targeted

The Senate approved a resolution during a floor session held Thurs., Mar. 9, establishing targets for the price of government.

Senate Concurrent Resolution 6 sets the percentage of Minnesota's total personal income that is to be collected by governments in FY 1996 and FY 1997 and FY 1998 and FY 1999. Under the resolution, 18.2 percent of the state's personal income will be collected as state and local government revenues in the next biennium. The target for FY 1998 and FY 1999 is 17.8 percent.

The resolution also sets percentages dividing the total revenue between state and local governments. In FY 1996 and FY 1997, the state revenue target is 57 percent and 43 percent for local revenues. The state revenue target is 56 percent and local revenue target is at 44 percent for FY 1998 and FY 1999.

Sen. Gene Merriam (DFL-Coon Rapids) said the resolution stems from a 1994 law that requires the governor to propose, and the Legislature to adopt targets that identify how much personal income goes to state and local government revenue.

He said the FY 1998/1999 forecast that indicates a decline in the percentage that will come out of personal income for government revenue may be unrealistic. "Realistically, if we do a better job of estimating, we would probably see that percentage be closer to 18.2 percent," he said.

Merriam said budget projections show the state budget will grow by about \$1 billion

from the 1996-97 biennium to the next. He added that the projected growth in the Health and Human Services budget alone would use up that new revenue. "I think this is a healthy exercise, but it demonstrates that we will face some significant problems in the future that are not being addressed this session," Merriam said.

An amendment, offered by Sen. John Marty (DFL-Roseville), increasing the state revenue percentage targets sparked some debate. He said the targets show that there will be a growing reliance on property taxes.

Sen. Douglas J. Johnson (DFL-Cook) opposed the amendment, but agreed that government has become more dependent on property taxes. He said a proposal to freeze property taxes will be offered as the start of a plan to reverse the trend.

The Senate did not adopt the amendment, but the resolution was approved on a voice vote.

In other business, the Senate gave final passage to S.F. 194, 62-0. The bill, authored by Sen. Joe Bertram, Sr., (DFL-Paynesville) designates a bridge as the Bridge of Hope. Final passage was also given to H.F. 231, sponsored by Sen. Pat Piper (DFL-Austin). The measure, which changes the Board of Medical Practices' licensing requirements, was approved, 63-0.

## Listserv available

The Minnesota Senate is pleased to unveil a new service designed to make it easier for the public to get up to the minute information about Senate committee schedules. The Senate Information Systems Office has developed a listserv that automatically sends the daily committee schedule to subscribers with Internet e-mail access. A "listserv" is a mailing list program designed to copy and distribute electronic mail to everyone subscribed to a particular mailing list.

Individuals may subscribe to the Senate listserv at any time and the schedules will be e-mailed on a daily basis. In cases of a major change in the schedule, updated schedule information will also be sent to the listserv mailing list.

To subscribe to the Senate listserv simply send an e-mail message to: [listserv@senate.leg.state.mn.us](mailto:listserv@senate.leg.state.mn.us)

In the message body type the following text: subscribe sen-schedules

A welcome message with information about how to unsubscribe from the listserv will then be sent to the new subscriber. Subscribers may leave the e-mail mailing list at any time by following the simple instructions.

# Committee update

## Agriculture and Rural Development

### Horse feed exempted

A bill exempting feed and bedding materials for horses from sales tax was approved by the Agriculture and Rural Development Committee Weds., Mar. 8. Carried by Sen. Gary Laidig (R-Stillwater), S.F. 325 "continues the legislative trend to treat horses as livestock, rather than pets."

An amendment, offered by Sen. Charles Berg (DFL-Chokio), expanded the scope of the bill to include processed feed. S.F. 325 was re-referred to the Taxes and Tax Law Committee.

S.F. 562, authored by Sen. Leroy Stumpf (DFL-Thief River Falls), requests \$20,000 from the general fund to finance a collection service responsible for removing dead animals from farms.

Red Lake County Commissioner Art Seibel testified in support of the measure, saying that the county no longer pays for the pick up of dead animals. Edgar Olson, a resident from Northwestern Minnesota, added that it is unsanitary to stockpile animals, a practice that attracts predators and vermin who spread disease.

In the past, farmers were paid by a rendering plant when they delivered their dead animals. The practice has been reversed, and the rendering plant now charges a fee from the farmer upon delivery of a dead animal.

Members laid the bill over for further consideration.

Sen. Steve Dille (R-Dassel) presented S.F. 753, a bill that repeals the state's participation in the Interstate Compact on Agricultural Grain Marketing. "I supported this idea in the beginning," Dille said, "but today I wonder if it's worth the state's while and money to continue in the compact." Dues for participation in the compact are \$75,000 per year.

Committee Chair Joe Bertram, Sr. (DFL-Paynesville) called upon members to reflect on the pros and cons of repealing the compact, adding that a vote on the bill will be taken at a later date.

## Commerce and Consumer Protection

### Confirmation granted

The first order of business for the Commerce and Consumer Protection Committee's Mon., Mar. 6, meeting was to grant confirmation to the gubernatorial appointee to head the Dept. of Commerce.

The committee, chaired by Sen. Sam Solon (DFL-Duluth), confirmed the appointment of James Ulland, Minneapolis, as Commissioner of Commerce.

The committee also approved three bills.

S.F. 440, sponsored by Sen. John Hottinger (DFL-Mankato), is this session's Insurance Omnibus bill. Included in the bill's 57 sections is a provision permitting the sale of combination policies that include both life and long-term care insurance. The measure also contains a provision requiring health insurance policies to cover from the moment of birth all newborns who are grandchildren and reside with a covered grandparent. In addition, the bill includes several procedural

changes for administering automobile policies, and numerous provisions regarding continuation of coverage for dependents in the event of a policyholder's death, disability, or change in Medicare status. S.F. 440 also permits the commissioner of commerce to grant a one-year continuation of workers' compensation self-insurance authority to employers who cannot meet the requirements in current statutes but who do meet other ratios. In addition, the bill allows group self-insured employers to reduce the total cash equivalent required to be held in the common claims fund of the group.

The committee approved three author's amendments to the bill. The first amendment extends the bill's suitability requirement to group insurance that is marketed on a direct response basis. Under the requirement, the insurer must have reasonable grounds to believe that the insurance is generally suitable for the group to whom it is marketed.

The second Hottinger amendment adjusts the method for determining retention limits for workers compensation reinsurance.

The third adds the Workers' Compensation Reinsurance Association (WCRA) to the definition of "insurer" in an existing statute, making the WCRA subject to the anti-fraud regulations that apply to other insurers.

The panel also approved an amendment offered by Sen. Ellen Anderson (DFL-St. Paul), that extends dependent coverage to include adult children of policyholders who are disabled by mental illness. The bill now goes to the Senate floor.

S.F. 447, sponsored by Sen. Richard Cohen (DFL-St. Paul), makes several clarifications to current law regarding notaries public and administrative duties of the commissioner of commerce. S.F. 447 now goes to the Senate floor.

Finally, the panel approved S.F. 620, sponsored by Sen. Edward Oliver (R-Deephaven). The bill clarifies that the commissioner of commerce may take action against securities dealers licenses for up to two years after they have lapsed. The bill also expands the definition of "investment metal" to include strategic metals such as indium, chromium, and germanium, thus including these metals in the state's securities regulations. The bill goes next to the Senate floor.

### Insurance bad faith remedy

A bill aimed at permitting consumers to seek punitive damages from insurance companies that refuse to pay claims was approved by the Commerce and Consumer Protection Committee Weds., Mar. 8.

Under S.F. 121, sponsored by Sen. Dallas Sams (DFL-Staples), policyholders may seek to recover punitive damages when an insurer, acting in bad faith, refuses to pay a claim.

The committee approved three amendments to the bill. An amendment offered by Sen. John Hottinger (DFL-Mankato), restricts the action to apply to fire or homeowners' policies only. An amendment authored by Sen. Don Samuelson (DFL-Brainerd), caps the punitive damages available under the bill at \$100,000. Another Samuelson amendment adds consumer protections under the unfair claims practices currently in statute. S.F. 121 now goes to the full Senate.

The committee also approved five other

bills and sent them to the Senate floor. S.F. 423, sponsored by Sen. Len Price (DFL-Woodbury), directs the commissioner of commerce to design a uniform disclosure booklet to be used in all Minnesota residential real estate transactions. Price said that the measure is aimed at mitigating the stacks of papers in real estate transactions by consolidating forms for as many disclosures as possible into one booklet.

S.F. 613, authored by Sen. Ellen Anderson (DFL-St. Paul), requires health plans to cover anesthesia and hospital charges for dental care that requires hospitalization. Anderson said the purpose of the bill is to provide seamless coverage for patients between their medical and dental plans. The bill also requires coverage of general anesthesia and treatment rendered by a dentist for a covered medical condition, regardless of whether the services are provided in a hospital or a dental office.

The committee adopted an author's amendment limiting the anesthesia and hospitalization coverage to children or severely disabled persons.

S.F. 446, sponsored by Sen. Sam Solon (DFL-Duluth), repeals the price markup provisions in an anti-trust law from the 1920s. Solon said that repealing the law's requirement of an 8 percent markup on products is intended to give gasoline retailers more flexibility in pricing.

S.F. 305, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), states that an auto manufacturer that wishes to establish a new motor vehicle sales location is subject to the franchise act currently in statute. The bill also directs a court determining whether a manufacturer has good cause to establish a new franchise to take into account considerations that affect existing dealers of the same line in the affected market area.

S.F. 588, also authored by Chandler, makes deceptive environmental marketing claims a deceptive trade practice. The measure requires that manufacturers making environmental claims for a product, including the product's packaging, to comply with federal law regarding "Guides for the Use of Environmental Marketing Claims." Chandler said the legislation is intended to protect those manufacturers who have gone to the effort of legitimately reducing their products' packaging.

### VAA revision continues

Discussion about revising the 15-year-old Vulnerable Adults Act (VAA) by Crime Prevention Committee members focused on the definition of a vulnerable adult and several amendments presented by committee chair and the bill's author, Sen. Allan Spear (DFL-Mpls.).

The act protects adults who, for a variety of reasons, may be vulnerable to maltreatment or financial exploitation. The revision contained in S.F. 512 originates from a two-year study of the current act by the Attorney General's Office.

Testimony at the Thurs., Mar. 2, meeting, centered on the revised definition of a vulnerable adult. JoAnne Seaberg of the Fairview Hospital Systems asked for a clarification of the definition, saying her work with domestic abuse victims could be in violation of the new act. Rich Thomas with

the Minnesota Defense Lawyers also said he believed the definition was "extremely broad." He said as the definition stands any claimant of sexual harassment could qualify as a vulnerable adult through an "emotionally dysfunctional" provision.

After considerable discussion by committee members, Spear agreed to look into an amendment that would tighten the definition.

Spear presented four other amendments, two of which were approved. One amendment allows consensual sexual relations between a vulnerable adult and a person, including a facility staff member, if the relationship existed prior to the care-giving relationship, or with a personal care attendant regardless of whether the relationship existed prior to the care-giving relationship. The other approved amendment was technical.

Another amendment which allows a vulnerable adult to choose spiritual means or prayer for treatment was laid over by the committee. Debate centered on who would be responsible for deciding whether alternative treatments would be used.

Discussion on the VAA revision will continue.

### Auto forfeiture bill advanced

A bill providing for the forfeiture of a motor vehicle of a person who is convicted of fleeing a peace officer was approved by the Crime Prevention Committee at a Mon., Mar. 6, meeting. The committee, chaired by Sen. Allan Spear (DFL-Mpls.), also considered two other bills.

S.F. 632, carried by Sen. Don Betzold (DFL-Fridley), originally sought an increase in penalty from a gross misdemeanor to a felony.

Sen. Randy Kelly (DFL-St. Paul) questioned the original bill, asking why an increased penalty would deter anyone from fleeing an officer. Maybe if individuals knew their vehicle would be taken, they would think twice before running, he said.

Kelly amended the bill to allow forfeiture of a vehicle. The amended version maintains a gross misdemeanor penalty. Betzold supported the amendment and the bill advances to the Senate floor.

A bill providing the District Courts with the discretion to conduct first appearances of a defendant in criminal prosecutions by use of an interactive video system was laid over for continued discussion by the committee.

S.F. 287, authored by Sen. Arlene Lesewski (IR-Marshall), allows judicial districts, particularly larger ones, to use interactive video under certain conditions. The conditions include safeguards regarding participation of counsel, the physical environment in which the defendant will be viewed, and the defendant's ability to participate in the proceeding. Lesewski explained the bill allows the use of interactive video for first appearances, but does not mandate districts to use it.

Several people testified in favor of the bill, saying the use of video could save money and time. Rick Hodsdon, legal counsel for the Minnesota Sheriff's Association, said the bill addresses security and cost issues associated with first appearances in some criminal prosecutions. In some districts, he said, defendants are driven 60 miles one-way for a five-minute appearance.

Judge Kevin Burke of the Fourth Judicial

District asked the committee to act cautiously with the use of interactive video, saying the costs against the accused may be higher than expected. "I urge you to be very cautious about venturing into something as fundamental as how the judiciary will run proceedings," he said.

Discussion will continue.

The committee also approved a bill that expands the definition of "value" contained in the definition subdivision of theft statutes. Sen. Gene Merriam (DFL-Coon Rapids) presented S.F. 831 specifying that "value" means the amount of money promised or ordered to be paid under the terms of the check or money order.

### Courts budget heard

Members of the Crime Prevention Finance Division heard a presentation of the trial courts budget at a Weds., Mar. 8, meeting. Judge Kevin Burke, chair of the Conference of Chief Judges, gave an overview of the agency's requests, including appropriations to cover 11 new initiatives.

The trial, or district, courts are seeking \$139.5 million over the coming biennium which is an increase of \$11.5 million over the current biennium. Burke explained that the governor's budget proposal reserves just more than \$2.6 million to meet increased needs for all judiciary programs, including the Supreme Court, Trial Courts and Court of Appeals systems.

Burke said he recognized the trial courts request of 6.5 percent over the 94-95 biennium is significant in terms of the current fiscal constraints, but he believes the request is conservative compared to other criminal justice budgets.

Included in the new initiatives is a request for nine additional judges for the biennium to help deal with significant increases in the major criminal and juvenile case loads over the last six years.

Burke said that 15,000 more felony and gross misdemeanor cases were filed in 1994 than in 1986, and that 20,000 more juvenile petitions were filed in '94 than in '86. Because of the increased caseload, judges are spending less time per case in nearly all areas of criminal, juvenile and family law. If judges spent the same amount of time per criminal and juvenile case in 1994 as they did in 1986, 25 new judges would be needed.

Another initiative is an increase in jury volume which requires an additional \$1 million over the biennium. Burke said more cases require more trials, which in turn require more jurors. The districts receiving additional jury pools include Ramsey and Hennepin counties, and judicial districts in the Southeast and Westcentral portions of the state. Discussion will continue next week.

## Education

### Bus safety bill heard

A bill modifying provisions of the state's school bus safety laws was heard by the Education Funding Division of the Education Committee, Thurs. morning, Mar. 2.

Based on the recommendations of the School Bus Safety Advisory Committee, S.F. 601 exempts 11th and 12th grade students from being required to participate in safety

training. At the same time, the bill calls students in kindergarten through 5th grade to receive training twice, instead of once, each year.

The bill, authored by Sen. Martha Robertson (IR-Minnetonka), also requires that a minimum fine of \$300 accompany a misdemeanor conviction for failure to stop when a buses' warning lights are flashing. The bill also specifies suspending a driver's license if the driver has been convicted for failure to stop in the previous five years. In addition, the measure requires bus drivers to provide proof of first aid and CPR proficiency, allows the state patrol to conduct random bus inspections, and permits the state to withhold bus safety revenue for failing to comply with safety reporting requirements.

A number of amendments were presented. An amendment, offered by Sen. Cal Larson (IR-Fergus Falls), was adopted that allows the Dept. of Public Safety to issue a temporary school bus license if an applicant shows they have not been convicted of an offense that would disqualify them from receiving a license. Issuance of a temporary license is also contingent on presentation of a criminal history check. The division also adopted a Larson amendment allowing school buses to be equipped with overhead book racks.

Current law requires that all school districts certify that all students have completed a competency-based bus safety training program each year. The bill removes the specific competency requirement and requires training twice each year. But Robertson presented an amendment to reinstate the original requirements. Major Glenn Gramse, chair of the School Bus Safety Advisory Committee, said the group recommended the change as a way to simplify the process. After some discussion, the division adopted the amendment.

Sen. Kenric Scheevel (IR-Preston) offered three amendments and the division approved two. The first allows school buses to have chrome bumpers as part of their standard equipment. He said chrome equipment is often used as a reward for safe driving records. The other approved amendment requires bus drivers show competency in encouraging orderly conduct on buses. After some discussion, the members defeated an amendment exempting bus drivers who render first aid in the course of their duties from civil liability. Discussion on the bill will continue

### Bus safety bill approved

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), amended and then approved a bill, Thurs. evening, Mar. 2, modifying a number of school bus safety requirements.

The division resumed consideration of S.F. 601 from earlier in the day. The bill, sponsored by Sen. Martha Robertson (IR-Minnetonka), modifies many school bus safety laws, including provisions requiring safety training for students and bus drivers and funding for bus safety programs.

Robertson presented an amendment to the bill requiring annual certification that all school bus drivers meet specific competencies. The amendment was adopted. Sen. Tracy Beckman (DFL-Bricelyn) offered an amendment eliminating the requirement that bus drivers participate in eight hours of in-service training each year. Maj. Glenn Gramse, chair

# Committee update

of the School Bus Safety Advisory Committee, spoke in opposition to the amendment. "This is the wrong message to send," he said. "Last year we said bus drivers had to have training and now this would say it's okay if you don't." Beckman changed his amendment by removing a provision specifying the number of hours of training, and the Senators adopted it.

Another provision in the bill, requiring drivers to be certified in CPR, was changed by another Beckman amendment. The CPR requirement, he said, "raised a red flag." Beckman said requiring drivers to be annually certified in CPR is unreasonable in light of the potential risks that it would be needed. "There is much more potential for someone to do more harm to a child than good by administering CPR," Beckman said. The amendment was adopted.

A number of other amendments were considered and approved. The division adopted a provision, presented by Sen. Sandra Pappas (DFL-St. Paul), requiring non-public schools that use public school transportation to train their students in bus safety. Sen. Jerry Janezich (DFL-Chisholm) offered an amendment exempting individuals licensed to drive Type III vehicles - school vans or autos - from the annual evaluation requirements.

An amendment by Sen. LeRoy Stumpf (DFL-Thief River Falls), allowing districts to use adult non-students as crossing guards, was adopted, as was Robertson's amendment requiring the Dept. of Education to develop alternative methods for districts to report that students have received safety training.

Robertson moved to delete the funding components of the bill, which allows districts to use up to 3 percent of their transportation revenue for safety programs, permit a levy for bus monitors, and appropriate safety program aid. She asked that those provisions be considered as part of the division's funding decisions. The motion was adopted and the amended language was approved. It will now be incorporated into the education funding omnibus bill.

In other business, the members approved a bill creating a School Enrichment Partnership Program. S.F. 276, authored by Sen. Steven Novak (DFL-New Brighton), sets up a grant program, allowing districts to receive \$1 in aid for each \$2 in private contributions. The funds, Novak said, can be used to buy materials such as maps or textbooks. He said the program is intended to give the private sector and the general public a way to contribute to schools. The division's approval is contingent on the availability of funding.

The division also approved S.F. 436, adjusting a levy by the LeSueur-Henderson School District. The bill, sponsored by Sen. John Hottinger (DFL-Mankato), prevents the Dept. of Education from reducing the district's levy by \$22,000 because of an earlier reporting error. The bill will be included in the education funding omnibus.

S.F. 633, allowing the Montevideo School District to levy its unreimbursed costs for operating an adult farm management program, also was heard. Sen. Charles Berg (DFL-Chokio), the author, said the program, sponsored by Willmar Technical College, has been under-funded and the district has had to make up the additional costs.

## Merger recodification okayed

A bill recodifying the laws relating to the higher education systems scheduled for merger was the center of debate at a Tues., Mar. 7, meeting of the Higher Education Division.

S.F. 477, authored by Sen. Leonard Price (DFL-Woodbury), combines sections of statutes dealing with community colleges, state universities and technical colleges into one chapter. The three systems are scheduled to merge July 1. The bill outlines sections relating to the board of trustees, students, curriculum, human resources, administration, facilities, finance and grants and gifts. The bill also contains language repealing many sections of the statutes that will become obsolete after the merger.

Much of the discussion, however, revolved around a policy issue brought forward by Sen. Lawrence Pogemiller (DFL-Mpls.). Pogemiller said that there have been a number of instances in which laws have been passed granting authority to higher education systems to do something they already have the authority to do. Pogemiller suggested amending the bill to strip out such "authority reassurances" and allow the higher ed systems the freedom to act under the broad authority that has already been granted to them.

Division Chair LeRoy Stumpf (DFL-Thief River Falls) said that he had detected a tension between interested parties over whether systems can undertake major innovation without receiving authority from Legislators or if the systems can take innovative steps on their own authority. After some discussion, members determined that either a separate bill or the committee omnibus would be a more appropriate vehicle for addressing their concerns over system authority.

The bill was approved and advanced to the full committee.

Members also advanced a bill ratifying labor agreements within the higher education system. S.F. 557, authored by Sen. Carol Flynn (DFL-Mpls.), ratifies collective bargaining agreements and compensation plans that have been given interim approval by the Legislative Commission on Employee Relations.

## Buyout bill re-referred

Under a proposal presented Weds., Mar. 8, to the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), candidates for a school district's superintendent position will be required to tell their prospective employers if a previous contract had been bought out.

S.F. 438 requires a person applying for a job as a superintendent to disclose the existence and contents of any previous contract buyouts. The measure, authored by Sen. Pat Piper (DFL-Austin), also voids any superintendent's contract if a previous buyout is not disclosed. The measure applies to contracts reached after June 30, 1995. Even though previous contract buyouts are public information, Piper said school boards have not been able to find out if the contract a superintendent candidate had with another district was bought out.

After some discussion about the privacy considerations that often surround contract buyouts, the division voted to re-refer the bill to the Judiciary Committee for further review.

The division approved five bills authorizing local school districts to transfer funds from one account to another. S.F. 140, authored by Sen. Dennis Frederickson (IR-New Ulm), was approved, allowing the Glencoe School District to transfer \$100,000 from its debt redemption fund to the capital expenditure account. S.F. 594, sponsored by Sen. Dave Kleis (IR-St. Cloud), allowing the St. Cloud district to transfer \$500,000 from their general fund to the capital expenditure fund, also was adopted.

Sen. Arlene Lesewski (IR-Marshall) presented S.F. 709, authorizing the Pipestone School District to transfer \$190,000 from the debt redemption fund to the capital expenditure account. The bill was approved, as was Sen. Don Samuelson's (DFL-Brainerd) bill, S.F. 853, giving the Little Falls district the authority to transfer \$233 per pupil per year until 2005 from the general fund to the capital expenditure account. The panel also approved S.F. 398, allowing school districts to transfer up to one-third of their capital revenue between the equipment and facilities accounts. All of the bills will be included in the education funding omnibus bill.

## Environment and Natural Resources

### Incineration bill advances

A bill permitting gas-fired incinerators at a meat processing facility was approved by members of the Environment and Natural Resources Subcommittee on Environmental Protection at a meeting held Fri., Mar. 3. Members of the subcommittee, chaired by Sen. Kevin Chandler (DFL-White Bear Lake), also advanced a second bill.

S.F. 445, authored by Sen. Arlene Lesewski (IR-Marshall), directs the Minnesota Pollution Control Agency (MPCA) to allow, until 2010, the operation of waste combustors used to burn blood-contaminated, waxed cardboard, or meat-contaminated cellulose from meat processing operations.

Lesewski said she was asking for a compromise between the MPCA and a private business. She explained that Rod Huisken, owner of the Huisken Meat Center Inc., has sought a permit from the MPCA to use a new incinerator at his business in Chandler, Minn. According to Lesewski, when Huisken originally sought direction from the agency, a permit was not needed; however Huisken now needs a variance to operate the incinerator. Huisken said it would be too expensive to haul the waste to a landfill.

An official from the MPCA said the agency had asked Huisken for some financial information, which Huisken did not provide, and therefore a variance could not be granted. He added that other meat processors have found cost-effective alternatives to waste incineration. The agency doesn't want the burner operating for the next 20 years but only for a short time in which Huisken can find another disposal option.

After some debate, the subcommittee advanced the bill to the full Environment and Natural Resources Committee.

A bill expanding the use of environmental contamination cleanup grants by a development authority also received the approval of members.

S.F. 290, authored by Sen. Randy Kelly (DFL-St. Paul), allows Department of Trade and Economic Development grants to be used for costs of developing a response action plan and other development cleanup costs incurred before the award of the grant.

A bill, S.F. 345, expanding the wastewater infrastructure funding program to include basic assistance grants to municipalities was set aside by members. Sen. LeRoy Stumpf (DFL-Thief River Falls) presented the bill as a means to address problems in funding wastewater cleanup by cities and towns.

The bill allows for appropriations to fund wastewater projects as determined by a priority list provided by the MPCA. Another provision in the bill prohibits the MPCA from taking enforcement action against a city for failing to undertake a project if the city is eligible and has not applied or received the assistance grant.

Stumpf explained that changes in grant and loan programs over the years have resulted in fewer municipalities receiving assistance for projects.

### Emission exemptions presented

Newer model automobiles will be exempt from annual air pollution emission testing under three bills presented Fri., Mar. 3, to the Environmental and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota).

Sen. James Metzen (DFL-South St. Paul) presented S.F. 11, exempting motor vehicles that are three model years old and newer from the emissions test. The program requires that all automobiles in the seven-county Metropolitan Area must pass an emissions test before they can be registered. Metzen said that while the air quality is improving, "I don't think that an \$11 million a year program has made a difference." "If the costs of a program exceeds its benefits, it's time to step back and re-evaluate the program," he said.

Metzen said his proposal is based on a study conducted at the University of Minnesota on the impact the vehicle emissions test has had on air quality. Huel Scherrer, who conducted the study, said carbon monoxide levels have fallen steadily in the Metro Area since 1986. He said the decline is more attributable to the emission control systems on newer cars and the increased use of oxygenated gasoline than to the emissions testing program.

Scherrer said just more than 1 percent of all the vehicles tested in the Metro Area fail the test and require repairs. The failure rate for newer models is less than 1 percent and "the evidence would suggest that if the failure rate for a model is low now, that trend will continue into the future," he said.

Metzen said changes to the program require authorization from the Environmental Protection Agency, which administers the program funds awarded to states that comply with the Clean Air Act. He said the Pollution Control Agency (PCA) now has an agreement with the EPA, so that the state will not lose federal funds by providing the exemptions.

Motor vehicles are exempt from emissions testing until their first registration after they are five model years old under S.F. 27, sponsored by Sen. Don Betzold (DFL-Fridley). Betzold said the bill also limits the

fee the owners must pay for the emissions test to \$8. Betzold said limiting the fee will prevent the costs of the program from being shifted onto those who own and operate older cars. "Just because someone may not be able to afford a new car or they choose to operate an older car does not mean that they should have to carry all of the costs," he said.

S.F. 71, authored by Sen. Pat Pariseau (IR-Farmington), provides an exemption for autos that are five-years-old and newer and then ends the program on July 1, 1998. On that date, Pariseau said, the contract under which the program is now run will expire. "I think it is important that we get into compliance with the air quality standards of the Environmental Protection Agency," she said, "but once we do that the program should end."

While no action was taken on the bills, the division did hear testimony on the proposals. Carol Wiesser of the Clean Air Coalition said the group is not opposed "to prudent changes" in the program that may be warranted. "Some modifications may be warranted," she said, "but the bottom line is that vehicle emissions contribute to air pollution in the Metro Area."

David Thornton of the Pollution Control Agency said the emission test requirement "is a prevention program." He said the agency estimates that 157,000 tons of carbon monoxide have been removed from the air as a result of the program.

### Zoo budget presented

The Minnesota Zoological Gardens (MZG) is seeking a one-year appropriation of \$200,000 to fund technological activities in FY 96, according to agency Director Kathryn Roberts. Roberts presented the biennial budget to members of the Environment and Natural Resources Finance Division, Mon., Mar. 6.

The Technology Resource Fund is in addition to the annual request of \$5.07 million. According to Roberts, the money will be used to hire two full-time staff members to assist in improving technological capabilities to support administration and employee access to computers and data.

Roberts said state funding makes up some 37 percent of the MZG's total budget; the rest is covered through admissions, memberships, food service, and other revenue-raising activities.

Division Chair Sen. Steven Morse (DFL-Dakota) asked about the increase in admission prices over the last year. Rates for adults increased from \$6 to \$8. He said he was concerned about so high an increase. "It's getting a bit prohibitive from some families," he said.

Roberts said the rate hike is a concern for zoo officials as well, but that since the state only subsidizes just over a third of the budget, increased costs have to be made up somewhere else.

The zoo is expecting an increase in donations over the biennium for the Marine Education Center which is scheduled to open in May of 1997. The center will feature the zoo's dolphins and offer community education activities, including facilities to rent for overnight stays.

Roberts presented two options in dealing with the free days which are offered twice each month. Over the last few legislative

sessions, she said, the Senate has wanted to eliminate the free days, however the House has not supported that position. The days are targeted for economically disadvantaged people, she said. One option is to offer zoo passes through various community programs throughout the state. Another option is to offer 24 reduced-admission days throughout the year.

### Owl trapping approved

A bill allowing owners or operators of turkey farms to trap great horned owls advanced to the Senate floor after a vote by the Environment and Natural Resources Committee, Tues., Mar. 7. The committee, chaired by Sen. Bob Lessard (DFL-Int'l Falls), also considered two other bills.

S.F. 155, presented by Sen. LeRoy Stumpf (DFL-Thief River Falls), expands current law which allows licensed game farmers to trap the birds. Stumpf explained that smaller turkey farms can suffer extensive economic loss. Direct kills from owls are fairly rare, however the presence of the large birds often causes turkeys to stampede and smother each other. One farmer who testified said he lost more than 400 turkeys because an owl flew inside the barn. Stumpf said the bill requires a trapped bird to be moved 50 to 75 miles out of the area. Currently, federal law allows farmers to receive a permit to kill the owls; this bill is a more humane alternative, he said.

Some members asked why the farmers don't seek other alternatives to trapping which can be harmful to the bird or might possibly trap other untargeted birds and animals. Sen. Leonard Price (DFL-Woodbury) said farmers will be trapping the owls continuously because as soon as one owl is removed from the area, another most likely will move into the territory.

Representatives from the University of Minnesota Raptor Center and the Department of Natural Resources (DNR) testified against some clauses of the bill, saying other options to trapping should be considered. Mike Doncarlos of the DNR said pole trapping is not preventative since it only can be used if the farmer can document a loss.

Sen. Janet Johnson (DFL-North Branch), who supported the bill, said she sent the amended bill to various environmental groups which were mostly supportive.

The bill was amended by the full committee, changing a subcommittee amendment that authorized any poultry farmer to trap the owls. The bill then was approved by the full committee.

The committee also approved a bill allowing Hennepin County to sell tax-forfeited land along Purgatory Creek to the city of Eden Prairie to be used as park and open space. S.F. 127, presented by Sen. Roy Terwilliger (IR-Edina), advances to the floor.

S.F. 407, a bill providing penalties for misrepresentation regarding environmental matters, was set aside for more discussion. Sen. Leonard Price (DFL-Woodbury), author of the bill, said the bill was a housekeeping provision to clarify current law governing information contained in various environmental applications, reports and documents. The bill specifies all information provided to the Minnesota Pollution Control Agency (MPCA) must be accurate.

Several committee members disagreed that

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the bill was a simple housekeeping matter, saying the language was very broad. Lessard asked that the issue be looked into further before passing it out of the committee. He said he specifically wants to hear an opinion from the Attorney General's Office which supports the changes to the statutes. Discussion will continue.

## MPCA budget review continues

The Air Pollution Control Division of the Minnesota Pollution Control Agency (MPCA) is seeking \$2.2 million in additional appropriations over the next biennium to be collected in increased emissions fees, according to Director Lisa Thorvig. Thorvig presented the air quality division budget to members of the Environment and Natural Resources Finance Division at a Tues., Mar. 7, meeting.

Thorvig explained that the federal Clean Air Act Amendments of 1990, which require states to assess fees on emissions to fund air quality regulatory programs, drives the fee increases. The fees are increasing for three reasons: Both state and federal laws provide for adjustments for inflation; the number of air emission facilities coming under regulation is increasing; and, the MPCA is revising its rules governing the fee calculations to meet EPA standards. The actual fee rate of \$25 per ton will not increase, she said.

The air quality program will use the increase in funds to hire additional staff to prepare and issue permits. Thorvig said the amended federal act has more than tripled the number of facilities in the state that will have air emission permits. The increase also will cover the agency's legislative initiative for a small-business loan program to help small businesses comply with the Clean Air Act.

The committee, chaired by Sen. Steven Morse (DFL-Dakota), will continue review of the MPCA budget.

## Dove season added to bill

A bill making several changes to game and fish laws provided a touchstone for discussion at the Weds., Mar. 8, meeting of the Environment and Natural Resources Subcommittee on Fish and Wildlife. The subcommittee, chaired by Sen. Charles Berg (DFL-Chokio), devoted the entire hearing to debating provisions of S.F. 621. The bill, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), clarifies the time periods for which short-term nonresident angling licenses are valid; clarifies the age for trapping without a license; adjusts the opening and closing dates of various seasons for taking fish and removes time limits on the sale of fish by commercial licensees. Originally, the bill also extended protected status to and authorized a season on coyote, least weasel, short-tailed weasel, long-tailed weasel, striped skunk, and spotted skunk. However, those provisions were amended out of the bill.

An amendment, offered by Berg, designating the mourning dove as a game bird was adopted. The amendment has the effect of allowing the commissioner to prescribe a season for taking mourning doves.

Members also debated an amendment detailing the methods for the taking of turtles. Discussion centered primarily on specific wording for describing the traps that may be

used to take turtles. The subcommittee adopted an amendment specifying the size of the trap and authorizing the commissioner to prescribe additional regulations for taking turtles. The subcommittee decided to lay the bill over to allow time for additional discussion on the bill's provisions.

## Water quality bill advances

A bill providing for several reports on water quality and quantity and making changes in water use permit processing fees was discussed at the Weds., Mar. 8, meeting of the Environment and Natural Resources Subcommittee on Public Lands and Waters. S.F. 496, authored by Sen. Leonard Price (DFL-Woodbury), is the product of work done by the Legislative Water Commission, and provides for several projects to gather information on water quality. The bill also authorizes increased well sealing cost-share grants and provides for monitoring the use and effectiveness of best management practices. The measure authorizes a number of appropriations for specific projects, such as a groundwater monitoring and assessment program, county geologic atlases and regional hydrogeologic assessments, coordination of groundwater protection activities, and a pesticides in drinking water pilot project.

Debate on the measure centered on a provision making an appropriation from the pesticide regulatory account for a contract with the Minnesota Institute for Sustainable Agriculture to gather, evaluate, publish and disseminate sustainable agriculture information to a broad audience. Sen. Steve Dille (IR-Dassel) and Sen. Dan Stevens (IR-Mora) both questioned the need for the provision in the bill and said that the project is duplicative of other efforts. Dille moved to delete the provision but the amendment failed on a voice vote. A second Dille amendment to delete the section of the bill specifying fee increases also failed to gain adoption. Price offered a motion to delete all the dollar amounts in the appropriations for the various programs. The motion was adopted and the bill was advanced to the Environment and Natural Resources Finance Division.

In other action, the subcommittee, chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake), approved a bill expanding Split Rock Creek State Park. S.F. 444, sponsored by Sen. Arlene Lesewski (IR-Marshall), authorizes the addition of 960 acres to the park. The bill now goes to the full committee.

## Family Services

### Welfare fraud prevention okayed

In an effort to curb welfare abuse, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), approved S.F. 678 at a meeting Thurs., Mar. 2. Sponsored by Sen. David Knutson (IR-Burnsville), the bill authorizes an expansion of the fraud prevention investigation program, establishes a reinvestment project designed to offset a reduction in federal spending on fraud prevention, and establishes an AFDC lien against certain property. In addition, the bill extends welfare fraud provisions to cover the Minnesota Family Investment Program.

Knutson explained that the program

integrity reinvestment project will establish uniform standards for all counties throughout the state, ensuring efficiency in the system. The state is trying to catch fraud cases "on the front end," Knutson said. For each dollar spent enforcing the bill, Knutson added, \$2.25 will be recovered. Sen. Phil Riveness (DFL-Bloomington) encouraged informing applicants of penalties by requiring applicants to read and sign an information sheet outlining penalties. The bill advances to the Judiciary Committee.

Sen. Sheila Kiscaden authored S.F. 532, a bill requiring school age child care programs to be licensed by the Dept. of Human Services. Kiscaden explained that currently there are no state regulations for programs serving only school age children, risking quality and staff ratios.

An amendment was offered by Kiscaden to specify the required staff to child ratio at one staff person for every 15 children. School age child care programs serving children up to 13 years do not include scouting, sports or art programs, as specified in the amendment. Also, the amendment changes the definition of preschooler to at least 24 months old, instead of 30 months.

Jim Nicolai of the Minnesota Day Care Association expressed concern about the provision, saying that it will devalue the quality of service for children in this vulnerable age. Barb O'Sullivan of the Dept. of Human Services said she was also uneasy about the provision, because it would allow a provider to serve six children under 30 months old in their home. As a result, the amendment was changed to apply the definition only to permitting siblings to be in the same day care program. The amendment was adopted. The bill, as amended, goes to the Finance Committee.

Members also approved S.F. 521 and sent it to the floor. Sponsored by Sen. Linda Berglin (DFL-Mpls.), the bill expands to agencies the requirement to send information related to children that have been freed for adoption to the adoption exchange within 45 days instead of 60 days. The adoption exchange is a database that contains a description of each child that has been legally freed for adoption.

## Family collaboratives discussed

The Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin) met Tues., Mar. 7, to review the report on Family Service Collaboratives and approve two bills.

Anne Damon of the Dept. of Human Services explained that collaborative grants were awarded to communities that have developed measurable goals and a comprehensive plan to improve services for children and families. More than \$8 million has been allocated for the initiative, including funding in 19 communities this year, Damon said. Several funding streams, including city, county, and school district funds, are combined and then redistributed to address family needs and existing barriers, as defined by the community.

Several collaborative participants testified to the effectiveness of the innovative project, including Eric Ziegler of the West Seventh Community Center. Ziegler stated that currently there is no lack of services for parents, simply a lack of information and

accessibility. The collaboratives, he continued, "rethink how we use our community's resources" by placing parents in direct contact with service providers and developing knowledge of and trust in available assistance.

Elona Street Stewart, community liaison with the St. Paul/Ramsey County Children's Initiative Staff, explained that the centers are particularly effective in addressing cultural differences and providing a resource that is comfortable for Native Americans.

Members also approved a bill creating an Indian Elders coordinator position on the Board of Aging. Sen. Harold "Skip" Finn (DFL-Cass Lake) sponsored S.F. 769, and explained that Native American elders are particularly vulnerable to inadequate nutrition, poor health, and lack of transportation and housing. Several barriers exist for access to services and programs, Finn said, due to cultural differences, economic conditions, and a lack of information. Several witnesses testified about the difficulties of these communities, including Jim Varpness of the Aging and Adult Services division of the department. Special targeting is needed, he said, because of particularly low access in these communities.

Sen. Mark Ourada (IR-Buffalo) opposed the measure, stating that it would set a precedent for other communities to request their own coordinators. The position requires \$55,000 annually. The bill was approved and advances to the Health Care and Family Services Funding Division.

In other action, the committee also approved S.F. 795 and sent it to the division. Authored by Sen. Ellen Anderson (DFL-St. Paul), the bill requires that payments to battered women's shelters are made directly by the department to the shelters. It specifies that requests for payment and appeals go directly to the commissioner instead of the county agency. In addition, the definition of a battered woman is changed. Anderson explained that under the bill the term permits coverage of women who are abused by other women. The expansion of the definition has a small impact, Anderson said, but allows shelters to provide the necessary assistance to all women in need.

## Finance

### Budget outlook presented

A \$260 million supplement to the governor's budget and the results of the February revenue forecast were reported, Thurs., Mar. 2, to the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids).

"In broad terms, the governor's supplemental budget recommendations provide \$260 million more than what was made available in January," Commissioner of Finance Laura King told the committee. That additional funding, she said, is based in part on a forecast that shows a slight improvement in the amount of revenues than had been estimated in November.

King said the supplemental recommendations call for \$168.9 million in budget reductions, including reductions of state agency budgets by \$10.2 million over the remaining months of FY 95 and another \$14.5 million in the next biennium. The reductions also include a reduction in the

Dept. of Human Services' budget by \$39.2 million to go with the forecast reductions of \$105 million in health care, family support and K-12 education over three years.

King said the governor is also proposing to use state aid and revenue bonds to pay for the \$327 million Cambridge Bank judgement. Under the proposal, \$75 million would be appropriated from the general fund in FY 96 towards the settlement and in FY 97, the Dept. of Finance would issue \$275 million in revenue bonds to cover the balance of the settlement. Repayment of those bonds would be spread over an eight-year period.

The governor is also recommending establishing a \$220 million budget reserve to go with the \$350 million cash flow reserve, King said. She added that the governor has asked former Congressman Vin Weber and former state Senator John Brandl to identify reforms to reduce major program spending and to present their recommendations to the Legislature at a special session in October.

The budget recommendations are based on the February revenue projections indicates that about \$129 million more in revenue will be available for the state budget than was projected in November. At the same time, King said, expenditures are estimated to be about \$100 million less than expected.

She also said that concerns remain on how the state budget will be affected by slower economic growth and federal budget reductions. Based on proposals now before Congress, King said estimates indicate reductions in federal spending could have a \$250 million impact on the state. "These estimates are very difficult to make, but I suspect they are in the ballpark," she said.

In other business, the committee also recommended that the Senate confirm King as commissioner of finance. If the Senate votes to confirm her nomination, King will become the first woman to hold the top job in the Dept. of Finance.

### State budget requests

The State Government Finance Division of the Finance Committee examined the budget proposals of three state groups at its Tues., Mar. 7, meeting.

The Intergovernmental Information Systems Advisory Council (IISAC) is responsible for coordinating the services, techniques and standards of data collection and use by and between the levels of government. Jack Krautkremer, IISAC executive director, said the council is requesting a biennial appropriation of \$374,000. He also reported on the council's continuing work in creating a local government financial reporting system. Krautkremer said the council is seeking legislative authority that will allow IISAC to carry a \$1.2 million appropriation from FY 95 forward into the next biennium.

Cheryl Dickson, executive director of the Minnesota Humanities Commission presented the governor's budget recommendation of \$1.08 million for the biennium. She said the commission's state funding, combined with funds from private sources, supports three initiatives - the Minnesota Institute for the Advancement of Teaching, the MOTHEREAD/FATHEREAD program, and a grant program to support local-level humanities program. Dickson said the

commission's programs were funded through the K-12 budget in the last biennium. Because all education appropriations are capped, she said the governor reduced the commission's budget request by \$45,000 for each year of the next biennium.

The division also reviewed the budget request of the Ethical Practices Board. Mary Ann McCoy and Jeanne Olson presented the board's budget plan which requests \$449,000 for FY 96 and \$454,000 in FY 97 from the general fund. The board is also requesting a biennial appropriation of \$4.5 million in FY 97 from a special revenue fund to carry out its responsibilities under the public financing laws for the 1996 campaign.

## Welfare reform presented

The state's costs contained in a welfare reform proposal were the focus of discussion for the members of the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), Weds., Mar. 8.

S.F. 1, sponsored by Sen. Don Samuelson (DFL-Brainerd), makes a number of changes to the state's welfare system, including requirements that participants in the STRIDE program cooperate with development of an employability plan and meet the terms of the plan to prevent the risk of sanctions on their enrollment in the program.

The bill also establishes an intensive language program aimed at AFDC recipients whose lack of skills in English serves as a barrier to employment. The measure also provides for expansion of the Minnesota Family Investment Program, allows counties to set up job search programs, and includes grants for county coordination of fraud control activities.

Samuelson said the bill's intent is to encourage individuals toward employment, while controlling the costs of reform. But any savings from the reform efforts may not be immediately realized, he warned. "Welfare reform is not going to produce a lot of savings in the next biennium," he said, "The savings will come in the years beyond."

In developing the proposal, Samuelson said efforts were made to minimize costs. "We did keep the bill below what the governor recommended for costs," he said.

The members discussed the intensive language program, which includes a \$1.3 million appropriation to the Dept. of Human Services in support of the program. Merriam questioned whether it was the department should develop a program that duplicates others that are offered. "My concern is that we appropriate money to the department and then tell them to go set it up when you already have those services provided elsewhere," he said.

## Governmental Operations and Veterans

### Contract oversight bill heard

A bill limiting how much state agencies can spend on professional and technical services contracts was presented to the Governmental Operations and Veterans Committee, chaired by Sen. James Metzner (DFL-South St. Paul), Tues., Mar. 7.

S.F. 166 requires all state agencies to limit the cumulative amount they will spend on

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professional and technical service contracts in the next biennium to 90 percent of what was spent in FY 94 and FY 95. Authored by Metzen, the bill gives the governor the authority to limit the amounts in contracts or reject proposed contracts in order to stay under the 90 percent level.

The measure also requires that agencies justify the contracts before they are approved and that agencies determine no state employee can provide the services called for in the contract before it is approved. Monthly reports on the contracts that have been approved are to be given and the amounts that agencies spend on contracts for professional and technical services are to be identified in future budget documents.

Metzen said, excluding the contracts issued by the Dept. of Transportation, state agencies spend as much as \$300 million each year on contracts. He said the bill begins to bring more accountability into how agencies award contracts while controlling the costs. "I'm not against state agencies contracting for services, but I just think we've gone too far in what is being contracted for," he said.

The committee began to hear public testimony on the proposal. Barbara Goodwin, legislative liaison for the Minnesota Association of Professional Employees, said that while there is no central source of information about contractors, she has learned of several examples of contracts that paid amounts much higher than what state employees performing the same functions receive. Goodwin said, "Employees object to the inexperience they often see in contractors, the nepotism shown in who receives contracts, and the high wages that agencies pay the contractors."

Commissioner Elaine Hansen of the Dept. of Administration said information about state contracts available, "but it may not be the information that an individual requests in the format they want it." Public testimony on S.F. 166 will continue at coming meeting.

The committee, chaired by Sen. Richard Cohen (DFL-St. Paul), approved S.F. 306, authored by Sen. Arlene Lesewski (IR-Marshall). The bill repeals the governor's Job Training Council and replaces it with the governor's Work Force Development Council. Lesewski said federal law requires each state to establish a council to manage federal work force improvement program funds. She also said the council will receive \$12 million in the next three years to convert the state's employment information system into a one-stop system. The bill now goes to the Senate floor.

## License refund bill advances

A proposal requiring state agencies to refund license fees if a license is not issued within six weeks was approved Weds., Mar. 8, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), approved S.F. 538, which requires state agencies to refund the costs of a license to an applicant if final action has not been taken on a complete, correct application within six weeks from the date it was received.

The bill, sponsored by Sen. Steve Murphy

(DFL-Red Wing), exempts licenses issued by health regulatory agencies from the refund requirement. Exemptions are also given to agencies that cannot issue a license without holding a public hearing or completing a background check. Other licenses, those requiring an environmental impact statement or that are awarded by a drawing, such as some hunting licenses, are also exempt. The bill also prohibits agencies from making any state rule that prevents them from providing refunds.

George Droubie of the Dept. of Education asked the committee to exempt teachers' licenses from the refund requirement. He said that because all teachers' licenses expire on July 1, the volume of applications submitted at that time makes it difficult for the department to issue the licenses within six weeks. Murphy said an exemption will be offered to the bill at a later meeting. The bill was approved and re-referred to the Finance Committee.

The committee also approved S.F. 564, establishing the Minnesota Quality College Program in the Dept. of Employee Relations. Sen. Dennis Frederickson (IR-New Ulm), the bill's author, said the purpose of the program is to provide a curriculum on quality management practices to state employees. Sen. Deanna Wiener (DFL-Eagan) offered an amendment to sunset the program in 1999. The amendment was adopted and the bill was approved. S.F. 564 was re-referred to the Finance Committee.

S.F. 204, requiring a report on federal mandates imposed on state agencies, was approved and referred to the Senate floor. The bill, authored by Sen. Kevin Chandler (DFL-White Bear Lake), requires the commissioner of finance and the director of the Office of Strategic and Long-Range Planning to develop the report and present it to the Legislature in 1996.

The committee continued discussion of S.F. 503, establishing the Minnesota Collection Enterprise in the Dept. of Revenue, started at an earlier meeting. Sen. Phil Riveness (DFL-Bloomington), the bill's author, presented an amendment extending the collection methods made available to the Dept. of Revenue in the bill to the Attorney General's Office. The amendment also allows agencies to charge interest on past due accounts, starting on the 30th calendar day following an agency's written demand for payment. The amendment was adopted.

The members also heard testimony opposing the measure.

## Health Care

### Drug formularies discussed

In a move to control exorbitant prescription drug costs for consumers, Sen. John Marty (DFL-Roseville) sponsored S.F. 410, a bill establishing a statewide drug formulary. The bill gives the commissioner of administration authority to negotiate contract prices for all prescription drugs sold in Minnesota and establishes a formulary for the purpose of negotiating contract prices.

Presenting his bill to the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), Thurs., Mar. 2, Marty said that

drug companies discriminate against community pharmacies, seniors and other consumers by charging them higher prices for drugs. In contrast, large discounts are given to HMO's, hospitals, nursing homes and mail order pharmacies. This crisis of price discrimination has forced seniors to choose between prescriptions and basic necessities each month, said Marty. "This bill mandates price disclosure to the public, eliminates price discrimination" and ensures that "people get the best possible price for drugs," Marty stated. Pearl Daniels Munic of the Minnesota Senior Federation supported the bill, stating that "levelling the playing field would be a significant improvement...People can't wait any longer."

The bill requires the commissioner to negotiate price contracts for drugs listed on the state formulary and establishes a formulary system developed by the Dept. of Human Services. These prices must be available to all purchasers in Minnesota. The department is also required to disclose the prices of the drugs. In addition, purchasers are prohibited from purchasing a prescription drug from a manufacturer who has not been awarded the contract. Marty emphasized that this provision, often misunderstood, does not preclude the purchase of drugs not included on the formulary.

Duane Benson, executive director of the Minnesota Business Partnership, opposed the bill, saying that the problem is a legitimate one, but Marty's bill will only result in cost-shifting in the system. The bill prohibits creative purchasing programs that health care providers could develop, he continued. Several testifiers, including Linda Warner of the Epilepsy Foundation of Minnesota, stated that the bill would affect access of medications through approval delays. Expedient access to cutting edge research and development is essential for serious diseases, Warner said. Sen. Harold "Skip" Finn (DFL-Cass Lake) commented that currently access is limited and cost shifting occurs, making the current system inequitable.

Melvin Ptacek of the Health Policy Coalition also opposed the legislation, noting that dismantling the private system is impractical and would result in cost increases. The bill is "inconsistent" with current approaches to health care reform by reducing competition and reversing efficient methods in place. Sen. Sheila Kiscaden (IR-Rochester) moved to table the bill, stating that additional information was needed before the committee could make an informed decision. "The bill is not dealing with the fundamental underlying causes," she said. The motion failed, but the bill was laid over.

Members also heard a presentation by the Dept. of Health and the Dept. of Human Services on the scope of specialized health care for children. Anne Damon, assistant commissioner of the Dept. of Human Services, noted that health needs of children differ from those of adults and need to be treated accordingly. Access to services promoting mental and physical development should be available to all Minnesota children, she said. The joint study by the departments recommended parental involvement and case management coordination in the design of the system. In continuing with health care

reform, Damon encouraged managed care pilot projects and ongoing monitoring and evaluation of the impact of managed care on children with special needs.

### Budget review continues

The Health Care and Family Services Funding Division continued consideration of budget recommendations at the meeting Fri., Mar. 3. The committee, chaired by Sen. Don Samuelson (DFL-Brainerd), reviewed welfare reform proposals.

Deborah Huskins of the Dept. of Human Services explained that AFDC caseloads will decrease by an estimated 2400 recipients due to MinnesotaCare legislation. Huskins said that the state saves two dollars for every dollar spent on the program. The Minnesota Family Investment Program (MFIP), will serve 10 percent of the AFDC caseload. MFIP is currently serving 3,500 cases annually, and costs approximately \$40 million annually, Huskins explained. This amount includes 38 percent federal funding. The difference is significant, Huskins said, from federal funding for ADFC which totals 58 percent.

A decrease of more than half is proposed for Minnesota Supplemental Aid Grants, due to group residential housing programs (GRH). The programs are designed to develop the funding of housing supports in community settings as an alternative to institutional placement, Huskins noted. Because of the lifting of a moratorium in this area, the shift of persons with developmental disabilities (DD) from regional treatment centers, and an increase in the DD population, GRH programs are expanding rapidly and currently serve 8500 people, she said.

Members also reviewed the waiver programs, which will experience an increase of \$43 million in the next two years because of obligation shifting. Huskins noted that about one half of the growth in expenditures is due to the increase in DD waivers, while about one fourth of the growth is due to the increase in the number of people using personal care attendant services.

### MinnesotaCare options discussed

Three different proposals for health care reform were presented and discussed at the Health Care Committee meeting on Tues., Mar. 7. Sen. Linda Berglin (DFL-Mpls.) presented S.F. 845 and reviewed the changes the bill makes to the MinnesotaCare bill.

The bill strikes the July 1, 1997 date for achieving universal coverage and suspends the implementation of the Regulated All-Payer Option (RAPO) until July 1, 2000. A penalty is established (in the form of reduced tax deductions) for persons with incomes greater than 275 percent of the poverty level who are uninsured. The bill also expands the income eligibility level for single adults from 125 percent to 150 percent of the poverty level (pending waiver approval) and provides additional exemptions from the 4 month uninsured and 18 month no access to subsidized coverage requirements. Also, the data collection duties of the data institute and commissioner of health are reestablished, and redefined in detail.

The bill outlines standard health coverage to be offered by all health plans, "so people can compare apples to apples," Berglin explained. The clarified definition of

"appropriate and necessary" will prevent the onset of many additional health problems and prove to be cost effective, noted Berglin. She also presented five different cost sharing options that may be sold by health plan companies.

Several members expressed concern about the penalties for the uninsured, and encouraged incentives for employers to offer insurance. It is more effective, perhaps, to "use the carrot instead of the club", said Sen. Harold "Skip" Finn (DFL-Cass Lake). Tom Swain, chair of the Minnesota Health Care Access Commission, stated that 75 percent of the uninsured are employed and need a penalty imposed to ensure personal responsibility.

Sen. Sheila Kiscaden (R-Rochester) presented an alternative to Berglin's bill. S.F. 235 is similar in that it promotes market-based reform and espouses a less regulated approach, Kiscaden said. The bill repeals RAPO and reforms tort issues to control excessive liability costs. Also, the bill increases penalties for public safety violations such as not using seatbelts and requires motorcyclists, ATV operators, snowmobilers and bicyclists to wear helmets. In addition, the cigarette tax is increased for the next five years. The bill, said Kiscaden, focuses on patient protection through utilization review to improve access. Medical savings accounts (MSAs) are permitted to allow tax-free savings for personal health needs. The bill establishes new data practice standards for patient and provider protection.

Dr. Timothy Crimmins, chair of the Minnesota Medical Association, stated that the bill allows a competitive model to ensure quality and consumer choice. In addition, he stated, the bill aims at approaching universal coverage. The bill differs from S.F. 845 in its approach to tort reform, RAPO repeal, taxes and requiring health care providers to participate in a risk adjustment system.

A third proposal was presented by Sen. Roy Terwilliger (R-Edina). S.F. 238 also repeals RAPO and establishes MSAs. The bill repeals growth limits and allows CISNs and ISNs to be for-profit. Terwilliger proposes a decrease in the eligibility for adults without children and requires a reduction in MinnesotaCare premium subsidies beginning July 1, 1995. Also, the bill limits medical malpractice actions and collectible damages. The bill prohibits certain areas of data collection and takes a free-market approach to penalties for the uninsured by permitting unlimited deductibles. Freezing the community rating will permit the uninsured to get more affordable insurance more easily, Terwilliger explained. Discussion will continue.

### Budget changes considered

A review of supplemental budget recommendations was the focus of the Health Care and Family Services Funding Division meeting Tues. evening, Mar. 7. The committee, chaired by Sen. Don Samuelson (DFL-Brainerd), considered cuts which would result in additional savings of \$40 million.

Helen Yates of the Dept. of Human Services explained that General Assistance Medical Care (GAMC) dental benefits would be reduced to cover only preventative and emergency services. The proposal would save

\$10.8 million over the biennium, Yates said. Sen. Linda Berglin (DFL-Mpls.) expressed concern about the level of service considered preventative.

The elimination of TEFRA (Tax Equity and Fiscal Responsibility Act) and a greater reduction of personal care attendant (PCA) hours is recommended, at a savings of \$7.7 million. The proposal, Yates explained, returns the PCA program to its original intent of assisting disabled individuals who can identify their own needs and adjust those benefits to 1.5 - 2.25 times the direct care hours that an individual would receive if they were in a nursing facility, instead of 2.5 - 3 times. Tom Moss, of the department, explained that the proposed restructuring is the best way to serve mental health clients. PCA expenditures have increased 192 percent since 1991 due to a legislative broadening of eligibility and prior authorization of services, Moss said.

With restructuring of PCA services, some former recipients will be diverted to mental health programs and added to waiver programs. TEFRA recipients, currently numbering 3,900, will be Medical Assistance (MA) eligible, enter waivers, or utilize private resources. Yates explained that 93 percent of acute care recipients are covered by private insurance, which should pick up the acute care costs after the elimination. The state, she noted, has been paying for TEFRA for persons that are covered by private insurance. Berglin inquired where PCA cuts would be made and by how many hours. The individual assessments are conducted by public health nurses, Moss stated, and are the most efficient and effective way of reviewing service hours.

The governor's recommendations include the establishment of an overall operating cost limit for certain Intermediate Care Facilities for the Mentally Retarded (ICF/MR), representing a savings of \$565,000. The same formula is used for nursing facilities, resulting in a savings of \$4.2 million for the biennium. The reduction restores the efficiency incentive and provide a framework for phasing in payments for various performance incentives, Yates said.

Patricia MacTaggart, of the department, outlined the changes to the health care reform waiver, including the elimination of the six month guaranteed eligibility for MA and the change of MinnesotaCare to MA for children and adults who would otherwise be MA eligible up to 275 percent of the poverty level. The changes reflect a savings of \$13 million over the biennium, and \$27 million over the next four years, MacTaggart said. She noted that the initiative must be budget neutral for the federal government.

The final additional budget change is the containment of the consolidated chemical dependency trust fund rates at 1995 levels. Yates explained that the proposal puts chemical dependency providers under cost containment parameters that are similar to other health care providers and would save \$4.6 million over the biennium.

### MinnesotaCare testimony heard

Public testimony was taken by members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), at the meeting Weds., Mar. 8. Discussion focused on

# Committee update

provisions of S.F. 845, a MinnesotaCare bill sponsored by Berglin.

Tom Swain, of the Minnesota Health Care Commission, explained to the committee the purpose of the provision that imposes freeloader penalties on uninsured persons. The penalty would apply to all uninsured persons with incomes over 275 percent of the poverty level. The uninsured in Minnesota, Swain said, are in general young, single and employed males. While this population is healthier than others, the costs due to accidents, disease, or other health problems places a burden of \$55 million annually on Minnesotans. This cost results in higher rates for all, Swain explained. He said, saying that the penalty "will motivate freeloaders to take responsibility for their actions" and induce them to become part of the system. Providing health care which is moderate, practical and affordable will help low income persons practice personal responsibility, said Swain.

Jeff Bangsberg of Beckland Home Health Care Inc. testified in favor of provisions of the bill, noting that currently the private insurance system pushes people onto government funded programs. "Preventative care works," Bangsberg said, and insurance companies need to provide cost-effective care to people. With the governor's proposed cuts in TEERA (Tax Equity and Fiscal Responsibility Act) and PCA (Personal Care Attendant) services, he said, flexibility on the part of insurance companies in providing special services is particularly critical.

Also mentioning special services, Anne Henry of the Disability Law Center noted that possible concerns may arise with the coverage of "appropriate and necessary" services. She encouraged clarification of terms. The proposed standard benefits set may encounter problems, Henry said, similar to those faced currently by HMOs. Private coverage isn't meeting the needs of people requiring ongoing therapies, ongoing mental health services, home care, or durable medical equipment, noted Henry. She said that these areas should be examined.

Berglin introduced several amendments which were incorporated into the bill. One amendment clarifies cost-sharing requirements for mental health services and ensures that they are not more restrictive than limitations for inpatient medical services. It also gives more direction to the department in developing a standard exclusion list. Another approved amendment requires the health care commission to look at the need for oversight to ensure consumer protection and adjust provider growth limits. Berglin also introduced an amendment capping the sliding fee scale at five persons in a household, eliminating the level at six or more persons. The change is "a matter of fairness," Berglin said. Review of the bill will continue.

## Jobs, Energy and Community Development

### Two bills advance

Members of the Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), approved two bills, Thurs., Mar. 2.

S.F. 574, authored by Sen. Harold "Skip"

Finn (DFL-Cass Lake), recommends that the Indian Affairs Council conduct a comprehensive survey of county and city names as well as names of geographic features, in order to determine which names may be offensive to American Indians. By Feb. 1, 1996, the council must report the results of the survey to the legislative committees.

The bill also provides that the commissioner of natural resources change the name of any geographic feature that contains the word "squaw". The commissioner will select the new name in cooperation with the county boards. Angelene Losh, a Lake-Bena High School senior, and Dawn Litzau a recent graduate, testified in support of the bill. Both are residents of the Squaw Point community in Cass County. Litzau stated, "we want people to be proud of where they come from. This is something that shouldn't go on any longer."

Joe Day, executive director of the Indian Affairs Council, and Sharon Romano, also from the council, testified. Day briefed members on the council's efforts to change names which demean Native Americans and perpetuate racism. The committee approved S.F. 574 and referred it to the Environment and Natural Resources Committee.

Sen. Ember Reichgott Junge (DFL-New Hope), outlined S.F. 383, a bill which extends the existing business license coordination law by adding an electronic filing system mandate. Reichgott Junge was joined by Jennifer Engh, deputy commissioner of the Dept. of Trade and Economic Development. Engh urged members to approve the bill, which allows businesses to apply for licenses using a computer equipped with a modem. The estimated cost for establishing the electronic filing system is \$1.7 million. Engh told members that in spite of the high cost, the bill has the potential to save the state money by making the license application process more efficient. The committee approved S.F. 383 and referred it to the committee's finance division.

### MN Technology budget presented

At a Thurs., Mar. 2, meeting, members of the Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard a presentation from Jacques Koppel, president of Minnesota Technology Inc. Koppel outlined the mission statement of his organization. The subcommittee also heard testimony from Minnesota Technology Inc. customers and grant recipients.

Koppel described Minnesota Technology Inc. as a statewide non-profit economic development organization dedicated to providing small and medium sized businesses with the tools needed to succeed in a competitive market. Koppel briefed members on his organization's efforts to strengthen Minnesota's manufacturing center, as well as to educate and inform people of the importance of manufacturing and technology based industries. He informed the committee that since its creation four years ago, the organization has created over \$90 million in business revenue, as well as generated 800 new jobs. Koppel was joined by customers Kerry Richmond, president of New Morning Windows, and Alan Tholkes, founder of

Ultimate Medical. Both stressed the instrumental role Minnesota Technology Inc. played in their business growth.

### DTED budget review continues

Members of the Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard budget testimony from the Dept. of Trade and Economic Development (DTED), Mon., March 6. Commissioner E. Peter Gillette, and Deputy Commissioner Jennifer Engh, provided members with a comprehensive budget summary. Hank Todd, of the Minnesota Office of Tourism, and Bruce Anderson, President of Advantage Minnesota, also addressed initiatives that their organizations hope to implement.

Commissioner Gillette responded to questions concerning DTED programs funded in the 96-97 budget proposal. At the request of Kroening, he spoke about DTED's one-stop permitting bill. If passed, the bill would allow businesses around the state to apply for licenses using a computer equipped with a modem. Gillette urged members to consider the benefits of a program he claimed could create "a more user friendly licensing system." Gillette also briefed members on DTED's recovery grant program. The commissioner provided the panel with a breakdown of grant and loan distribution throughout the state. Deputy Commissioner Jennifer Engh addressed unfunded programs in DTED's budget proposal. She cited the affirmative benefit system, and the community resource program as examples of initiatives that require additional resources.

### Telecommunications bill discussed

The committee on Jobs, Energy and Community Development, chaired by Sen. Steven Novak (DFL-New Brighton), heard testimony Tues., Mar. 7, on S.F. 752, a bill intended to smooth the transition between full regulation and competition in the telecommunications area. The bill repeals the ban on telecommunications carriers furnishing local services, and gives the Public Utilities Commission (PUC) the authority to establish terms and conditions for competition. The bill also allows telephone companies to opt for alternative regulation which includes the capping of basic services at existing rates or rates adjusted by the PUC. The bill was authored by Novak. A number of supporters testified on behalf of the bill.

Joann Hanson, assistant commissioner of Public Service, briefed members on the content of S.F. 752. She described the bill as a slow movement from a closed monopoly to a more open system of competition. During this transitional period, both small and large telecommunications companies would be held in check by alternative regulation. The result, Hanson said, will be rate reduction, rate stability, and increased service levels.

Lyle Williamson, representing MCI Telecommunications, also testified in support of S.F. 752. Williamson described the bill as "a carefully developed balance that promotes competition while stabilizing rates." He stated that many changes need to take place in the industry to allow competition. He cited MCI's plan to become a full service

provider as one example of competition resulting in increased service for the subscriber. The committee will hear further testimony on S.F. 752 at a later hearing.

### Telecommunications testimony

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), continued hearing testimony Weds. morning, Mar. 8, on alternative regulation of telephone companies.

S.F. 752, sponsored by Sen. Steven Novak, is aimed at smoothing the transition between full regulation and competition in telecommunications. The measure repeals the ban on telecommunications carriers providing local services and gives the Public Utilities Commission (PUC) the authority to establish terms and conditions for competition. The bill also allows telephone companies to opt for alternative regulation which includes the capping of basic services at existing rates or rates adjusted by the PUC.

Don Storm, chair of the PUC, testified in favor of the bill. Storm urged the panel to support S.F. 752, calling it "a significant step in the right direction." He stated that the Public Utilities Commission is prepared to take every step necessary to move Minnesota's telecommunications community into the competitive arena. The removal of regulated monopolies, Storm asserted, would result in increased competition and greater service for the subscriber.

Ann Higgins, a representative for the Minnesota League of Cities, expressed dissatisfaction with S.F. 752. She testified that the bill should be changed to allow cities to seek compensation for the use of public rights-of-way. Higgins stated that cities own valuable property that new communications service providers want to use for their own profit at no charge. Local government authority needs to be recognized in these new circumstances so that cities can address the terms and conditions for use of their property and define community needs to be served by the new technology.

Coralie Wilson, representing the Minnesota Association of Community Telecommunications Administrators, also expressed concern over the local authority to manage the public rights-of-way.

Sheldon Mains, representing the Alliance for Community Media, also testified in opposition to S.F. 752.

The committee will hear further testimony on this bill at a later hearing.

### Four budgets heard

The Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard four budget reviews Wed. evening, Mar. 8. Representatives from the Dept. of Trade and Economic Development, the Dept. of Public Service, the Metropolitan Economic Development Association, and Women Venture, briefed members on budget proposals for the 96-97 biennium.

E. Peter Gillette, commissioner of the Department of Trade and Economic Development, was joined by George Crolick, executive director of the Minnesota Trade Office (MTO), in order to outline the organization's list of initiatives. Crolick told

the panel that the mission of the MTO is to increase employment by expanding Minnesota exports and increasing foreign direct investment in the state. He also briefed members on the Minnesota World Trade Center Corp. (MWTCC) budget. The MWTCC is a facility-based public corporation, managed by the MTO, which promotes international business partnerships and increased participation in world trade. He urged the committee to consider the unpaid debt of \$543,438 that the corporation owes to private investors when making final budget decisions.

Kris Sanda, commissioner of the Dept. of Public Service, also briefed members on the department's budget requests and objectives. Mike Balsek, director of the Dept. of Weights and Measures, and Sue Lamper, representing the Dept. of Energy Regulation and Resource Management, testified with commissioner Sanda. Balsek told the panel that increasingly sophisticated weighing and measuring systems have not proven to be more reliable in maintaining accuracy. Consequently, there is a greater need for enforcement services and new computer-aided calibration equipment to ensure accurate commercial transactions.

Balsek requested funding for 32 pen-enhanced laptop computers which could be used around the state to inspect various measuring devices.

Sue Lamper also briefed members on energy challenges. She stated that federal government's delays in establishing a permanent repository for nuclear waste pose a major challenge for Minnesota, given that 28 percent of the electricity generated in Minnesota is from nuclear power.

Warren McLean, president and CEO of the Metropolitan Economic Development Assn. (MEDA), and Cynthia Paulson, a representative for Women Venture, provided members with an overview of goals and objectives for the upcoming year. MEDA is non-profit organization that provides assistance to businesses owned and managed by ethnic minorities. Women Venture is a non-profit agency that helps women find jobs, start careers, and grow businesses. No new funding was requested by either organization.

### Judiciary

#### Probate bills advance

The Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Mon., Mar. 6, to take action on several bills relating to probate.

S.F. 520, authored by Sen. Jane Krentz (DFL-May Township), requires the state court administrator to prepare a guide to the law on informal probate. Under the bill, master copies of the guide are to be distributed to the court administrators in every county to be given to members of the public. The measure also allows the court administrator to impose a charge for the guide equal to the cost of copying it. Finally, the bill requires the guide to be available for distribution by Jan. 1, 1996. An amendment, stripping the appropriations section from the bill, was adopted. The bill was then approved and sent to the full Senate.

A bill clarifying and correcting provisions of the Uniform Probate Code was also advanced to the Senate floor. S.F. 591, authored by Sen. Harold "Skip" Finn (DFL-

Cass Lake), expands the authority for safe deposit box searches by specifying the procurement of burial documents and an inventory of box contents as additional reasons. The bill also permits a trustee, without court approval, to divide a trust into two or more separate trusts, or to merge two trusts into a single trust, dependent upon the best interest of those interested in the trust. In addition, the bill expands the authority for the granting of power-of-attorney to spouses in some cases. An amendment, offered by Finn, incorporates the substance of S.F. 625, a bill sponsored by Sen. John Hottinger (DFL-Mankato). The amendment raises the threshold amount of assets, in a section of law dealing with investment of unclaimed assets of an estate, from \$2,000 to \$5,000. Members adopted the amendment. A second amendment, offered by Sen. Don Betzold (DFL-Fridley), relating to living trusts, was also adopted.

Members also advanced a bill that creates a procedure for establishing paternity in cases where a married woman has a child by a man who is not her husband and all parties are in agreement as to the child's paternity.

S.F. 626, authored by Krentz, was also advanced to the full Senate.

### Child support bill gains

The Judiciary Family Law Subcommittee met Mon., Mar. 6, to consider the provisions of a second bill dealing with child support enforcement. An earlier bill was approved by the panel last week.

The second bill, S.F. 642, authored by Sen. Dan Stevens (IR-Mora), contains provisions for establishing an employment registry with the Dept. of Human Services and modifies the law dealing with the publication of names of delinquent child support obligors. In addition, the measure requires the creation of a central collections unit for child support payments when the state or county is a party or provides enforcement services or when payment is collected through income withholding.

Subcommittee members, chaired by Sen. Don Betzold (DFL-Fridley), adopted two amendments to the bill.

The first amendment, offered by Sen. Martha Robertson (IR-Minnetonka), was further amended to delete provisions that would cause the bill to be referred to the Joint Crime Prevention and Judiciary Subcommittee on Privacy. Members agreed that the provisions were very similar to provisions contained in another child support measure and that there was no need to possibly delay the bill by causing it to be sent to another subcommittee. The remainder of the amendment makes changes to and provides definitions for the provisions dealing with establishing an employment registry, reduces the required number of times per year that a list of delinquent obligors must be published from four to two and delays the effective date for the employment registry and the publication of the list until Jan. 1, 1997.

The second amendment clarifies that in the case of a judgment for child support or spousal maintenance, an execution or certificate of satisfaction need not be filed with the court until the judgment is satisfied in full.

The bill was approved and referred to the full Judiciary Committee.

# Committee update

## Data privacy issues considered

The Judiciary Subcommittee on Privacy met Mon., Mar. 6, to consider the data privacy sections of three bills. S.F. 144, authored by Sen. Paula Hanson (DFL-Ham Lake), allows holders of disabled parking certificates to request, in writing, that their residence address or name and residence address be classified as private data. Further, the bill requires that the disabled parking certificate holder supply a mailing address where the individual consents to receive service of process. The measure was amended to delete the requirement for individuals to make the request in writing and to limit access to data on holders of disabled parking certificates. The bill was approved and referred to the full Judiciary Committee.

S.F. 16, authored by Sen. Don Betzold (DFL-Fridley), modifies the provisions relating to the prescription and administration of neuroleptic medications. Under the bill, data on the past administration of neuroleptic medication may be released to a treating physician who must make medical decisions about prescribing the medications. In addition, the bill provides that a treating physician who must make such decisions has access to a patient's records on past administration of neuroleptic medication at any treatment facility and that the treatment facility must make the information available to the physician. An amendment was adopted specifying that a patient who has the capacity to authorize the release of data retains the right to make decisions regarding access to medical records. The measure was approved and advanced to the full committee.

A bill providing for the enforcement of child support payments and establishing an employment registry in order to assist in the collection of child support was also approved. S.F. 217, authored by Sen. Richard Cohen (DFL-St. Paul), was before the panel because of several provisions relating to data privacy. The measure was also advanced to the full committee.

## Child support bill discussed

A child support enforcement initiative, S.F. 217, was debated at the Weds., Mar. 8, meeting of the Judiciary Committee. Sen. Richard Cohen (DFL-St. Paul), the measure's chief author, outlined the provisions of the bill. The measure expands enforcement remedies for child support, establishes an employment registry, provides for drivers license suspension for nonpayment of support, sets up a program for custody and visitation disputes and provides for placing liens against an obligor's motor vehicle. The measure also creates a work experience program for obligors who are unemployed but who are able to work.

Members adopted three amendments before laying the bill over for further consideration. The first amendment, offered by Sen. Jane Krentz, alters the amount of child support that must be in arrears before the various enforcement provisions are activated. The bill had been previously amended to specify \$3,000 as the threshold amount. Under the Krentz amendment, the threshold is equal or greater than three times the monthly support obligation. The second amendment, offered

by Sen. Martha Robertson (IR-Minnetonka), specifies that an obligee may not bring a motion for suspension of a drivers license within 12 months of a denial of a previous motion. The third amendment, also offered by Robertson, requires the commissioner to provide employers with appropriately marked or addressed envelopes or other document to facilitate the required reporting under the employment registry provisions.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), advanced two bills to the full Senate. S.F. 16, authored by Sen. Don Betzold (DFL-Fridley), modifies the provisions relating to the prescription and administration of antipsychotic drugs. Betzold said that the bill is a response to a court decision in which the court said that a patient who is not competent or who refuses to take medication has a right to have the court decide if the patient must submit to taking antipsychotic drugs. The bill also outlines the conditions under which a treatment provider may prescribe and administer neuroleptic drugs without judicial review and specifies when a judicial review is required. Members adopted an amendment providing that if the petition for authorization to administer medication is filed at the same time as a petition for commitment, the physician may continue the medication until the hearing. The amendment also provides that in the court hearing to determine whether involuntary administration of medication is necessary, the court may also hear witness testimony in addition to medical testimony.

S.F. 144, authored by Sen. Paula Hanson (DFL-Ham Lake), limits access to data on holders of disabled parking certificates. The measure does provide that the data may be released to law enforcement agencies. Hanson said that the measure is designed to prevent the release of information such as the name or address of holders of the certificates because, as a class, the holders of the disabled parking certificates are more vulnerable.

## Metropolitan and Local Government

### Three bills advance

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), approved three bills at its meeting Thurs., Mar. 2.

The first, S.F. 49, authored by Sen. Florian Chmielewski (DFL-Sturgeon Lake) provides for the towns of Glen and Kimberly to hold annual town meetings on separate days, either the day before or after the usually scheduled date. The law designates the second Tuesday in March for town meetings.

Chmielewski said that as a cost saving effort, the towns built a shared town hall. "But because they share the same building for town meetings, and they're held on the same day, it creates confusion for both towns," Chmielewski said.

The bill was placed on the Consent Calendar.

Members sent S.F. 494 to the floor, as well. Authored by Sen. Steven Morse (DFL-Dakota) the measure authorizes Winona County to enter into a contract for deed with

the Development Achievement Center for the purchase of a building, without complying with competitive bid requirements. Currently the DAC leases the property from Winona County.

Winona County Commissioner Sid Hill said that the county does not want to put the building out for bid because they want to insure that it continues to be a DAC. By foregoing the competitive bid process, the county can assure themselves of retaining their DAC.

Morse added that the 30 yr. old building "was uniquely designed for this purpose and will operate 10 more years as a DAC. It's a win-win proposal," Morse said.

Sen. Charles Berg (DFL-Chokio) presented S.F. 387 to members. The bill authorizes Swift County to set up a county rural development finance authority, giving them the same powers as a municipal economic development authority--less the ability to issue bonds.

The measure establishes a volunteer board of directors, appointed by the Swift County Board. Additionally, it states that the development districts do not have to be contiguous, as is required under the municipal EDA law.

Sen. Terry Johnston (IR-Prior Lake) objected to extending a special privilege to Swift County. "If it's good for one, we should do it for all."

S.F. 387 was approved and re-referred to Taxes and Tax Laws Committee.

### Four bills advance

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy) quickly moved four bills out of its Weds., Mar. 8, meeting.

S.F. 427, carried by Sen. Sam Solon (DFL-Duluth), designates State Senators as the elected officials to sign off on tax exempt bonds for the Western Lake Superior sanitary district. Currently, the governor appoints three Senators. Under the measure, the governor's involvement is eliminated. The bill was referred to the Consent Calendar, along with S.F. 526, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls).

Lessard's bill modifies the local approval requirement for the Nashwauk area ambulance district law. The measure clarifies that the law becomes effective upon the local completion process, and does not require the approval of the other local units of government to be effective.

Sen. Steve Dille (IR-Dassel) presented S.F. 170, a bill clarifying that volunteer organizations that maintain cemeteries in rural areas are not employees of the county. Dille told members that Wright County can no longer authorize volunteer groups, such as the Boy Scouts and various veteran organizations, to maintain the grounds, if the county is not provided relief from liability claims. Senators approved the measure and re-referred it to the Judiciary Committee.

S.F. 531, authored by Sen. Doug Johnson (DFL-Cook), was also re-referred, to the Taxes and Tax Laws Committee. The bill authorizes home rule charter cities to issue tax anticipation certificates in the same manner as statutory cities.

## Taxes and Tax Laws

### Empowerment zone bill gains

A bill providing for empowerment zones in areas with declining property values was approved by the Taxes and Tax Laws Committee at a meeting Tues., Mar. 7. S.F. 301, sponsored by Sen. Linda Berglin (DFL-Mpls.), provides for streamlining and simplifying county administrative procedures in order fund the empowerment zone initiative. The measure is designed to aid economic development in areas with declining or stagnating property values by creating jobs to work on capital projects in distressed areas. The resulting greenways and park like areas would attract business and housing development and help raise adjacent property values, Berglin said.

Committee members, chaired by Sen. Douglas Johnson (DFL-Cook), adopted an amendment, offered by Berglin, that clarifies that the city, the school board and the park board must also approve the creation of an empowerment zone and that the county must hold public hearings before approving an empowerment zone. The amendment also clarifies the uses of revenue from the resulting increase in property values. Members also adopted an amendment, offered by Sen. Linda Runbeck (IR-Circle Pines), specifying that the public infrastructure improvements to be undertaken in the empowerment zone must be improvements that will maximize the development of private commercial or industrial enterprises within the empowerment zone. The bill was approved and referred to the Committee on Finance.

In other action, the committee balked at approving a Cost of Government Resolution that adopts state revenue targets. Legislation enacted in 1994 requires the Legislature to pass a resolution by Mar. 15 of each odd numbered year adopting revenue targets for the next two bienniums. The resolution is to specify the maximum share of Minnesota personal income to be collected in taxes and other revenues, the division of the share between state and local government services and the appropriate mix and rates of income, sales and other state and local taxes and revenues, other than property taxes and the amount of property taxes.

Senate Resolution 6, carried by Sen. Gene Merriam (DFL-Coon Rapids), is the vehicle for the Cost of Government revenue targets. The resolution specifies that for FY 1996 and FY 1997 the maximum share of personal income to be collected in taxes and other revenues is 18.2 percent and that for the following biennium the share is to be 17.8 percent. For FY 1996 and FY 1997 the division between state revenue and local revenue is 57 percent and 43 percent, respectively. For FY 1998 and FY 1999 the division is 56 percent state revenue and 44 percent local revenue. The resolution specifies no change in the appropriate mix of rates. Further, the resolution specifies that the adoption of the revenue targets is expected to make no change in the incidence of state and local taxes.

Debate on the resolution focused on the role of property taxes. Sen. Lawrence Pogemiller (DFL-Mpls.) said that the resolution seems to indicate a greater reliance

on property taxes in the future. Members failed to approve the resolution on a voice vote.

### Price of government resolution

Members of the Taxes and Tax Laws Committee, chaired by Sen. Douglas Johnson (DFL-Cook), met briefly Weds., Mar. 8, and reversed their actions of the previous day regarding the Cost of Government Resolutions. Senate Resolution 6, carried by Sen. Gene Merriam (DFL-Coon Rapids), adopts revenue targets for the next two bienniums. Members turned down an amendment, offered by Sen. John Marty (DFL-Roseville), specifying different shares between state and local services and specifying reducing property taxes. The resolution was then approved and advanced to the Senate floor.

## Transportation and Public Transit

### MnDOT budget continued

Members of the Transportation and Public Transit Finance Division, chaired by Sen. Keith Langseth (DFL-Glyndon), continued discussion of the Minnesota Department of Transportation (MnDOT) budget at meetings held Fri., Mar. 3, and Tues., Mar. 7.

Al Schenkelberg, director of the Office of Investment Management, presented the State Road Construction Program which consists of five activities: State Road Construction, Highway Debt Service, Research and Investment Management, Design Engineering, and Construction Engineering. The program has adopted five goals to be implemented through the activities, including safety, fiscal stewardship, accessibility, economic development and environmental stewardship.

The agency is seeking \$341.6 million for FY 96 and \$339.6 million for FY 97 for its Road Construction Program some of which is dependent upon federal funding sources, according to Schenkelberg. The governor concurs with the agency request, and also recommends an additional \$89 million in biennial appropriations for three different initiatives: \$290,000 each year for Road Operations and Congestion Management; \$1.5 million each year for Minnesota Road Research Project; and, \$42.2 million each year for State Road Construction.

Discussion of MnDOT's Transit and Motor Carrier Services divisions will continue.

### Truck drivers' exam bill heard

A bill clarifying who is authorized to conduct physical examinations for truck drivers received considerable discussion during a Transportation and Public Transit meeting held Weds., Mar. 8. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), eventually approved the bill and sent it to the Health Care Committee.

S.F. 333, presented by Sen. Jim Vickerman (DFL-Tracy), specifies that physical examinations required for truck drivers by federal regulations may be issued by a doctor of medicine, a doctor of osteopathy or a doctor of chiropractic. Vickerman explained the state has allowed chiropractors to conduct the physicals. Some controversy arose, however,

when the Department of Transportation chose, in June 1994, to no longer allow the exams. "The bill allows what we thought we could do anyway," he said.

Paul Brown, of the Minnesota Medical Association testified against the bill, saying chiropractors are not as qualified as family practice doctors to perform thorough examinations.

Sen. Carol Flynn (DFL-Mpls.) asked Vickerman if the bill was needed at all since federal regulations allow chiropractic physical examinations. The bill was approved and will be considered by the Health Care Committee.

The committee also discussed S.F. 677, authored by Sen. John Marty (DFL-Roseville). The bill deals with the problem of multiple DUI offenders buying used cars and not transferring the title into their names. The bill allows the Department of Public Safety to revoke a vehicle's registration if a transferee fails to apply for a new title certificate within 30 days of the date of sale.

Jack Wildes of the department said he believed the bill was "overkill" considering the costs to the department and the likely results. The department could spend upwards of \$500,000 to install the needed equipment.

Marty disagreed. "If we can stop a handful of these drunk drivers I think it would be worth it." The bill advances to the Finance Committee.

A bill relating to traffic regulations and bicycles was among several the committee advanced to the Senate floor. S.F. 687, authored by Krentz, provides for a three-foot minimum passing distance between vehicles and bicyclists. The bill also requires the commissioner of Public Safety to include questions concerning traffic laws related to bicycles in the driver's license exam.

S.F. 757, carried by Sen. Don Samuelson (DFL-Brainerd), designates highways 169 and 18 from Elk River to Brainerd as the "POW/MIA Memorial Highway," a segment of Old County Road 21 to the Moose Lake Minnesota Psychopathic Center as the "John Riley Memorial Drive," and Trunk Highway 115 as the "Veterans Memorial Highway."

S.F. 700, authored by Sen. Steve Murphy (DFL-Red Wing), memorializes the U.S. Congress to provide funding for the Amtrak system that would allow it to continue as a national transportation system.

S.F. 691, authored by Flynn, allows a drivers license reinstatement fee to be waived if the license has been suspended due to a failure to appear in a court outside of the state if the driver has subsequently complied with the order.

S.F. 673, presented by Vickerman, redefines the base value of motor vehicles for purposes of registration tax to mean the manufacturer's suggested retail price.

H.F. 216, carried by Sen. Jerry Janezich (DFL-Chisholm), changes the definition of "fleet" from 1,000 to 100 vehicles and trailers for purposes of annual fleet registration.

## Information numbers

Senate Information 296-0504  
TDD 296-0250

# Preview

## The Minnesota Senate Week at a Glance

### Monday, March 13

#### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

**Agenda:** Budget review for the Dept. of Natural Resources, Ron Nargang, deputy commissioner.

The Senate will meet at 11 a.m.

#### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

12 noon Room 107 Capitol

**Agenda:** S.F. 26-Frederickson: Change license fees for certain wholesale food handlers. S.F. 580-Stumpf: Appropriating money for beaver damage control. S.F. 920-Morse: Providing a pilot conservation credit program in Houston County.

#### Commerce and Consumer Protection Subcommittee on Consumer Protection and Regulated Industries

Chair: Sen. Deanna Wiener

12 noon Room 112 Capitol

**Agenda:** S.F. 631-Kroening: Board of Accountancy housekeeping bill

#### Judiciary Committee

Chair: Sen. Carol Flynn

12 noon Room 15 Capitol

**Agenda:** S.F. 217-Cohen: Providing for enforcement of child support obligations. S.F. 642-Stevens: Child support obligations and enforcement. S.F. 431-Reichgott Jung: Eminent domain proceedings.

#### Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

**Agenda:** S.F. 98-Merriam: Criminal background checks for apartment and mobile home park managers and caretakers. S.F. 650-Reichgott Jung: Child abuse investigation interviews and telephone helpline; bail hearing and pretrial release procedures.

#### Jobs, Energy and Community Development Finance Division

Chair: Sen. Carl Kroening

2 p.m. Room 112 Capitol

**Agenda:** Budget overview for the Dept. of Labor and Industry.

#### Metropolitan and Local Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

**Agenda:** S.F. 657-Reichgott Jung: Board of Government Innovation and Cooperation. S.F. 1019-Mondale: Metropolitan livable communities act. S.F. 1000-Flynn: Creating a contaminated site cleanup loan program with the Metropolitan Council.

#### Finance Committee

Chair: Sen. Gene Merriam

7 p.m. Room 123 Capitol

**Agenda:** Discussion on budget increases for the Dept. of Human Services. S.F. 1-Samuelson: Welfare reform. S.F. 566-Vickerman: Lakeville school.

### Tuesday, March 14

#### Environment and Natural Resources Subcommittee on Fish and Wildlife

Chair: Sen. Charles Berg

8 a.m. Room 107 Capitol

**Agenda:** S.F. 621-Lessard: Extending protected status to and authorizing seasons on certain wild animals. S.F. 656-Merriam: Specifying the areas in which deer may be taken under a license to take antlered deer in more than one zone.

#### Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

8 a.m. Room 15 Capitol

**Agenda:** S.F. 380-Betzold: Clarifying certain powers and duties of the governor and adjutant general. S.F. 381-Betzold: Greater flexibility in appointment of members of the armory building commission. S.F. 382-Betzold: Authorizing the adjutant general to assign retired officers to temporary active duty. S.F. 663-Betzold: Exempting the national guard and Dept. of Military Affairs from certain prohibitions concerning weapons. S.F. 530-Metzen: Persian Gulf war bonus; constitutional amendment. S.F. 184-Murphy: Clarifying authority for use of funds from surplus facilities of the Veterans Home Board. S.F. 193-Bertram: Authorizing annual expense allowance for the Veterans Home Board directors. S.F. 603-Terwilliger: Korean veterans memorial.

#### Transportation and Public Transit Finance Division

Chair: Sen. Keith Langseth

8 a.m. Room 112 Capitol

**Agenda:** Budget overview for the Dept. of Transportation. S.F. 696-Morse: High speed rail.

#### Education Funding Division

Chair: Sen. Lawrence Pogemiller

10 a.m. Room 112

**Agenda:** S.F. 330-Ranum: Modifying compulsory education requirements. S.F. 391-Olson: Governor's education funding bill. S.F. xxxx-Olson: Governor's supplemental education funding bill. Governor's budget recommendations for education facilities and equipment, educational organization and cooperation, Access to Excellence, and other education programs.

#### Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

**Agenda:** S.F. 730-Solon: MA for pharmaceutical care research project. S.F. 667-Berglin: Defining medical health professionals for purpose of MA. S.F. 487-Sams: Nursing facility plant and maintenance costs. S.F. 783-Kramer: Pilot projects for mental health.

#### Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 107 Capitol

**Agenda:** S.F. 302-Kelly: Minimum wage. S.F. 717-Runbeck: Workers compensation.

#### Commerce and Consumer Protection Subcommittee on Insurance

Chair: Sen. John Hottinger

12 noon Room 112 Capitol

**Agenda:** S.F. 845-Berglin: Legislative Oversight Commission MinnesotaCare.

#### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

12 noon Room 123 Capitol

**Agenda:** Budget review for the Minnesota and Wisconsin Boundary Area Commission. Budget review for the Horticulture Society.

#### Ethics and Campaign Reform Committee

Chair: Sen. John Marty

12 p.m. Room 107 Capitol

**Agenda:** S.F. 115-Flynn: Grove Commission recommendations

#### Family Services Committee

Chair: Sen. Pat Piper

12 noon Room 15 Capitol

**Agenda:** S.F. 745-Riveness: Crisis nurseries. S.F. 900-Piper: Interpretive guidelines.

#### Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

2 p.m. Room 107 Capitol

**Agenda:** S.F. 133-Johnson, D.J.: Private sale of tax-forfeited land in Cook County. S.F. 290-Kelly: Contamination cleanup grant. S.F. 444-Lesewski: Adding territory to Split Rock Creek State Park. S.F. 445-Lesewski: PCA to permit operation of waste combustors. S.F. 574-Finn: Requiring commissioner of the Dept. of Natural Resources to change names of geographic features of the state.

#### Finance State Government Division

Chair: Sen. Richard Cohen

4 p.m. Room 318 Capitol

**Agenda:** Overview of the budget for the Dept. of Finance.

#### Taxes and Tax Laws Committee

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

**Agenda:** Confirmation - Diane Kroupa, Tax

Court. S.F. 93-Bertram: City of Melrose property acquisition refund. S.F. 610-Belanger: Governor's tax bill. S.F. 834-Jappas: Federal update.

### **Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*

5 p.m. Room 123 Capitol

**Agenda:** Overview of the governor's budget recommendations, Dept. of Human Services.

### **Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*

6 p.m. Room 112 Capitol

**Agenda:** Continuation - morning agenda.

### **Judiciary Subcommittee on Family Law**

*Chair: Sen. Don Betzold*

6:30 p.m. Room 15 Capitol

**Agenda:** S.F. 606-Kiscaden: Orientation programs in children proceedings. S.F. 760-Berglin: Dept. of Human Services bill.

## **Wednesday, March 15**

### **Gaming Regulation Committee**

*Chair: Sen. Charles Berg*

8 a.m. Room 107 Capitol

**Agenda:** To be announced.

### **Governmental Operations and Veterans Committee**

*Chair: Sen. James Metzen*

8 a.m. Room 15 Capitol

**Agenda:** S.F. xxxx-Ranum: Dept. of Children, Families and Learning

### **Transportation and Public Transit Committee**

*Chair: Sen. Florian Chmielewski*

8 a.m. Room 112 Capitol

**Agenda:** S.F. 455-Runbeck: Allowing license plates for collector vehicles to be transferred and reissued. S.F. 554-Krentz: Establishing special professional sports team and Olympic license plates. S.F. 497-Hanson: Establishing special license plates for child protection. S.F. 384-Langseth: Apportioning five percent of the highway user tax distribution fund.

### **Health Care Committee**

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** S.F. 410-Marty: Statewide drug formulary. S.F. 783-Kramer: Pilot projects for mental health. S.F. 893-Price: MCHA change benefits; eliminate MinnesotaCare waiting period for association members.

### **Higher Education Division**

*Chair: Sen. LeRoy Stumpf*

10 a.m. Room 112 Capitol

**Agenda:** To be announced.

### **Jobs, Energy and Community Development Committee**

*Chair: Sen. Steven Novak*

10 a.m. Room 107 Capitol

**Agenda:** Continuation - S.F. 717-Runbeck: Workers Compensation.

### **Agriculture and Rural Development Committee**

*Chair: Sen. Joe Bertram, Sr.*

12 noon Room 107 Capitol

**Agenda:** S.F. 819-Vickerman: Creating a "Passing on the Farm Center". S.F. 708-Lesewski: Exempting a program for recovery of statewide and agency indirect costs. S.F. 739-Scheevel: Change procedures for compensating crop owners for damage by elk.

### **Commerce and Consumer Protection Committee**

*Chair: Sen. Sam Solon*

12 noon Room 112 Capitol

**Agenda:** H.F. 457-Solon: Real estate brokers, membership camping and subdivided land sales contracts and abstractors licensing provision modifications. Any bills which pass out of Insurance and Consumer Protection Subcommittees.

### **Judiciary Committee**

*Chair: Sen. Carol Flynn*

12 noon Room 15 Capitol

**Agenda:** Bills referred from the Family Law and Privacy Subcommittees.

### **Crime Prevention Finance Division**

*Chair: Sen. Tracy Beckman*

2 p.m. Room 15 Capitol

**Agenda:** Overview of the budgets for the courts and judicial boards.

### **Jobs, Energy and Community Development Finance Division**

*Chair: Sen. Carl W. Kroening*

2 p.m. Room 123 Capitol

**Agenda:** Overview of the budget for the Labor Interpretive Center, Bureau of Mediation Services, and the Public Utilities Commission (tentative).

### **Metropolitan and Local Government Committee**

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** S.F. 420-Bertram: Expanding Paynesville hospital district. S.F. 534-Murphy: Authority of town board to alter or vacate town roads by plat. S.F. 841-Mondale: Land use planning.

### **Finance State Government Division**

*Chair: Sen. Richard Cohen*

4 p.m. Room 318 Capitol

**Agenda:** Overview of the budget for the offices of governor and lt. governor, Capitol Area Architectural and Planning Board, and the Amateur Sports Commission.

### **Joint Crime Prevention and Judiciary Privacy Subcommittee**

*Chair: Sen. Jane Ranum and Sen. Harold "Skip" Finn*

6 p.m. Room 112 Capitol

**Agenda:** To be announced

### **Legislative Commission on Pensions and Retirement**

*Chair: Rep. Richard Jefferson*

6 p.m. Room 10 SOB

**Agenda:** H.F. 99-Brown: PERA; service credit purchase by Swift County employee. H.F. 293-Jaros, S.F. 234-Solon: PERA; military service credit purchase by St. Louis County employee. H.F. 463-Johnson, R.; S.F. 189-Morse: State Patrol; benefit accrual rate and contribution increase. H.F. 923-Johnson, R.; S.F. 766-Metzen: MSRS-correctional; benefit accrual rate and contribution increase. H.F.

995-Johnson, R.; S.F. 863-Morse: Police state aid; establishing excess police state aid amortization aid program. H.F. 617-Johnson, R.; S.F. 561-Stumpf: TRA; administrative and other provisions. S.F. 767-Stumpf: MSRS; administrative and other provisions. H.F. 1092-Kahn, S.F. 922-Riveness: IRAP; recodification and substantive changes. H.F. 829-Carlson, S.F. 862-Reichgott Junge: Volunteer fire; Crystal, New Hope volunteer fire consolidation. H.F. 1040-Kahn, S.F. 806-Morse: IRAP and supplemental retirement plans; revising teaching after retirement and investment provisions. H.F. 925-Johnson, R.; S.F. 743-Metzen: TRA, MSRS; permitting TRA employees to elect MSRS general coverage.

### **Environment and Natural Resources Subcommittee on Fish and Wildlife**

*Chair: Sen. Charles Berg*

7 p.m. Room 15 Capitol

**Agenda:** S.F. 149-Berg: Temporarily extending the application of certain seasons, methods, and limits in game and fish regulations of the Mille Lacs Band of Chippewa Indians to nonband members who reside in the 1837 treaty area.

## **Thursday, March 16**

**The Senate will meet at 9 a.m.**

### **Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*

10 a.m. Room 112 Capitol

**Agenda:** To be announced.

### **Health Care and Family Services Finance Division**

*Chair: Sen. Don Samuelson*

10 a.m. Room 15 Capitol

**Agenda:** To be announced.

### **Jobs, Energy and Community Development Committee**

*Chair: Sen. Steven Novak*

10 a.m. Room 107 Capitol

**Agenda:** Continuation - S.F. 717-Runbeck: Workers compensation. S.F. 818-Anderson: Minnesota Project innovation.

### **Ethics and Campaign Reform Committee**

*Chair: Sen. John Marty*

12 noon Room 107 Capitol

**Agenda:** To be announced.

### **Commerce and Consumer Protection Committee**

*Chair: Sen. Sam Solon*

2 p.m. Room 112 Capitol

**Agenda:** Agenda to be announced: bills reported out of Insurance and Consumer Protection Subcommittees.

### **Crime Prevention Committee**

*Chair: Sen. Allan Spear*

2 p.m. Room 15 Capitol

**Agenda:** S.F. 799-Ranum: Manslaughter in the first degree reasonable person standard. S.F. 880-Ranum: Sexual assault criminal statute of limitations. S.F. 882-Ranum: Patterned sex offender law scope, penalties and training. S.F. 883-Ranum: Tolling of statutes of limitation pending DNA analysis.

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### Jobs, Energy and Community Development Finance Division

*Chair: Sen. Carl Kroening*  
2 p.m. Room 123 Capitol

**Agenda:** Overview of the budgets for the Minnesota Housing Finance Agency and municipal board (tentative).

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol

**Agenda:** S.F. 501-Pappas: Metropolitan Council Section 8 Housing Program. S.F. 563-Metzen: Appropriating money to Dakota County for airport planning costs. S.F. 833-Flynn: Minneapolis unclaimed property sale method determination. S.F. 856-Wiener: Clarifying Dakota County clerk duties.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
4 p.m. Room 123 Capitol

**Agenda:** Budget review for the Pollution Control Agency.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
4 p.m. Room 318 Capitol

**Agenda:** Overview of the budget for the Dept. of Human Rights (tentative).

### Taxes and Tax Laws Subcommittee on Incomes Tax and Sales Tax

*Chair: Sen. Len Price*  
4 p.m. Room 15 Capitol

**Agenda:** S.F. 13-Bertram: Sales tax exemption for used farm machinery. S.F. 24-Robertson: Repealing tax on 900 pay-per-call services. S.F. 250-Dille: Exempting certain purchases by veterinarians from taxation. S.F. 419-Bertram: Sales tax exemption for building materials used in agriculture processing facilities; exempt TIF district in Brooten from LGA/HACA offset. S.F. 721-Belanger: Exempt cargo vans from rental motor vehicle tax. S.F. 741-Bertram: Extend sales tax exemption applicable to electricity used on farms. S.F. 771-Price: Exempt city/counties for adult & juvenile correctional facilities projects. S.F. 97-Betzold: Certain income for service in armed forces exempt from taxation.

S.F. 367-Flynn: Changing the dependent care credit. S.F. 17-Bertram: Increasing funding for firefighters state aid. S.F. 256-Runbeck:

Changing gross premiums tax on certain insurance companies. S.F. 754-Solon: Change gross premiums tax rate imposed on certain insurance companies. S.F. 896-Finn:

Changing gross premiums tax rate imposed on certain insurance companies. S.F. 210-Morse: Authorizing the city of Winona to use lodging tax revenues for certain purposes. S.F. 804-Samuelson: Disposition of proceeds from local lodging tax imposed by Breezy Point. S.F. 560-Berg: Determine amount of tax refunds to be paid to Indian tribal governments.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*

6 p.m. Room 112 Capitol

**Agenda:** To be announced.

### Legislative Commission on Minnesota Resources

*Chair: Rep. Phyllis Kahn*

6 p.m. Room 5 SOB

**Agenda:** Update on agreements completed for bonding workprogram: White Oak Fur Post. Consideration of summer schedule: elections, work program review and approval, project evaluation, resource conditions, regional congresses, CAC role and activities, fall strategic planning seminar. Progress on 1995 recommendations: S.F. 102 and H.F. 213. Update on administrative budget for the LCMR per LCC action March 7, 1995. Review additional revenue available and options. March Revenue forecast. Consideration of workprogram amendment and recommendation for legislative extension for increasing utilization of Federal cost share feedlot funds. Consideration of a workprogram amendment and recommendation for legislative extension for biological control of Eurasian watermilfoil and purple loosestrife. Consideration of a change in planting for energy conservation in communities as requested including match level, allowance of more than 15 percent in-kind match. Consideration of a recommendation of bonding workprogram: Lac Qui Parle improvements including the requirement for a program plan and cost elements.

## Friday, March 17

### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzen*  
8 a.m. Room 15 Capitol

**Agenda:** S.F. 759-Novak: Changing DTED's operating procedures. S.F. 692-Metzen: Usage of executive agency compensation savings. S.F. 877-Wiener: Building code zoning law changes. S.F. 871-Hottinger: Administrative rulemaking. S.F. 872: Administrative rulemaking.

### Transportation and Public Transit Finance Division

*Chair: Sen. Keith Langseth*  
8 a.m. Room 112 Capitol

**Agenda:** S.F. 615-Riveness: High speed bus. S.F. 835-Pappas: Transit bonding. S.F. 172-Lessard: Manufacturing license plates.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*

10 a.m. Room 112 Capitol

**Agenda:** To be announced.

### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*

10 a.m. Room 107 Capitol

**Agenda:** S.F. 11-Metzen: Exempting newer motor vehicles from air pollution emission inspections. S.F. 873-Johnson, J.B.: Public sale of tax-forfeited land in Isanti County. S.F. 941-Frederickson: Confidentiality of mineral resources data.

### Finance State Government Division

*Chair: Sen. Richard Cohen*

4 p.m. Room 318 Capitol

**Agenda:** Overview of the budgets for the Dept. of Finance. Continuation - statewide systems project and risk assessment contracts.

# Briefly

The Minnesota Senate Week in Review

March 17, 1995

## Emissions bill advanced

A bill exempting five-year-old or newer vehicles from emissions testing was approved by the Environment and Natural Resources Finance Division, at an evening meeting held Tues., Mar. 14. The division, chaired by Sen. Steven Morse (DFL-Dakota), rejected an amendment to the bill which would have eliminated the program completely in 1998.

S.F. 11, authored by Sen. James Metzen (DFL-South St. Paul), received extensive testimony and debate before passing onto the full committee. The bill expands the exemptions allowed in the vehicle emissions law to include a motor vehicle which model year is "no more than five years earlier than the year of the vehicle's next registration."

In his presentation of the bill, Metzen said the program has been costing Metro Area taxpayers millions of dollars, despite tests that show the area has met Environmental Protection Agency (EPA) standards since 1991. The vehicle emissions testing and maintenance (VIM) program was established in accordance with the federal Clean Air Act.

Metzen said his bill would save money and inconvenience for metro citizens who own newer cars, which generally do not produce as much harmful emissions as older, less efficient vehicles.

The Minnesota Pollution Control Agency (MPCA) recently received notice from the EPA that the exemption for newer cars would continue to meet federal standards, Metzen said. But he acknowledged that some contractual negotiations with the program provider need to be worked out.

Besides hours of oral testimony, the division sifted through dozens of charts and documents before making its decision. The three days of testimony focused on whether the program has been successful in lowering harmful emissions in the Metro Area and whether continued testing is needed at all. Other considerations concerned the contract with the testing company, Envirotest, and whether the state had any obligations to continue the testing.

Sen. Pat Pariseau (IR-Farmington), who offered an amendment to eliminate the program at the end of the contract, emphasized that the Metro Area has met and will continue to meet EPA standards for some 10 years into the future. She cited a letter from the EPA to the MPCA's Lisa Thorvig that said the EPA agrees the program could be revised. If the state meets certain requirements, including a contingency plan, "it may be possible to change or even terminate the VIM program," Pariseau quoted from the letter. Pariseau's amendment failed. An amendment that would have changed the repeal date to the year 2000 also was defeated.

The bill was approved on a voice-vote and advances to the full Committee.

## Minimum wage hike okayed

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton) continued hearing testimony Tues. morning, Mar. 14, on S.F. 302, a bill that increases Minnesota's minimum wage. The committee also heard testimony on S.F. 717, a bill that modifies the system related to workers compensation claims.

Sen. Randy Kelly (DFL-St. Paul), sponsored S.F. 302. The bill increases the state's minimum wage requirement in two steps. Under the bill, the hourly rate businesses must pay employees will increase Oct. 1, 1995. The bill specifies another increase Oct. 1, 1996. A previous meeting had been dedicated to hearing extensive testimony on the measure, the Tuesday meeting was devoted primarily to testimony from parties opposed to the bill.

Carol Lovro, executive vice president of the Minnesota Motel Assn., said that a minimum wage increase would hurt tourist based businesses which need to hire untrained workers for the summer months. Lovro said forcing businesses to pay higher wages for unskilled labor decreases competition and limits the services businesses can provide.

Jack Uldrich, director of government affairs for the Minnesota Grocers Assn., also testified against the bill. Uldrich told members that additional wages place an increased burden on retailers and wholesalers and erode competition with neighboring states. He said a higher minimum wage would hurt entry level employees by forcing businesses to "trade up" to more experienced workers.

Sen. Douglas Johnson (DFL-Cook), introduced an amendment to lessen the minimum wage increase. According to Johnson's amendment, the minimum wage for large employers, those with over \$500,000 in sales, would go from the current \$4.25 to \$4.50, on Oct. 1, 1995. Under the amendment, after 90 days of employment the hourly wage increases to \$4.75, and after 180 days of employment the rate moves to \$5.00 an hour. For small businesses, the minimum wage is set at \$4.25 as of Oct. 1, 1995. After 90 days the hourly wage increases to \$4.50, and after 120 days the rate is set at \$4.75. Members approved Johnson's amendment.

Sen. Steve Dille (IR-Dassel) introduced an amendment concerning the minimum wage requirement for "tipped" employees. According to Dille's amendment, large employers must pay each employee who averages \$25 or more per week in gratuities at least \$4.25 an hour. Small employers must pay employees receiving the same amount of gratuities, at least \$4.00 an hour. Dille told members that only seven states do not recognize tip credit along with minimum wage. The committee defeated Dille's amendment. S.F. 302 was approved and sent to the Senate floor.

Sen. Linda Runbeck (IR-Circle Pines) sponsored S.F. 717, a bill modifying the workers compensation claim system. Runbeck described the bill as a bipartisan effort, designed to ensure employees compensation and increase the incentive to return to work. Runbeck told the panel that she believed a reorganization of the claim system would result in a decrease in litigation associated with workers compensation demands. The committee will hear further testimony on S.F. 717 at a later hearing.

## Gift ban broadened

S.F. 339, a bill that extends the authority of the Ethical Practices Board, was approved by the Ethics and Campaign Reform Committee at its meeting Tues., Mar. 14. Sen. John Marty (DFL-Roseville), committee chair and author of the bill, offered an amendment that broadens the scope of persons prohibited from accepting gifts to include elected county, city and school board officials. Members voted to adopt the provision, reversing a previous committee decision.

Two other amendments, both offered by Marty, were also incorporated into S.F. 339. The first provides for a "good faith exemption." Marty said that the provision allows an official to return a gift or pay for it, upon learning that acceptance of such gift is unlawful.

The second amendment "to facilitate the flow of information" clarifies that officials can accept items of value that assist in the performance of official duties. Marty said that this provision permits acceptance of reports, documents and other informational products. Marty said that although these items may have significant value, they also help officials in reaching decisions.

The bill was re-referred to the Finance Committee.

After several hearings and changes, S.F. 115, a bill related to elections, was finally approved and sent to the full Senate. Sponsored by Sen. Carol Flynn (DFL-Mpls.), the measure incorporates recommendations of the Growe Commission.

Besides moving precinct caucuses to the first Tuesday evening in March, the S.F. 115 changes the name "primary" to "state party nominating election," and moves the event to the first Tuesday after the first Monday in June. Additionally, candidates must receive at least 20 percent of the votes at a party endorsing convention before being placed on the ballot for a congressional or state constitutional office.

## Frequently called numbers

Senate Information	296-0504
Committee hotline	296-8088
TDD	296-0250
Copies of bills (voice mail)	296-2343

# Committee update

## Agriculture and Rural Development

### Fee reduction approved

The Agriculture and Rural Development Committee, at its Mon., Mar. 13, meeting, approved a bill that reduces license fees for small scale wholesale food handlers. To qualify for the reduction, a handler must post annual sales of less than \$25,000.

Authored by Sen. Dennis Frederickson (IR-New Ulm), S.F. 26 reduces from \$200 to \$50 the license fee charged a wholesale food handler. It also reduces the penalties charged for late license renewal from \$50 to \$15, as well as lowers from \$100 to \$25, the penalty assessed for not obtaining a license.

Jerry Beal, a small scale egg producer, testified in support of the bill. He told members that last year his total income from his egg operation was just \$8,400 and that a \$200 fee is unfair to small producers. "Fees should reflect the level of service rendered by the marketer," Frederickson added, "and that's what this bill is intended to do."

Members voiced concerns about the reduction being an indirect way of shifting fees. "We don't want to reduce fees to one group, and then simply pass them onto another group," said committee chair, Sen. Joe Bertram, Sr. (DFL-Paynesville).

"I don't see anything wrong with the big producers paying more than the little guys," added Sen. Steve Dille (IR-Dassel).

An amendment that changes renewal periods for state and county fair licensees from July 1 to April 1 was also adopted by the committee. Kevin Elfiring, from the Food Inspection Division of the Dept. of Agriculture supported the change. Elfiring said that it eliminates duplication of application procedures.

S.F. 26 was re-referred to the Environment and Natural Resources Committee.

### Conservation credit approved

The Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), approved three bills at the Weds., Mar. 15, meeting.

S.F. 920, authored by Sen. Steven Morse (DFL-Dakota), establishes a tax credit program in Houston County for landowners practicing good conservation techniques. "People talk about giving farmers some help," Morse said, "and this bill provides property tax relief for farmers while linking it to good conservation practices." Morse noted that soil erosion is one of the major contributors to water pollution.

To qualify for the pilot program, participants must reside on at least 40 acres of land, and follow conservation methods established by the County Soil and Water Conservation District. Locally defined and administered, Morse told members that a similar project has been very successful in Wisconsin. "This is a crack at property tax relief in a new and creative way," Morse said. "We should try it in one county and if it works, then go statewide with it."

Sen. Steve Dille (IR-Dassel) asked about the program's cost. Morse said that if all 60,000 acres took advantage of the credit, calculated at \$4.50 per acre, the annual total would be \$250,000. He added that there are no additional administrative costs to the state. Members approved the measure

and re-referred the bill to the Taxes and Tax Law Committee.

S.F. 654, carried by Sen. Dallas Sams (DFL-Staples), a bill that expands the eligibility for the value-added agricultural loan program, was approved and re-referred to the Finance Committee. Wayne Marzolf, from the Rural Finance Authority, the lending unit of the Dept. of Agriculture, testified in support of the measure.

Marzolf said that under the bill, which appropriates \$2 million from the general fund, small livestock producers can pool their resources and form cooperative slaughtering facilities that are eligible for RFA loans. Sen. Arlene Lesewski (IR-Marshall) said, "this will provide assistance to small family farms."

A bill to establish a program, "Passing on the Farm," at Southwest Technical College in Granite Falls was approved and re-referred to the Environment and Natural Resources Committee. Sponsored by Sen. Jim Vickerman (DFL-Tracy), S.F. 819 assists in the transition of farming operations from retiring farmers to beginning farmers.

Ivan Anderson, coordinator of the grass roots program, spoke in favor of the bill. Because of the increasing complexity of modern farming, Anderson said that there is a critical need for tools to help interested persons get started in the agriculture business. The program provides legal and financial advice, technical assistance and study groups. The bill requires a \$191,000 appropriation from the general fund, available through June 30, 1997.

## Commerce and Consumer Protection

### Board of Accountancy jurisdiction

The State Board of Accountancy housekeeping bill, S.F. 621, was stymied by controversial elements that would have extended the board's jurisdiction to accountants who are not CPAs, at the Mon., Mar. 13, meeting of the Commerce and Consumer Protection Subcommittee on Consumer Protection and Regulated Industries.

The measure, sponsored by Sen. Carl Kroening (DFL-Mpls.), makes numerous technical changes to statutes governing the Board of Accountancy. A portion of the bill, however, provides for accounting businesses that produce financial statements and are not run by CPAs to file annually with the board. In addition, such accounting businesses must have an "appointed person" who meets the bill's educational and professional requirements and serves in a supervisory or consultative role. The bill excludes persons whose CPA or LPA licenses have been revoked or suspended from being an appointed person or from having their name as part of the business name.

The subcommittee, chaired by Sen. Deanna Wiener (DFL-Eagan), heard first from the board's chair, Gene Braam. Braam testified that the measure is intended to protect the public from the "bad apples" in accountancy who lose their CPA designations and continue to practice. Under current law, Braam said, such people can continue to call themselves accountants and provide many of the same services as before, with no oversight by the board.

Joe Kenyon and Mike Bromelkamp of the Minnesota Society of Certified Public Accountants testified in opposition to the bill. Kenyon said the bill is drafted far too broadly. Bromelkamp said that it represents a departure from the mainstream in a professional area that needs to focus on conformity with national standards. After a lengthy question and answer period with the witnesses, the panel voted to lay the bill on the table.

### MinnesotaCare bill heard

S.F. 845, the MinnesotaCare update bill cleared the Commerce and Consumer Protection Subcommittee on Insurance at the Tues., Mar. 14, meeting.

The bill, authored by Sen. Linda Berglin (DFL-Mpls.), expands the income eligibility level for families with children from 125 percent to 150 percent of the poverty level. It also strikes the July 1997 date for achieving universal coverage. The measure outlines a standard set of five cost-sharing options for health care packages to make it easier for consumers to comparison shop and establishes a process for developing a standard set of exclusions for health plan coverage. It also sets forth financial parameters under which ISNs must operate and suspends the implementation of the Regulated All Payers Option (RAPO) until July 1, 2000.

In addition, the bill establishes a tax penalty for people whose household incomes exceed 275 percent of the poverty level and who are uninsured. Under the provisions, uninsured persons can lose a portion of their standard or itemized state income tax deductions. Sen. Cal Larson (IR-Fergus Falls), objected to the provision, saying, "Why should people have to pay for insurance if they don't want it? It's a socialistic idea."

Sen. Sheila Kiscaden (IR-Rochester), a co-author of the bill, countered by saying that when uninsured people are sick or injured, Minnesota hospitals treat them, and the public pays for their care. "We have values in this state," Kiscaden said. "We agree that all Minnesotans have access to health care. The question is do we agree that all Minnesotans should contribute their share toward paying for that access?"

The subcommittee, chaired by Sen. John Hottinger (DFL-Mankato), approved three author's amendments and three amendments from other committee members. One Berglin amendment allows health plans to make medical equipment available through their bulk purchasing discount and outlines the goals of universal coverage. Another clarifies provisions relating to associations that buy insurance for their members. The third makes technical changes.

The panel approved an amendment offered by Sen. Deanna Wiener (DFL-Eagan), removing language that limits premium rate variations. It also removes future consideration of community rating based on health status. An amendment, offered by Sen. Don Samuelson (DFL-Brainerd), repealing statutes that will not be needed when universal coverage is attained, also received approval. Another Samuelson amendment, making ISNs subject to the same "consumer safety net" as HMOs, was also adopted.

The subcommittee failed to adopt an amendment offered by Sen. Cal Larson (IR-Fergus Falls), providing tax incentives for taxpayers who set up medical spending accounts through their employers. The panel also voted

down an amendment, offered by Sen. Edward Oliver (IR-Deephaven), permitting for-profit ISNs.

The panel heard testimony regarding S.F. 845 from representatives of Minnesotans for Affordable Health Care, the Children's Defense Fund, the Minnesota Law Disability Center, and concerned citizens. Following testimony, the subcommittee approved the bill and referred it to the full Commerce and Consumer Protection Committee.

## MinnesotaCare update advances

The Commerce and Consumer Protection Committee amended and approved the MinnesotaCare update bill at the Weds., Mar. 15, meeting.

S.F. 845, authored by Sen. Linda Berglin (DFL-Mpls.), strikes the July 1, 1997 date for attaining universal coverage. The measure also raises the income eligibility level for the program from 125 percent to 150 percent of the poverty level. It establishes a process for developing a standard set of exclusions for health plans, and suspends the implementation of the Regulated All Payers Option (RAPO) until July 1, 2000. The measure also sets forth financial parameters within which ISNs must operate.

The committee, chaired by Sen. Sam Solon (DFL-Duluth), approved an amendment by Berglin removing a portion of the bill that provides a standard set of five cost-sharing options for health care packages. Berglin said that the amendment was a response to concerns voiced by the Insurance Federation of Minnesota that the options in the bill are too "rich" and won't be affordable for many consumers. She said she will work with industry representatives to develop options that are practical.

The committee approved S.F. 845 and re-referred it to the Governmental Operations and Veterans Committee.

In other business, the panel approved H.F. 457, the real estate omnibus bill. The measure, sponsored by Solon, adds an exemption from real estate broker licensure for persons who engage in loan brokering activity. It also allows for situations in which sellers wish to enter into a written agreement under which the broker may advertise the property for sale. In addition, the bill clarifies that the abstractor bonding/liability requirements that were applicable under the previous system of licensing by counties is still applicable under the new system of one "statewide" license. The committee approved an author's amendment reducing paperwork requirements for developers of subdivided land who have been granted exemption from registration by the federal Dept. Housing and Urban Development under the multiple site subdivision exemption. The Senators approved the bill and referred it to the Senate floor.

## Crime Prevention

### VAA bill advances

A bill revising the 15-year-old Vulnerable Adults Act was re-referred to the Judiciary Committee after 11 amendments were added and approved by the Crime Prevention Committee, Thurs., Mar. 9.

The act protects adults who may be vulnerable to maltreatment or financial exploitation. The revision contained in S.F. 512 originates from a two-year study of the current act by the Attorney

General's Office.

Sen. Allan Spear (DFL-Mpls.), author of the bill and chair of the committee, offered 10 amendments, including one that tightens the current definition of "vulnerable adult." The amendment specifies that a vulnerable adult is someone over 18 years of age, receiving care from a facility or from a home-care provider, or who possesses a physical or mental infirmity and cannot provide his or her own care nor protect himself or herself from maltreatment. The bill had received some criticism during earlier testimony that the definition was too broad.

Another author's amendment removes a gross misdemeanor penalty for not reporting maltreatment of a vulnerable adult; the bill retains a misdemeanor penalty for failure to report. Spear said he offered the amendment to "increase the comfort level of some groups." "It's not one I would have offered in an ideal world, [but] this is not an ideal world," he said.

Another author's amendment redefines the criminal neglect section by clarifying that a person who is guilty of criminal neglect must commit certain acts with conscious disregard for danger to human life and reckless indifference to the risks.

The committee approved a Spear amendment deleting a second degree manslaughter penalty from the criminal penalties provision. Dan McInerney, an attorney representing the Minnesota Association for Homes for the Aging, testified that the section duplicates penalties already covered under another provision.

Sen. Gene Merriam (DFL-Coon Rapids) offered an amendment removing the reference to "accident" from the criminal portion of the bill.

Finally, the committee approved an author's amendment allowing a vulnerable adult or a caregiver to select spiritual means or prayer as a form of treatment if it is consistent with prior practice or belief.

### "Koskinen" bill considered

A bill referred to as the "Kari Koskinen Manager Background Check Act," received extensive discussion during a Mon., Mar. 13, hearing of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.). The bill was laid over for more discussion.

S.F. 98, authored by Sen. Gene Merriam (DFL-Coon Rapids), requires an apartment or mobile home park owner to seek a criminal background check before hiring a manager. The bill arises from an August 1994 incident in which a woman was abducted from her apartment and subsequently murdered.

LouAnn Koskinen testified that upon investigating her daughter Kari's death, she found out the apartment manager was a three-time convicted sex offender. The point of the bill, she said, is to make sure the crimes don't become more common and to remove the inequities that exist between managers and tenants. Currently, managers may ask tenants to provide background information before renting an apartment.

Merriam explained the bill also requires the superintendent of the Bureau of Criminal Apprehension (BCA) to perform a national criminal records search and is authorized to exchange fingerprints with the FBI if the manager applicant has resided in Minnesota for less than five years.

If a background check reveals the applicant was convicted of one of the crimes outlined in

the bill, the owner cannot hire the person. Merriam said the bill allows an owner to hire a person before a background check is completed, but if a check shows a conviction, the manager must be terminated.

Under the bill, if an owner knows a manager has been convicted of one of the specified crimes before August 1995, the owner can continue to employ the manager only if all tenants and prospective tenants are notified. The tenants then may terminate their leases.

Sen. Thomas Neuville (IR-Northfield) questioned the logic behind grandfathering in the current apartment managers and asked if the bill takes into consideration the amount of time since a person's conviction and/or discharge from probation. Sen. John Marty (DFL-Roseville) offered an amendment allowing background checks on all existing managers.

Another section of the bill outlines a tenant's right to privacy and restricts a manager's right to enter the premises except under certain circumstances. The bill notes that the right to privacy provision cannot be waived by either the tenant or the manager. If a manager violates the section, the tenant is entitled to actions, including the right to terminate the lease and a \$100 civil penalty for each violation.

Jack Homer of the Minnesota Multi Housing Association testified against the bill, specifically the right to privacy section. The effect of the bill restricts the ability to properly manage and provide security in a complex, he said. There are times, he said, when a manager needs access to an apartment when prior notice is either inconvenient or ineffective, such as in the case of checking on a possibly illegal tenant. The committee will continue discussion of the bill.

## Courts budget review continues

Discussion on the budget for the state's court system continued at the Weds., Mar. 15, meeting of the Crime Prevention Finance Division.

At the request of division chair Sen. Tracy Beckman (DFL-Bricelyn), State Court Administrator Sue Dosal explained that the governor recommends \$2.609 million for new biennial initiatives for all three of the court systems. The new initiative budget requests for the Supreme Court, the Court of Appeals and the District Court equal about \$11.2 million, or \$8.6 million more. Much of the new funding request (\$8.5 million) is to cover increases in cases at the trial court level, Dosal said.

Bruce Beneke of the Minnesota Legal Services Coalition Liaison presented the request of the Supreme Court's Civil Legal Services division which is \$1 million each year of the biennium. The appropriation is to fund the increasing numbers of low-income people seeking civil legal services. Beneke pointed out that two-thirds of the service's clients are women because they tend to be disproportionately poor and the nature of the cases tend to affect more women.

Beckman, who reminded the division of budget constraints, asked what would happen if Beneke's program did not receive the requested funds. Beneke said the number of people not receiving legal services would rise from the 20,000 who already do not receive service.

Beckman and Sen. Allan Spear (DFL-Mpls.) suggested Beneke look into charging a nominal fee or establishing a sliding fee scale to help defer increasing costs.

The division also reviewed the \$210,000

# Committee update

biennial request for the Supreme Court's Community Dispute Resolution program. According to Executive Director Jim Levin, the program trains volunteer mediators to resolve community disputes outside of the court room in an efficient, fair and low-cost manner. With the additional funding for fiscal years 96-97, Levin hopes to leverage enough private funds to start four community groups in addition to the existing six.

## Education

### Merger delay bill rejected

A bill that would have delayed the July 1 merger of the three higher education systems was turned down Thurs., Mar. 9, by a 4-5 vote in the Higher Education Funding Division. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

S.F. 294, presented by Sen. Dave Kleis (IR-St. Cloud), proposed to delay the implementation of the merger until costs were identified and appropriations made. The merger brings state universities, and community and technical colleges under one umbrella, called Minnesota State Universities and Colleges or MnSCU. The merger is designed to improve student and administrative services.

Kleis and supporters said the bill was needed in order to get the merger off right without burdening the three separate systems' budgets. "The only alternative (to legislative appropriation) is for those costs to be transferred to the systems, ultimately resulting in program cuts or tuition increases," he said. "I don't think the merger should be on the backs of those systems."

At one point in the meeting, bill supporters unrolled an eight-foot-long banner depicting a proposed organizational chart of MnSCU's administration. The chart was in response to questions from Sen. Mark Ourada (IR-Buffalo) about the estimated administrative savings.

Chris Lynch, president of the community college student association, said the bill is not an attempt to block or end the merger but simply to make it work. "We've received numerous assurances from Legislators that (students) wouldn't pay for the merger," he said. "[The bill] is a guarantee for students that we won't be forced to pay for a mandate passed down from the Legislature."

Stumpf responded by saying the merger is not a mandate, but an improvement in the way of running the three post-secondary systems. The increased cooperation among the systems, even up to this point, wouldn't have happened unless the Legislature pushed them, he said. "And it's all been done for the betterment of the students."

Larry Barnhardt, president of St. Cloud Technical College, testified against the bill, but commended the bill's authors for providing a forum for people to voice concerns. He said the delay would just continue procrastination, but added that starting July 1, the state is beginning a "downsizing of higher education" without a plan.

In response to a student's concern about paying higher tuition rates, Sen. Roger Moe (DFL-Erskine) pointed out the tuition increases in the last 10 years have been higher than ever before. He said maybe the state needs to try something different to try to lessen tuition hikes. "I think the goal is to make the three systems more responsive to students and more flexible,

and hopefully be able to avoid that kind of impact," he said.

Sen. Leonard Price (DFL-Woodbury) suggested Kleis and other supporters identify costs of the merger and develop a line-item list for Legislators to analyze.

The bill failed on a 4-5 roll-call vote.

### Advertising on buses considered

A proposal to allow advertising on school buses was presented Fri., Mar. 10, to the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

S.F. 312 permits advertising on school buses if an advertising policy has been adopted by the local school board, if the advertising conforms to bus equipment standards, and if it does not interfere with bus identification. The bill, sponsored by Sen. Jerry Janezich (DFL-Chisholm), also limits what products can be advertised and how they are presented. No action was taken on the bill.

The division approved S.F. 723, authored by Sen. Martha Robertson (IR-Minnetonka). The bill allows school districts to transfer funds between the capital facilities and capital expenditures accounts. Robertson said the bill, removes the current conditions under which a transfer can occur.

The bill will be included in the education funding omnibus bill.

Two other bills, S.F. 31 and S.F. 744, were also approved and will be added to the omnibus bill. S.F. 31, sponsored by Sen. Keith Langseth (DFL-Glyndon) allows the Pelican Rapids schools to make a transfer from the general fund to the capital expenditure fund. S.F. 744, presented by Sen. Tracy Beckman (DFL-Bricelyn), allows the Granada-Huntley-East Chain district to transfer funds from the capital facilities account to the capital expenditure fund.

### Program changes approved

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) took up a bill modifying how the Dept. of Education administers several programs, Tues., Mar. 14, and approved a number of the provisions.

S.F. 817, authored by Sen. Kenric Scheevel (IR-Preston), contains provisions, recommended by the Dept. of Education, clarifying the policy and administration of a number of education programs. The division worked its way through the bill and approved including most of the provisions into S.F. 944, which will be the Senate's education funding omnibus bill.

The panel voted to eliminate the requirement that parents must request that their resident district allow students to be transported by another district's bus when the student enrolls in another school under the open enrollment program.

Also approved was a provision allowing reimbursement of costs for students enrolled in the Post-Secondary Enrollment Options Program who are transported from their homes to a higher education institution.

The members approved language that exempts hearing officers involved in the special education hearing process from civil liability. Another provision, allowing fund transfer to occur after the voters have approved the combination or consolidation of school districts into one, was adopted.

### Funding proposal reviewed

The governor's recommendation for a 48 percent property tax recognition shift was approved by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Tues. evening, Mar. 14. That provision, and several others, were adopted and incorporated into the education funding omnibus bill.

S.F. 391 details the governor's K-12 education budget recommendations for the next biennium. The bill, presented by Sen. Gen Olson (IR-Minnetrista), includes increases in the general education funding formula amount, provides for creation of the Learning Gap Revenue Program and a Learner Improvement Program. The measure also contains the governor's funding proposal for such areas as transportation, special education, community education, and other education initiatives.

The division approved a provision that, beginning in FY 1996, specifies that school districts may not recognize 48 percent of their property tax revenue until the following fiscal year. The recognition shift had been reduced to just more than 37 percent in 1994. Pogemiller said that remaining at the 37 percent level requires about \$166 million in the next biennium.

Other provisions adopted by the division from S.F. 391 allow districts to transfer general funds to the capital expenditure fund for the purchase of new equipment and permit districts to use non-regular transportation funds to support excess transportation and late activity buses.

The division also considered portions of S.F. 817, the Dept. of Education's administration bill, authored by Sen. Kenric Scheevel (IR-Preston). The members rejected a proposal to place the staff of the Faribault Academies Resource Centers in the Dept. of Education after concerns were raised that those staff positions could be lost if any department reorganizational occurs.

### Free speech bill approved

A bill to prevent the state's public post-secondary systems from restraining free speech or imposing disciplinary action against students for exercising their right to free speech was amended and approved, Weds., Mar. 15, by the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

S.F. 362, authored by Sen. Arlene Lesewski (IR-Marshall), specifies that the University of Minnesota or any institution under the jurisdiction of the Higher Education Board cannot impose prior restraint on students or take disciplinary action against students solely for communication that is protected by the right of free speech. The bill also allows students to seek relief by bringing a civil suit against the public post-secondary institutions. The court may award attorney fees and costs to the prevailing plaintiff.

Sen. Cal Larson (IR-Fergus Falls) offered, and the division approved, an amendment exempting students who serve as teaching assistants or in a teaching capacity from the provisions of the bill.

After hearing testimony in support of the bill, Sen. Lawrence Pogemiller (DFL-Mpls.) proposed to amend the bill by eliminating the references to the systems and specifying students could bring a civil action if they are aggrieved by a violation of the free speech clauses in the U.S. and state constitutions. His amendment was adopted and

the bill was approved. The measure was referred to the full Education Committee.

The division also completed its review of the budget proposal from the Higher Education Coordinating Board (HECB). Acting Director Joe Graba said the governor has recommended appropriations of \$93.9 million for FY 1996 and \$94 million in FY 1997 for the state grant program. He said the recommendations provide a \$5.1 million increase in the program to account for tuition and inflationary increases.

## Environment and Natural Resources

### Ag budget review continued

The Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), continued its look at the Dept. of Agriculture with a review of the Grain Inspection Services.

At the Fri., Mar. 10, meeting, Director Dale Heimermann explained the reasons behind the decline in agency inspections. The state's grain inspection service is the official agency for the state and is consequently monitored and regulated under the U.S. Grain Standards Act. According to Heimermann, after an application and review process, the department's inspection division was chosen over four other services as the official agency for Minnesota.

At an earlier hearing, a private grain inspector testified against the state-run service, saying it was not cost-effective. But Heimermann said the decrease in state inspections parallels a drop across the nation caused by a variety of factors, including a decrease in the number of grain firms, an industry trend to use "in-house" inspectors, and more restrictive reporting requirements for official agencies.

The division is seeking a \$1 million loan to provide for cash flow needs for the rest of FY 95 and for the 96-97 biennium. Heimermann said the largest cause for the loan is last year's flooding.

Committee members continued to question the use of state general fund money to subsidize the inspection service, saying fees charged for the service should cover any administrative costs. Sen. Charles Berg (DFL-Chokio) asked about the bidding process and how the department compared to the others. Heimermann said the state was higher than some of the others.

"If a private grain inspection service was cheaper to the elevators and if we have to keep subsidizing the state's bid with general funds to keep it solvent, it seems to me we need to really be looking closely at this to see if we can save some dollars," he said.

The committee continued with budget reviews of the Food Inspection and Dairy and Livestock divisions.

### Wetlands review

The Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls) heard testimony supporting S.F. 483, the wetlands modification bill, at its Fri., Mar. 10, meeting. Authored by Sen. Leroy Stumpf (DFL-Thief River Falls) the measure makes changes to the 1991 Wetlands Conservation Act.

"It doesn't work," Stumpf said of the WCA, "and what we have today is not what we intended to do when we passed the WCA in 1991." Stumpf said that the bill provides

incentives to encourage conservation practices. "We should be using the carrot, not the stick."

Several property owners, most from rural areas, but some from the metropolitan region, spoke in favor of S.F. 483. Citizens voiced numerous concerns including requests for implementation of local authority, correction of agency inconsistencies, simplification of procedures, reexamination of classification criteria, and claims of inequities and unfair costs to small property owners.

Beltrami County Commissioner Brad Nord, representing the five unsigned counties, said that the WCA is unfair to small landowners, while favoring big developers. "It turns law-abiding citizens into criminals," Nord said. "The process is so burdensome and costly that the average person can't comply with it," Nord continued. "But the heavy hitters, the big developers, can get the army of lawyers and engineers needed to slug their way through the regulations."

Jack Nelson, a landowner near Thorhult, told members that officials from various agencies issued conflicting opinions about his 25 acres of land. The Army Corps of Engineers had designated all of his property as wetlands, but the Soil and Water Conservation District, the Dept. of Natural Resources, and the Watershed District had classified only a half acre as wetlands. After more than a year of waiting, a representative of the Corps of Engineers visited Nelson's land and reversed the previous decision, agreeing that only a half acre should be classified as wetland.

Lee Coe, a Beltrami county commissioner and member of the Landowners Rights Association said that "changing signals" have created confusion and resentments. "They need to make it really clear what can and can't be done," he said. Coe also argued that in terms of both time and money, the WCA is costly and a major factor in driving down property values.

Dan Erhard, chairman of the Anoka County Board said that the cost to the county for mitigating one acre of land is \$55,000. He said that he would like to see the deminimus factor (the threshold that triggers regulatory action) raised and decision making authority placed in the hands of local officials. He also objected to "harassment enforcement" and the subjective definitions used by various departments.

Also appearing before the committee was Ron Harnack, from the Board of Water and Soil Resources. Although Harnack conceded that some changes need to be made to the WCA, he said, "local units of government have done a good job implementing BSWR programs." Harnack said that areas of concern include local flexibility, the deminimus threshold, and streamlining bureaucratic processes.

### DNR budget review continues

The Dept. of Natural Resources' recommendations and budget request stemming from the Generic Environmental Impact Statement (GEIS) received scrutiny from the Environment and Natural Resources Finance Division at a hearing held Mon., Mar. 13. The division, chaired by Sen. Steven Morse (DFL-Dakota), also reviewed the department's revised biennial budget as adjusted to account for a 3-percent inflationary increase in salaries and expenses.

The GEIS on Timber Harvesting and Forest Management, completed in April 1994, is an analysis of the cumulative environmental impacts associated with expanding timber harvesting in

the state. A GEIS Implementation Strategy Roundtable has recommended a variety of initiatives for the DNR to help preserve the state's timber resources.

According to Gerald Rose, director of the Forest Management Division, the GEIS roundtable recommends spending more than \$2.7 million over the biennium to begin the initiatives. The funding, in part, would cover the hiring of 18 full-time staff, about half of whom would serve on a proposed Forest Resources Council. The council would serve as a forum for discussion and resolutions of major state forest issues.

Much of the discussion by division members focused on the department's estimated impact on staffing and programs if the governor's proposed budget is adopted. The governor's recommendation does not include a 3-percent inflationary increase for each year of the biennium.

Sen. Gene Merriam (DFL-Coon Rapids) and other division members emphasized their need to know the consequences of denying the agency's full budgetary request. The revised document provided to Senators was not as complete as it could be, Merriam said. He said he would like to see a list of program activity priorities and a cost/benefit analysis.

Rose said the agency is anticipating impacts from tightening budgets and that officials will try to "manage those impacts down." "This is a laundry list of potential impacts," he said. "We're going to try to not let any of this happen."

DNR Deputy Commissioner Ron Nargang said making a direct link between costs and benefits in the area of natural resources is difficult, unlike an agency such as education where dollars often equal a certain amount of teachers. But he said that DNR activities support many industries and preserve resources that make the state what it is, even though the benefits often are not realized for several years.

### Game and fish bill advances

Debate on the omnibus game and fish bill, S.F. 621, dominated the Tues., Mar. 14, meeting of the Environment and Natural Resources Fish and Wildlife Subcommittee. The bill, authored by Sen. Bob Lessard (DFL-Int'l. Falls), adds mourning doves to the definition of game birds, provides that 13 year old residents must have a trapping license to take small game by trapping, allows individuals to select the time periods for fishing licenses, specifies requirements for taking turtles with floating turtle traps and makes several technical changes to game and fish laws.

The hearing, chaired by Sen. Charles Berg (DFL-Chokio), began with testimony against the provision adding mourning doves to the definition of game birds. Linda Hatfield, representing the Minnesota Committee to Protect the Mourning Dove, said other states continue to protect the mourning dove and that no one has claimed there is an over population of the birds. However, Bob Shrank, an outdoor writer, testified in favor of the provision. Shrank said the mourning dove is the number one game bird in the world and that there is no biological reason not to hunt them.

The members also considered and adopted several additional amendments. An amendment, offered by Sen. Pat Pariseau (IR-Lakeville), specifies that body-gripping conibear-type traps need not be tended more frequently than once every third calendar day. An amendment, offered

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by Sen. Harold "Skip" Finn (DFL-Cass Lake), moves the line for fish house and dark house removal south a few miles so that they may remain on the ice until Mar. 15, rather than Feb. 28, of each year. Both amendments were adopted.

An amendment, offered by Sen. Gene Merriam (DFL-Coon Rapids), specifying that a person may not take western painted turtles greater than six inches wide, was withdrawn after members determined they needed more information on the topic.

Members did adopt an amendment, offered by Merriam, that includes the language of S.F. 656. The amendment clarifies that a license to take antlered deer in more than one zone allows the holder of the license to hunt for antlered deer in any area of the state. Merriam said individuals who purchased a multizone buck license found they could not hunt in zone 3b, in the southeastern portion of the state. "The bill says that a multizone license is truly multizone," Merriam said. The bill was incorporated into S.F. 621 and the measure was advanced to the full committee.

## Geographical names bill heard

What began as a school project by two young women to change the name of a lake in the Leech Lake Reservation has advanced to a bill prohibiting the use of the word "squaw" in the names of state geographical features. Members of the Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (Int'l. Falls), approved the bill Tues., Mar. 14.

S.F. 574, authored by Sen. Harold "Skip" Finn (DFL-Cass Lake), requires the commissioner of the Dept. of Natural Resources to change the names of state geographical features containing the word squaw by July 31, 1996. The word is considered a derogatory and demeaning term for an Indian woman. The bill stems from a school project by two girls of Cass Lake-Bena High School to change the name "Squaw Point" to Oak Point, as well as change other place names.

Angeleno Losh, a senior at the high school, testified at the meeting, saying it hurts to be called that word, "and even to say it." She pursued the name changes with the help of a friend, Dawn Litzau, and the pair have since received support from numerous citizens, community leaders and legislators. "I want to help other communities change place names so people can be proud of where they come from," Losh said.

Litzau also testified at the hearing, saying it is time to remove the derogatory term from state features and places. Her mother and mother's family comes from Squaw Lake, she said, and they have been ashamed of the name.

"I think [the word] is hurtful for any woman in general, but especially for me because I am an Indian woman," she said.

Finn said the two women and other students plan to work with area community officials about changing city or town names. The bill refers only to geographical features throughout the state. The bill advances to the Senate floor.

The committee also approved four other bills that will advance to the floor. S.F. 445, presented by Sen. Arlene Lesewski (IR-Marshall), requires the Minnesota Pollution Control Agency (MPCA) to allow, until the year 2005, the operation of a gas-fired waste combustor in a meat processing plant located in Chandler.

After passage from subcommittee, the language was amended to further restrict the application so that only combustors installed after Jan. 1, 1992, and before June 20, 1994, are allowed operation under MPCA rules. The combustor also must meet emission standards in effect at the time of installation. Lesewski said the changes meet the needs and requirements of both the MPCA and the owner of plant, Rod Huisken.

Other bills approved include S.F. 290, carried by Sen. Randy Kelly (DFL-St. Paul), which expands the use of land contamination cleanup grants for developers. S.F. 444, authored by Lesewski, adds some 900 acres to Split Rock Creek State Park in southwestern Minnesota. Finally, S.F. 133, presented by Sen. Dean Johnson (IR-Willmar) allows the sale of some 21 acres of tax-forfeited land in Cook County.

## Agency budgets reviewed

Members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), continued their review of agency budgets Tues., Mar. 14.

Dan McGuiness, director of the Minnesota and Wisconsin Boundary Area Commission, presented the commission's request for \$272,000 for the coming biennium. The request includes a 4 percent inflationary increase in each year.

The commission, established by the governors and Legislatures of each state in 1965, was developed to protect the use and development of the boundary lands, river valleys and waters. The commission governs some 270 combined miles of the St. Croix and Mississippi rivers.

According to Jim Harrison, public affairs director, the commission's mission is three-fold: to study and recommend uses of the two rivers as an independent organization; to assist the states in working together on joint conservation plans; and to assist the states in their participation in federal programs.

Some Senators questioned the necessity of the commission's staff members. Sen. Harold "Skip" Finn (DFL-Cass Lake) pointed out that other agencies on both sides of the border are doing similar projects, specifically technical work.

Reiterating a point McGuiness had made earlier in the hearing, Harrison said 30 years ago the two states had created the commission to serve as a unique player among a variety of other governing agencies in preserving the national natural resources.

In other business, the division reviewed the 130-year-old Minnesota State Horticulture Society and its budget request of some \$72,000 for each year of the biennium.

## Snowmobile helmet bill okayed

A bill requiring snowmobile operators and passengers under the age of 18 to wear helmets was approved at the Weds., Mar. 15, meeting of the Environment and Natural Resources Subcommittee on Public Lands and Water Resources. S.F. 605, authored by Sen. Jim Vickerman (DFL-Tracy), specifies that a person less than 18 years of age may not operate or ride as a passenger on a snowmobile on any public land, public easement, public water, or grant-in-aid trail unless the person is wearing a safety helmet. Douglas Franzen, speaking on behalf of the Minnesota Snowmobilers Association, said the association is in full support of the bill because members believe it will save lives. The

bill was approved and sent to the full committee.

In other action, the subcommittee, chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake), approved four additional bills dealing with land sales or conveyances and advanced the bills to the full committee. S.F. 786, authored by Sen. Kenric Scheevel (IR-Preston), authorizes the sale of tax-forfeited land in the city of Preston. S.F. 644, sponsored by Sen. Gene Merriam (DFL-Coon Rapids), modifies the provisions of a land sale to the city of Anoka. S.F. 680, authored by Sen. Pat Pariseau (IR-Farmington), authorizes the commissioner of natural resources to sell a specific piece of land in Scott County. S.F. 830, carried by Finn, requires the commissioner of natural resources to convey land in the city of Akeley for public purposes.

Members also approved a bill broadening the circumstances under which the Dept. of Natural Resources may use emergency materials and equipment. Current law specifies that emergency materials and equipment may be used for wildfire prevention or suppression. The bill, S.F. 710, authored by Sen. Dennis Frederickson (IR-New Ulm), provides that the equipment may be used for natural disaster relief and includes wildfire prevention or suppression, hazardous material discharge control or clean-up, or flood and windstorm relief in the definition of natural disaster relief. The bill was sent to the full committee.

## Fishing rights bill discussed

A bill temporarily expanding the fishing and gaming rights of the Mille Lacs Band of Chippewa Indians to non-band members was laid over until another meeting of the Environment and Natural Resources Subcommittee on Fish and Wildlife. Sen. Charles Berg (DFL-Chokio), subcommittee chair, presented the bill at a Weds., Mar. 15, evening meeting.

S.F. 149 outlines a temporary program allowing non-band members the same fishing and hunting rights as members of the Mille Lacs Band living within the ceded territory described in an 1837 treaty. The bill specifies that any additional or longer seasons, additional methods, or higher limits that apply to the taking of fish by band members also apply to nonband members. A nonband member taking game or fish under the provision must have all applicable licenses and permits, but need not obtain any additional authorization from the band.

Berg's original bill only pertained to non-band members living within the defined ceded territory, however before discussion began, Berg offered an amendment that extended those rights to all Minnesota residents.

He said that over the next 18 months, the courts will be sorting out who has what rights to the resources under the disputed 1837 treaty. In the mean time, Berg said, the Dept. of Natural Resources (DNR) and the Mille Lacs Band should negotiate an agreement regarding the use of the land and lake resources. The state has appealed the findings of the court which supported the rights of the Mille Lacs Band.

"The bill says that the Minnesota Legislature expects hunting and fishing laws to be equal and fair, and treat everybody equally despite their ethnic background," Berg said. Without the bill, trying to enforce the two sets of laws will be disastrous, he said.

Sen. Dennis Frederickson (IR-New Ulm)

asked Berg why the bill does not violate the treaty giving the band priority use of the land and resources. He likened the provision to allowing the state to take the mineral rights of the ceded territory away from the band.

Sen. Steven Morse (DFL-Dakota) also questioned the bill, saying it essentially turns the management of the game and fish resources over to the Mille Lacs Band.

Sen. Harold "Skip" Finn (DFL-Cass Lake) also objected to the bill's intentions, saying the bill could have a major impact on the lake's resources. He argued that what is fair or unfair depends upon the viewer's perception.

Several citizens and state officials testified against the bill. DNR officials said the bill's provisions could cause irreparable harm to the fishing and hunting resources and that the state should wait until the courts rule on the treaty. Leo Haseman, director of the DNR's Enforcement Division, said enforcing the fish limits and still protecting the resources would be impossible.

Daniel St. Cyr, a Minneapolis resident and Winnebago Indian, said he opposed the bill because it violated the 1837 treaty and the sovereign rights of the Mille Lacs Band. Of the bill, St. Cyr said members should "tear it up and show it to your great, great grandchildren."

One woman, Mary Jevne, testified in support of the bill. She and her husband own property within the ceded territory and were opposed to the treaty rights settlement now being debated in court. She said the bill would solve the problems of inequities until the court ruling is final. "I think it would be honorable for the band to work out an agreement with the DNR."

The committee waited several minutes for three committee members who were attending other meetings to come back to vote on the bill. Berg then decided to set the bill aside for more discussion at a later meeting.

## Ethics and Campaign Reform

### Election changes approved

The Ethics and Campaign Reform Committee, chaired by Sen. John Marty (DFL-Roseville), began work on S.F. 115, at its Thurs., Mar. 9, meeting. Sen. Carol Flynn (DFL-Mpls.), the measure's author, said "the goal of the bill is to encourage and allow ordinary people to run for office."

Based on recommendations from the Growe Commission, the bill changes current election procedures. Secretary of State Joan Growe, who was on hand to support S.F. 115 added, "we're looking for increased participation in the voting process."

Besides moving precinct caucuses to the first weekend in April, it also replaces the word "primary" with "party nominating election" and moves the event to the first Tuesday in August. Additionally, the measure strengthens certification provisions, requiring that candidates have received at least 20 percent of the vote before being placed on the ballot.

Members made several changes to the bill, including adoption of an amendment, offered by Sen. Roger Moe (DFL-Erskine), that moves the primary to the first Tuesday in June. After discussion concerning the various dates proffered, the committee agreed on the early June date. Moe said that the later into the summer the primary is scheduled, the less participation can be

expected. Sen. Dean Johnson (IR-Willmar) agreed, saying "if the theme is to get more people involved, than an early June primary is the best choice."

Sen. Lawrence Pogemiller offered an amendment that places precinct caucuses on the first Tuesday evening in April. In an attempt to make the caucuses more "user friendly," the Growe Commission had recommended moving caucuses to a weekend date, but several Senators objected, citing religious conflicts and family commitments. Members adopted the amendment, along with Marty's amendment to eliminate the State's presidential primary. Marty said "spending \$3 million dollars on a meaningless event is a huge waste of taxpayers' money."

Lastly, the committee adopted an amendment that requires candidates to have party certification before being placed on the ballot. The requirement applies to those candidates seeking the nomination of a major political party for a congressional or state constitutional office. Sen. Gary Laidig (IR-Stillwater) argued against the amendment saying, "this move just creates more restrictions to getting on the ballot."

## Family Services

### Children's programs discussed

Members of the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin), heard a report by the Dept. of Human Services on the child support assurance program at its meeting Thurs., Mar. 9. Laura Kadwell of the Child Support Enforcement Division presented the recommendations. The report proposes regularly updated guidelines, a system that automatically withholds income of non-custodial parents, and a guaranteed level of child support. A guaranteed minimum amount of state support is suggested in situations where a non-custodial parent does not pay. This support would extend benefits to any custodial parent with a court order less than three years old. The policy "ensures that the children do not suffer the consequences" of parental negligence, Kadwell said.

The program could encourage non-custodial parents to pay support and allow more single parent families to work, said Kadwell.

Child support assurance also has the benefits of providing a regular source of income to single-parent families and is a non-welfare approach to support, Kadwell said. However, the program may be an incentive not to pay support and does not serve two-parent families who also need assistance, she noted. Depending on the amount of support provided, the measure would cost approximately \$64 million annually.

In committee action, Kiscaden sponsored S.F. 702, another initiative on behalf of children. The bill amends the Children's Mental Health Act, the licensing act, and provisions related to child care programs. The sliding fee child care is changed to a calendar program, and funds from the AFDC child care program are redistributed among counties. The use of administrative expenses for child care programs is also clarified. Another child care section adds more requirements to the resource and referral grants program, specifying that provider training must be included.

The Children's Mental Health Act is amended to allow counties to provide services to children 18-21 years old who have been receiving service. Kiscaden explained that much

of the section will be reviewed in detail by the Health Care Committee. One provision requires child care staff to attend cultural dynamics training. Anita Beaton of the Minnesota Association of Young Children supported the provision, stating that the "understanding, respect and the ability to communicate with people other than ourselves" is an essential lesson for children to learn. Sen. Martha Robertson (IR-Minnetonka) opposed the measure, saying that many programs exist which provide a similar service. The section also mandates ongoing training for new and existing providers, which is unnecessary and inefficient, Robertson said. The cultural training provision was deleted. Due to continuing discussion, the bill was laid over.

## Family preservation bill okayed

The Family Services Committee approved S.F. 900, a bill sponsored by chair Sen. Pat Piper (DFL-Austin) at the meeting Tues., Mar. 14. The bill establishes interpretive guidelines to help explain licensing laws and modifies family preservation services. In addition, the bill establishes a procedure to grant relatives emergency care of a child without foster care licensure. New requirements are added for emergency licensure of foster care, including background checks, a home inspection, and prohibition of licensure for 10 years if a person is convicted of stalking.

The provisions in the bill make licensing functions more responsive to consumers, Piper said, and develop the continuum of family preservation services throughout the state. Intensive family services are divided into two categories, creating a new category that provides emergency assistance placement services for children. The measure increases access to these services, Piper said.

Mike Jones, a witness, testified that the foster care requirements for relatives may be prohibitive. It is important to keep children with a relative instead of in out-of-home placements, Jones said. Also, Jones said that relatives need to be informed of their rights and need assurance that their right to due process is not violated. Jim Loving of the department explained that the bill deals with licensing requirements and not placement issues, noting that a relative's denial is based on home inspection, not on any other considerations.

Piper offered several amendments. One offers additional protection for counties relating to state and federal funding. Another amendment allows tribal social services agency programs off reservations to receive Indian child welfare grants. The amendments were approved. The bill advances to the Governmental Operations and Veterans Committee.

The committee also approved S.F. 745, a bill sponsored by Sen. Phil Riveness (DFL-Bloomington) that appropriates \$1.1 million for crisis nurseries. Lynnette Dobberpuhl of the Carver/Scott County Crisis Nursery explained that the nurseries provide temporary care for children and support services for parents in a crisis. Families may place their children in a nursery at any time of the day for up to 72 hours to assist them in stabilizing a crisis situation. Dobberpuhl and others testified that the nurseries diffuse possibly abusive situations and give parents "a needed break to help keep them going." The bill now goes to the committee's funding division.

# Committee update

## Finance

### IPO budget reviewed

The biennial budget proposal for the Dept. of Administration's Information Policy Office (IPO) was presented to the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul), Fri., Mar. 10.

The IPO is responsible for developing the state policy on how information is to be managed, Assistant Commissioner Terry Boch said. To meet this responsibility, the office is requesting \$4.9 million in the next biennium to support the Information Strategies and Planning program, \$800,000 to fund the governor's Information Access Council, and another \$530,000 for the Public Information Policy Analysis section. Boch said the governor has also recommended a \$1.75 million appropriation for creation of a statewide electronic commerce services system.

Dennis Spala of the Dept. of Administration presented a \$1.5 million capital budget request to plan the conversion of a hospital complex north of the State Capitol. He said the department is negotiating the purchase of a hospital, a vacated dormitory and a third building, and the funds would be used to plan the conversion of those facilities into office space for state agencies.

The division heard a presentation on state contract procedures. Barbara Goodwin, representing the Minnesota Association of Public Employees, discussed her organization's concern about the handling of professional and technical service contracts.

Commissioner Elaine Hansen said the actions proposed are based on misinformation and the bill places unneeded procedures on how state contracts are handled.

### Welfare reform advances

The Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), amended and approved a \$22.5 million welfare reform package, Mon. evening, Mar. 13. The bill now goes to the Senate floor.

H.F. 5, sponsored by Sen. Don Samuelson (DFL-Brainerd), changes a number of the components of the state's welfare system. The bill includes requirements that STRIDE program participants cooperate with development of an employability plan and meet the terms of the plan to prevent the risk of sanctions on their enrollment in the program.

The bill also establishes an intensive language program for AFDC recipients whose lack of competency in English acts as a barrier to employment. The measure also expands the Minnesota Family Investment Program (MFIP), allows counties to set up job search programs, requires minors to live with their parents in order to qualify for AFDC and includes grants for county coordination of fraud control activities.

Samuelson offered, and the committee approved, an amendment to appropriate \$6.6 million for the expansion of MFIP in FY 1997, and \$5.3 million for General Assistance and Work Readiness Grants. Another \$1 million is included for the Minnesota Parents' Fair Share Pilot Project, along with \$1.5 million for child care costs of AFDC recipients involved in a job search program, \$1.5 million for AFDC grants in FY 97, and \$1.3 million supplement to the STRIDE program.

The Samuelson amendment also called for a

\$1.3 million appropriation to the Dept. of Human Services for the intensive language program. Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment to that provision, appropriating the funds to the Dept. of Education. He said because the Dept. of Education manages adult basic education programs called for under the intensive language program, the Dept. of Human Services can take advantage of those services instead of setting up their own program. Stumpf's amendment was approved and the appropriation was adopted.

Sen. Pat Piper (DFL-Austin) offered an amendment allowing counties to streamline the administration of their public assistance programs and use the savings to create empowerment zones. The amendment was not approved.

H.F. 5 was then approved, as amended, and referred to the floor for further action.

### Dept. of Finance budget

The Dept. of Finance's budget request for the next biennium was presented Tues., Mar. 14, to the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul).

Commissioner Laura King said the department is requesting a total of \$42 million for FY 1996 and FY 1997. She discussed the agency's budget request and highlighted the department's request for \$18.5 million in the next biennium in support of the Statewide Systems Project. She said the project, which will be used to collect information from all state agencies and have it available from a single source, will be managed by the newly-created Information Services Division.

The division will discuss the Statewide Systems Project in greater detail at a later meeting.

### Budget requests reviewed

The Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul), reviewed the biennial budget requests from the governor's office, the Capitol Area Architectural and Planning Board (CAAPB), and the Minnesota Amateur Sports Commission (MASC), Weds., Mar. 15.

Morrie Anderson, the governor's chief of staff, presented a \$7 million request for the biennium to support the office of the governor and lieutenant governor. Part of the operating budget for the governor's office supports a three-person office in Washington D.C. and maintains the governor's residence.

Lt. Gov. Joanne Benson and Paul Mandell, a planner for CAAPB, presented the agency's budget request of \$277,000 for both FY 1996 and FY 1997.

A biennial budget of \$1.1 million is recommended for the MASC, said Paul Erickson, the agency's executive director. He said the governor is also recommending the MASC receive another \$200,000 for the agency's efforts to bring major amateur sports events to Minnesota.

## Governmental Operations and Veterans

### Contract bill discussed

A proposal limiting the amount that can be spent on state contracts for professional and technical services in the next biennium drew some opposition at the Fri., Mar. 10, meeting of

the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

S.F. 166 limits the amount that can be spent on state contracts for professional and technical contracts in FY 1996 and FY 1997 to 90 percent of the amount authorized in contracts during the previous biennium. The bill, authored by Metzen, gives the governor the authority to limit the size of contracts or disapprove proposed contracts in order to meet the spending limit. Under the measure, state agencies must the need for the contracts before they can be approved. The agency must also determine that no state employees can provide the services required in the contract before the contract can be approved.

Bob Schroeder, assistant commissioner of the Dept. of Administration, said the department leaves it up to the agencies to determine if a contract for outside services is necessary. He said some "practical reality" needs to be taken into account before requiring that state employees be given the chance to bid on contracts. He said state employees have responsibilities of their own and he doubted many have the time to offer to complete a contract.

The measure represents what Dept. of Education deputy commissioner John Mercer called "a targeted attack" on his department's efforts to develop a statewide graduation rule. He said the department has used contracts for professional services to bring in experts who are able to develop rules and that the Legislature gave the department the authority to contract for those services.

### Vets bills advance

A proposed state constitutional amendment, authorizing bonuses for Persian Gulf veterans, was approved on Tues., Mar. 13, by the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

S.F. 530, authored by Metzen, proposes an amendment to the state's constitution to allow the state to pay a bonus to veterans of the Persian Gulf War. Because amendments to the constitution must be approved by the voters, the bill places the question on the 1996 general election ballot. Metzen said if the voters approve the question in the statewide election, the Legislature would then appropriate money for the bonuses the following session. He said bonuses would be provided much like those that were provided to Vietnam veterans. The bill was approved and re-referred to the Rules and Administration Committee.

The committee approved two other bills to establish veterans' memorials. Metzen presented S.F. 938, authorizing the state to contribute to a Women In Military Service Memorial that will be built at the entrance to the Arlington National Cemetery. Metzen said several states have contributed to the costs of the memorial and the bill appropriates \$15,100 towards the project. The bill was approved and re-referred to the Finance Committee.

S.F. 603 appropriates an unspecified amount to create a Minnesota Korean War Veterans' Memorial on the State Capitol Mall. Sen. Roy Terwilliger (IR-Edina), the author, said the appropriation would go to the Capitol Area Architecture and Planning Board to plan for and design the memorial. The bill was also approved

and re-referred to the Finance Committee.

In other business, the members approved a bill exempting the National Guard and the Dept. of Military Affairs from the state law which makes it a felony for a minor to intentionally point a firearm. Sen. Don Betzold (DFL-Fridley) said the current law prevents the state's National Guard and Army Reserve units from providing firearm training to minors. The measure was re-referred to the Crime Prevention Committee.

Betzold presented three other bills that were all approved and sent to the Senate floor. The committee approved S.F. 380, requiring the governor to consult with the adjutant general when deploying National Guard units; S.F. 381, allowing unused armories to be returned to the host municipality and providing flexibility in appointing members to the armory building commission; and S.F. 382, allowing the adjutant general to assign some retired officers to temporary active duty.

The committee also approved S.F. 184, sponsored by Sen. Steve Murphy (DFL-Red Wing). The bill permits the Veterans' Home Board to allow other groups to use surplus space at the home and use the fees to pay for repairs. The measure was advanced to the Senate floor. S.F. 193, allowing the Veterans Home Board to set up an annual expense allowance of \$1,500, was also approved. The bill's author, Sen. Joe Bertram, Sr., (DFL-Paynesville), said the account will be used for small, unbudgeted purchases. The measure was sent to the Senate floor.

### Children, families dept. proposed

A proposal to consolidate a number of state programs that serve children and families into a single state agency was presented, Weds., Mar. 15, to the Governmental Operations and Veterans Committee, chaired by Sen. James Metzger (DFL-South St. Paul).

S.F. 1103, authored by Sen. Jane Ranum (DFL-Mpls.), establishes the Dept. of Children, Families and Learning (DCFL) and incorporates programs now operated in seven state agencies into the new department.

Sen. Pat Piper (DFL-Austin), in presenting the bill on Ranum's behalf, said the bill is intended to go beyond placing the state's programs that serve children and families into a single agency. She said placing all of the programs in one department will enable collaboration in how programs are delivered to occur. "I believe this will focus our efforts on children as our top line," she said.

The bill abolishes of the Dept. of Education Sept. 30, 1995 and transfers the agency's responsibilities to the new department the following day. In addition, the bill shifts seven programs from the Dept. of Health to the new department, including the supplemental food program for Women, Infants and Children, the school health program, and the home visitor program. Child care and other public assistance programs, including the Minnesota Family Investment Plan, are among the 37 programs now managed by the Dept. of Human Services transferred to the DCFL.

Head Start and youth employment initiatives from the Dept. of Economic Security are moved to DCFL and four initiatives from the Office of Strategic and Long-Range Planning are also transferred. Programs from the Dept. of Corrections and the Dept. of Public Safety are also included in the transfer.

Jan Smaby of Public Policy Resources said the

bill also provides for the appointment of a commissioner and creation of a partnership team to offer advice on how to organize the new agency. Another provision, she said, establishes a demonstration project that will allow local units of government to consolidate the funds they receive under the Community Health, the Community Social Services, and the Comprehensive Community Corrections plans into one fund.

The committee adopted one amendment to the bill, offered by Sen. Lawrence Pogemiller (DFL-Mpls.), setting up a process to involve employees in the reorganization and assist them to be retrained or reassigned if layoffs occur as a result of the reorganization.

The committee will continue its deliberations of S.F. 1103 at a later meeting.

### Health Care

#### MinnesotaCare bill approved

After public testimony and discussion, the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), approved S.F. 845 Thurs., Mar. 9. The bill makes changes to MinnesotaCare, including delaying the Regulated All Payer Option (RAPO) and striking the date required for achieving universal coverage. Sponsored by Berglin, the bill expands the income eligibility level to 150 percent of the poverty level for single adults and establishes a penalty for uninsured persons.

Two amendments were offered by Berglin. One approved amendment establishes a senior drug purchasing program, allowing low income seniors to obtain prescription drugs at lower prices. The state will negotiate contracting prices and extend them to seniors on Medicare, seniors 200 percent or less of the poverty level, and those who do not have coverage for drugs.

Another amendment, introduced by Berglin, repeals the Regulated All-Payer Option (RAPO) fee schedule and requires the health care commission and Dept. of Human Services to report back to the legislature on the most effective way to implement growth limits on the fee-for-service system.

Sen. Sheila Kiscaden (IR-Rochester) presented two amendments. One amendment prevents health plans from designing policies that discourage enrollment by high risk groups. Kiscaden explained that she doesn't want "networks designed that exclude those who are higher risk." The measure was adopted.

Kiscaden also introduced an amendment relating to utilization review and the risk adjustment system. The amendment forbids a utilization review organization from requiring prior authorization of emergency treatment. Treatment decisions must be based on written clinical criteria and based on proven patient outcomes. The amendment also requires a utilization review organization to provide the criteria used to determine a procedure. The amendment also states that no financial incentives may be given to a provider based on the number of services denied or referrals not authorized by the providers. Kiscaden explained that the provision ensures that a provider will not be rewarded for providing less services to patients. It is important to have the measure in public policy so that it discourages financial incentives for reduced services, Kiscaden said. The amendment was adopted. The bill, as amended,

advances to the Commerce and Consumer Protection Committee.

### Budget changes reviewed

The Health Care and Family Services Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd) reviewed budget recommendations at the meeting Fri., Mar. 10. Members examined the Health Care Benefits Administration and Health Care Operations requests.

Kathleen Coda of the Dept. of Human Services explained benefit health care services, whose budget totals \$7.7 million annually.

Larry Woods of Health Care Operations in the department explained that the division is responsible for administering centralized medical payment systems for MA, GAMC, and MinnesotaCare and for maintaining all claim activity in the state. Over 18 million claims are processed, said Woods, the largest activity of its kind in the state. In addition to surveillance and integrity review and the coordination of benefits, Woods explained the complexity of the claims. The use of electronic data interchange between the state and providers has increased to 85 percent of providers, Woods said. Several members questioned the number of problems that the department has experienced with the system, and Woods explained that the Medicaid Management Information System (MMIS) is one of the most intricate in the country, and has experienced an increased number of variables with the addition of waived services. Review will continue.

### MA project approved

A bill establishing a comprehensive pharmaceutical care research project for medical assistance (MA) patients was approved by the Health Care Committee, chaired by Sen. Linda Berglin, Tues., Mar. 14. S.F. 730, sponsored by Sen. Sam Solon (DFL-Duluth) ensures more complete drug therapy by providing patients with a consultation with a pharmacist to review prescription problems. The bill extends comprehensive pharmaceutical care services to persons on MA for up to one year, if they are currently enrolled in the project. The project has been operating for two years for non-MA clients.

John Loch of Loch Pharmacy explained the need for the project, stating that most people receive prescriptions from several doctors without any coordination. This can lead to duplication or dangerous side-effects, Loch said. Comprehensive care provides consultation, coordination, follow-up, and documentation of all drug therapy, noted Loch.

Sen. Sheila Kiscaden (IR-Rochester) questioned the benefits of extending the study to MA clients. She asked whether anything new will be learned from this population. Robert Cipolle, associate professor at the University of Minnesota and associate of the Peters Institute of Pharmaceutical Care, explained that the project is the only study serving MA clients and can yield valuable information. There are difficulties particular to this group, Cipolle said, linked to lower income and education levels. Funding for the project, which is currently operating in 10 pharmacies statewide, supports medical care and not administration or start-up costs, Solon noted. The bill advances to the Health Care and Family Services Funding Division.

Members also approved S.F. 667, defining medical health professionals for the purpose of

# Committee update

MA. Carried by Berglin, the bill includes licensed marriage and family therapists as MA providers. Several witnesses testified that treatment in the context of families is more efficient and effective. "The more people that are involved, the briefer the treatment," said William Doherty, chair of Family Social Science. The bill goes to the funding division.

Sen. Dallas Sams (DFL-Staples) authored S.F. 487, removing the \$325 per bed per year limit on maintenance and supply costs for nursing homes. While the amount is an average, Sams said, the limit does not allow for annual fluctuations in repairs. Ken Borle of the Board of Social Ministry explained that removing the limit allows reimbursement "according to good business practice." Several members expressed concern about changing the reimbursement policy, and the bill was laid over.

Pilot projects for mental health are included in S.F. 783, a bill sponsored by Sen. Don Kramer (IR-Brooklyn Center). The projects test alternative methods for delivering mental health services and test locally managed options for persons with developmental disabilities (DD). The projects integrate state, county and private programs into a coordinated delivery system to respond to DD needs, Kramer said.

## Supplemental budget review

Members of the Health Care and Family Services Funding Division met Tues., Mar. 14, to examine supplemental budget changes, particularly changes in long term care services.

Helen Yates and Tom Moss of the Dept. of Human Services explained the restructuring of the Personal Care Attendant (PCA) service and the Tax Equity and Fiscal Responsibility Act (TEFRA) program. TEFRA, which allows a child's income to be considered separately from their parents' income in determining Medical Assistance (MA) eligibility, permits middle-class disabled children to receive MA. The restructuring deletes TEFRA, limits home care to 1.5 and 2.25 times the care hours in nursing facilities, diverts funds to home and community based waived services, and requires self-direction of care as a criteria for receiving care services.

Moss explained that many people receiving PCA services, 54 percent of whom are children, would be better served by therapeutic, trained services instead of PCAs. The diversion of some clients into mental health grant programs will accomplish this, said Moss. The remaining PCA recipients must be able to direct PCA tasks and measure their own health. This level of competency is "for whom the PCA program was originally intended," Moss explained.

A significant policy change in the recommendations relates to the level of care needed to enter a nursing facility. The proposal increases the level of need for admission and provides a service allowance for persons in the highest functioning category. Counties then determine an individual's need. Moss explained that the change expands community-based, consumer-driven alternatives to institutional care. It also allows people to receive a variety of services they may need to stay independent, including non-medical services. Considerable savings - \$2 million in FY 97 and \$5 million in FY 98 - is due to decreased facility occupancy and anticipated closures, Moss said. Sen. Linda Berglin (DFL-Mpls.) suggested that high functioning individu-

als go through the alternative care process and enter a facility only with a physician's recommendation.

The committee also considered inflationary adjustments for MA long term care facilities. Operating cost limits are established for nursing facility rates, resulting in a decrease in funding by \$3.5 million in 1996. Moss explained that the reimbursement changes are needed to shift policy from a cost-based system to an outcome incentive-based one. Similar changes are made to Intermediate Care Facilities for the Mentally Retarded (ICF/MR).

## Jobs, Energy and Community Development

### Minimum wage testimony

Thurs., Mar. 9, members of the Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), approved S.F. 752, a bill aimed at smoothing the transition between full regulation and competition in telecommunications. The panel also began listening to testimony on S.F. 302, a bill that would increase Minnesota's minimum wage requirement.

S.F. 752, authored by Sen. Novak repeals the ban on telecommunications carriers providing local services and gives the Public Utilities Commission the authority to establish terms and conditions for competition. Novak introduced an amendment to the bill which requires telephone companies to provide for repair of public areas damaged by the installation or operation of telecommunications facilities. He also introduced an amendment which ensures the availability of public access programming on communication technologies such as video dial-tone and satellite transmission. The committee approved Novak's amendments. Sen. Janet Johnson (DFL-North Branch) also offered an amendment defining universal access to telecommunications systems. The amendment ensures that local telecommunications companies provide services that include, equal access, emergency services number capability, and a statewide telecommunications relay service for the hearing-impaired. The committee passed Johnson's amendment, and approved S.F. 752. The bill advances to the Senate floor.

Sen. Randy Kelly (DFL-St. Paul), introduced S.F. 302, a bill which increases the minimum wage in two steps. On Oct. 1, 1995, the hourly rate for large employers, those earning over \$500,000 in sales, would go from the current \$4.25 to \$4.75. On Oct. 1, 1996, the wage would increase to \$5.25. Small businesses would increase from \$4.00 to \$4.50 on Oct. 1, 1995, and to \$5.00 on Oct. 1, 1996.

### MDES budget heard

Members of the Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard a budget overview from the Minnesota Dept. of Economic Security (MDES), Thurs., Mar. 9. Commissioner Jane Brown briefed members on the department's goals, initiatives, and budget concerns for the 96-97 biennium. Brown told members that the mission of the MDES is to help people help themselves achieve economic security through training, benefit payments and anti-poverty programs. Brown was joined by a number of staff

members who briefed the panel on MDES programs.

Deputy Commissioner Earl Wilson, spoke on the department's collaborative service delivery. Wilson stated that the MDES's number one priority is to provide seamless integrated service for all customers across the state. He briefed members on the organization's efforts to construct a user friendly communications system that interconnects all offices. He stated that the department will receive a \$4 million federal grant this year to begin construction on the system. The project will take approximately three years to complete.

Kay Tracy, director of Youth Programs, spoke to members about the organization's Summer Youth Program. Tracy stated that budget cuts for the 96-97 biennium may force the program to lose \$4.5 million in state funding. The program is targeted at low-income youth ages 14-21. It provides summer activities and follow up services. Tracy told the committee that budget cuts will dramatically reduce the number of youth served.

### Workers comp testimony heard

The Jobs, Energy and Community Development Committee continued hearings on S.F. 717, a workers compensation bill sponsored by Sen. Linda Runbeck (IR-Circle Pines), at the Weds., Mar. 15, meeting.

The bill provides for the elimination of the two-tier system, returning Minnesota to a single permanent partial reimbursement system for workplace injuries. It eliminates mandatory lump-sum payments and provides that persons with disability ratings of less than 20 percent are ineligible for permanent total disability benefits. The measure provides that wages paid for vacations, holidays and sick leave shall be included in determining workers' compensation premium rates. The bill places a \$13,000 limit on fees to attorneys of injured workers and provides a new formula for calculation of the limit.

The measure also allows large employers to establish major workers' compensation procedures, such as the use of a doctor's panel for independent medical examinations, through collective bargaining. In addition, the measure provides that once maximum medical improvement from an injury has been determined, a re-determination cannot be made. It also specifies that the workers' subjective complaints of pain cannot be considered in determining maximum medical improvement of their injuries.

Runbeck said a particular focus of the bill is to provide relief for the businesses that are being hurt most by the workers comp system, particularly manufacturing businesses in Greater Minnesota.

The panel, chaired by Sen. Steven Novak (DFL-New Brighton), first heard testimony from Dept. of Labor and Industry staff members. Kate Kinton, the department's director of research, began by taking issue with a recent report by the Minnesota Consumer Alliance. Kinton said that the widely-distributed report contains a multitude of errors and statistical problems. Novak expressed frustration with department officials because the department has not officially endorsed the bill, saying he would like to see the department present a proposed solution to the state's workers compensation difficulties and stand behind it. "One of the definitions of a solution," Novak said, "is that we don't come

back next year."

The committee also heard testimony from several business owners. Some of those testifying have business operations in both Minnesota and Wisconsin, and said their Minnesota rates are 25 to 250 percent higher than in Wisconsin.

### Three budgets heard

On Weds., Mar. 15, the Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard three budget overviews from organizations under the panel's jurisdiction. Representatives from the Labor Interpretive Center, the Bureau of Mediation Services, and the Public Utilities Commission, briefed members on budget requests and objectives for the 96-97 biennium.

Bernie Brommer, president of the Minnesota AFL-CIO, and a member of the board of directors for the Labor Interpretive Center, told the panel about his organization's efforts to advance labor studies in Minnesota. Brommer informed members that in collaboration with the Minnesota Historical Society, and the City of St. Paul, the Labor Interpretive Center will begin planning the construction of a building to be located on the land between Kellogg Blvd. and 5th St. in downtown St. Paul. The completed Labor Interpretive Center building will contain hands-on work studios, a theater, and a changing exhibit space. Brommer told the committee that the center will teach children pride in work by exposing them to the whole realm of Minnesota work opportunities. The organization requested \$390,000 for the upcoming biennium, to hire an executive director and professional advisors to confer with the center about the construction of the building. The entire project will cost approximately \$12.5 million.

Lance Teachworth, acting commissioner of the Bureau of Mediation Services, also provided members with a budget overview. Teachworth described his organization's commitment to mediation services for labor disputes. He stated that the bureau is responsible for providing neutral, third-party mediation services for employers and labor management groups.

Don Storm, chair of the Public Utilities Commission, and Burl Haar, the commission's executive secretary, spoke to members about the commission's efforts to provide safe, efficient and reliable utility services at fair and reasonable rates for citizens. Storm described the organization as a "quasi-judicial body," that conducts investigations, holds hearings, and prescribes rules regarding the control and conduct of electric and gas utilities and telephone companies. He briefed members on recent changes in the regulatory arena that have caused the commission's workload to increase nearly 30 percent.

## Judiciary

### Child support bills considered

Two bills relating to child support enforcement provided a focus for discussion at the Mon., Mar. 13, meeting of the Judiciary Committee. S.F. 217, authored by Sen. Richard Cohen (DFL-St. Paul), sets forth eight initiatives designed to increase the collection of support payments. The measure provides for an employment reporting program, modifies occupational license suspensions for nonpayment of support provisions, provides for drivers license suspension for nonpayment of support and provides for placing

liens against motor vehicles for nonpayment of child support. In addition, the bill sets up a visitation mediation pilot project, provides for a public education program about child support, provides for a community service pilot project, and provides for an application for a federal waiver pertaining to a welfare reform concept known as child support assurance.

S.F. 642, authored by Sen. Dan Stevens (IR-Mora), also sets up an employment reporting program but delays the onset of the program until Jan. 1, 1997. In addition, the measure provides for the creation of a state central collections unit for child support payments and makes modifications in the law requiring publication of the names of child support obligors who are behind in their payments. The bill also delays the effective date for the latter two initiatives until Jan. 1, 1997.

Discussion on S.F. 642 revolved around the provisions to establish a central collections unit and on the modifications to the law requiring the publication of child support obligors. Sen. Harold "Skip" Finn (DFL-Cass Lake) said the creation of the central collections unit, at a cost of \$900,000, to do what the counties are already doing is not a more efficient process. Stevens countered, that a state report recommended the change because the central collections unit would be more efficient, particularly in cases where individuals moved from county to county.

Sen. Allan Spear (DFL-Mpls.) offered an amendment to repeal the law requiring the publication of names of child support obligors. Spear said, "the publication of names is a flawed concept and I don't think it is fixable. Sen. Linda Berglin (DFL-Mpls.) argued against the amendment. "Notices and bills were sent month after month to people who owed support; people must take responsibility for keeping records straight," said Berglin. The amendment failed on a voice vote. No action was taken on the bill.

Attorney General Hubert H. Humphrey, III, spoke on behalf of S.F. 217. "What we are looking for is a tool box with a number of tools to use to reduce the amount of past due child support and that is what this legislation provides," Humphrey said.

Members discussed provisions of the bill and laid the measure over in order to discuss combining the two support enforcement bills.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), advanced a bill relating to eminent domain proceedings to the full Senate. S.F. 431, authored by Sen. Ember Reichgott Junge (DFL-New Hope), makes several clarifications to the provisions relating to notification of interested parties.

### Divorce education program okayed

The Judiciary Subcommittee on Family Law, chaired by Sen. Don Betzold (DFL-Fridley), met Tues., Mar. 14, and approved a bill authorizing courts to require parties involved in divorce proceedings involving children to attend an orientation and education program regarding the divorce and the impact of divorce on children. S.F. 606, authored by Sen. Sheila Kiscaden (IR-Rochester), also specifies that the parties may be required to pay a fee to cover the cost of the program, unless the party is entitled to proceed in forma pauperis, in which case the court may waive the fee. Kiscaden said the bill is an attempt to encourage and help families cope with the effects of divorce. In addition, she said divorce education helps the parties with dispute and

conflict resolution. Participants in a Winona County program testified on behalf of the program's effectiveness.

Discussion on the measure centered on the requirement for individuals to pay for the program. Kiscaden said that the costs, which currently range from \$10 to \$30, have not proven to be unduly burdensome to participants in similar programs. Members approved the measure and advanced it to the full committee.

A bill establishing an income shares approach to the guidelines used to set child support was also considered at the hearing. S.F. 760, authored by Sen. Linda Berglin (DFL-Mpls.), establishes a new formula for child support guidelines that takes the income of both parents into account when setting child support.

Laura Kadwell, Dept. of Human Services, said the bill was the result of trying to figure out a way to make the child support system more efficient, more effective and simpler.

The measure also contains provisions that require all parents that do not have group health coverage to be responsible for the child's health care costs and provide that the cost of premiums are allocated among the parents only if the parent paying the premium must pay extra to provide coverage for the child. The definition of "child" and "income" are also changed under the bill. The new formula for the guidelines is also outlined extensively in the measure.

Members took no formal action on the bill.

### Child support bills advance

Two bills providing new initiatives for enhancing child support collections were advanced at the Weds., Mar. 15, meeting of the Judiciary Committee. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), approved both bills and re-referred the measures to the Family Services Committee.

S.F. 642, authored by Sen. Dan Stevens (IR-Mora), sets up an employment registry program, provides for a central child support payment center and makes changes to the law requiring the publication of names of delinquent child support obligors. Sen. Harold "Skip" Finn (DFL-Cass Lake) offered an amendment to conform the employment registry provisions with similar provisions in S.F. 217, the other child support initiative on the agenda. The amendment, though, excepted language in S.F. 642 delaying the effective date until 1997 and provides the Dept. of Human Services with the authority to contract out for services to implement the registry. The amendment was adopted and the bill approved.

Members then turned their attention to S.F. 217, authored by Sen. Richard Cohen (DFL-St. Paul). The bill also sets up an employment registry program. In addition, the measure provides for drivers license suspension for nonpayment of support, modifies occupational license suspension for nonpayment of support provisions, authorizes liens against motor vehicles for nonpayment of support, sets up a community service pilot project, provides for application for a federal waiver pertaining to concept of child support assurance and sets up a "cooperation for the children" visitation facilitation pilot project.

Cohen offered several amendments to the bill, all of which were adopted. The first amendment clarifies that the community service pilot projects are not to be new programs but are to use community service programs already in existence.

# Committee update

Further, the amendment confirms workers compensation language in the bill to the language in the welfare reform package moving through the Legislature. Finn offered an amendment to the amendment clarifying that community service project workers compensation claims are covered under the workers compensation laws. The amendment to the amendment was adopted. A second Cohen amendment clarifies that victims of domestic violence are not forced to participate in the "cooperation for the children program." The third amendment includes administrative law judges in various provisions of the bill.

An amendment, offered by Finn, allowing the suspension of the accrual of interest on arrearages after an obligor has made payments for 36 consecutive months, failed to gain approval. Another amendment, offered by Finn, to conform the effective date and departmental contracting authority to the language in S.F. 642, was adopted.

Members also adopted an amendment, offered by Sen. Jane Krentz (DFL-May Township), that alters the "trigger" that must be reached before the various enforcement provisions are activated. The bill specified a threshold of an amount equal or greater than three times the monthly support obligation. The Krentz amendment specifies a threshold of an amount equal to four times the monthly support obligation.

In other action, members also approved S.F. 606, a bill authorizing courts to require parties involved in divorce proceedings involving children to participate in an education program. The measure, sponsored by Sen. Sheila Kiscaden (IR-Rochester), is designed to educate families about the impact of divorce on children, help with conflict resolution and enable parents to begin the process of co-parenting their children. The measure was approved and re-referred to the Committee on Finance.

## Metropolitan and Local Government

### Four bills advance

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), approved four bills at its Thurs., Mar. 9, meeting.

The first, H.F. 887, sponsored by Sen. Randy Kelly (DFL-St. Paul), authorizes St. Paul to establish and maintain an education center that provides professional development for teachers. The measure was recommended for the Consent Calendar.

S.F. 713, a bill that merges Olmsted County's Community Hospital and the Olmsted Medical Group into a nonprofit partnership, was re-referred to the Health Care Committee. Sen. Sheila Kiscaden (IR-Rochester), the bill's author, said that the need to continue a strong, stable alternative to the Mayo Clinic, is in the best interest of the county. The measure provides for the county board to sell or lease the Community Hospital's assets to the nonprofit corporation without a formal bidding process, but only after a public hearing has been held.

Dr. Richard Geier, president of the Olmsted Medical Group, testified in support of the bill, saying that a merger of the two operations is a natural move, and will save time, money, and most importantly, the good health of patients.

"Improved patient care is what drives this merger," agreed David Owen, chairman of the Olmsted County Community Health Center Board. Members approved S.F. 713 and re-referred it to the Health Care Committee.

Sen. Jerry Janezich (DFL-Chisholm) presented S.F. 453, a bill that clarifies that damage awards will be paid to affected property owners when town roads adopt a width greater than provided for under Minnesota Statute. Troy Gilchrist of the Minnesota Association of Townships testified in support of the bill, which members approved and sent to the full Senate.

S.F. 715, a measure that exempts towns from paying the \$240 fee charged by the Minnesota Pollution Control Agency for storm water permits when building various projects, was re-referred without recommendation to the Environment and Natural Resources Committee. Author Vickerman told members that the fee was originally set at \$85 dollars.

### Four bills advance

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), approved S.F. 109 at its meeting Thurs. evening, Mar. 15. Authored by Sen. Ted Mondale (DFL-St. Louis Park), the bill shifts funds from the Metropolitan Mosquito Control District and establishes the Metropolitan Livable Communities Act. Several citizens testified in support of the measure.

"This is an attempt to improve our communities by curtailing urban sprawl and leapfrog development," Mondale said, "while creating safe urban cores that are economically sound." He stressed the importance of bringing economic development to the inner cities as the principal means of reversing the negative trends of recent years. "We need to have a balanced relationship between where people work and where they live," Mondale added.

Minneapolis Mayor Sharon Sayles Belton supported the bill saying that it provides a framework, not only for urban and suburban development, but for the entire region. "We must keep our region competitive in this changing global environment," she said. The goal is to have affordable quality housing and good economics to support it, the mayor said. "This is much more than just a housing issue or a cleanup program."

Newly appointed Metropolitan Council Chair Curt Johnson echoed the mayor's words. "S.F. 1019 goes beyond compassion," Johnson said. "It goes straight to the hard core issue of economics."

Besides creating a Metropolitan Livable Communities Advisory Board, the bill establishes the Livable Communities Fund. Additionally, S.F. 1019 requires that by January 1996, the Met Council must provide the Legislature with a report describing probable development patterns in the region by the year 2025.

Members approved the measure and re-referred it to the Jobs, Energy, and Community Development Committee.

At an earlier meeting, the committee approved three other bills.

S.F. 534, a bill that clarifies towns' authority over their roads, was referred to the Consent Calendar. Sen. Steve Murphy (DFL-Red Wing), the bill's author, said that the bill allows a town to vacate a road that had been platted, but was never actually constructed.

Sen. Joe Bertram, Jr. (DFL-Paynesville) presented S.F. 420, special legislation for the Paynesville Area Hospital District. At the request of the city of Eden Valley, a non-contiguous territory, the measure allows for Eden Valley to be included in the Paynesville Area Hospital District. The bill was sent to the full Senate.

Members also sent S.F. 841 to the floor. Authored by Mondale, the bill updates the Metropolitan Land Planning Act.

Vern Peterson, from the Association of Metropolitan Municipalities, and Jim Solem, from the Metropolitan Council testified in support of the measure. Solem said that traditional land use planning and practice has always subordinated zoning matters to a larger plan, and that the bill brings Minnesota into conformity with what is the universal norm.

Besides requiring a two thirds majority vote for the governing body of a municipality to adopt and amend zoning ordinances, S.F. 841 specifies that local watershed management organizations must take into account recommendations of the Met Council as part of its review of local water management plans. The bill also requires each governmental unit to review its plan by Dec. 31, 1998, and at least once every ten years thereafter.

## Taxes and Tax Laws

### TIF bills discussed

Members of the Taxes and Tax Laws Subcommittee on Property Tax devoted the entire Thurs., Mar. 9, meeting to a discussion of bills providing for tax increment financing (TIF) districts. A total of 14 bills providing for tax increment financing districts or specifying adjustments in existing districts were discussed. The panel, chaired by Sen. John Hottinger (DFL-Mankato), adopted authors' amendments but took no other action on the bills.

### Governor's bill to floor

The Taxes and Tax Laws Committee, chaired by Sen. Douglas Johnson (DFL-Cook), met Tues., Mar. 14, to consider the administration's omnibus tax proposal. The governor's tax bill is contained in S.F. 610, carried by Sen. William Belanger (IR-Bloomington). The measure contains the revenue provisions of the administration's budget proposal for the next biennium.

Specifically, the bill repeals the law allowing for a refund of contributions to political parties and candidates, reinstates the ten percent income tax credits for the purchase of feedlot pollution control or conservation tillage equipment, makes the sales tax exemption for purchases of used farm machinery permanent, and clarifies the contents of property tax statements. In addition, the measure establishes the mechanisms for the new homestead block grant system, outlines the requirements for each county's aid distribution council and sets forth the non-permanent aid reductions for counties, cities and towns. Commissioner Matt Smith, Dept. of Revenue, gave a section-by-section explanation of the bill.

Discussion centered on the aid reductions to cities, counties and towns. Sen. Lawrence Pogemiller (DFL-Mpls.), said the bill is similar to other gubernatorial initiatives from past years that cut local government aids after the local governments set their budgets. Johnson responded that governors of both parties seem to

forget that government is a partnership. "I don't think it is fair," Johnson said, "the total amount of local government aids is less than half the increase in the human services budget." Sen. Sandra Pappas (DFL-St. Paul), moved that the bill advance to the full Senate without recommendation. In support of the motion, Johnson said, "This bill has major negative consequences for property tax payers of the state, but I think all members of the Senate should have an opportunity to vote on the bill." Sen. Pat Pariseau (IR-Farmington), offered a substitute motion, that the bill be recommended to pass. The Pariseau motion failed on a voice vote and the Pappas motion was adopted.

In other action, members recommended confirmation for the appointment of Diane L. Kroupa to the Tax Court. In addition, members advanced S.F. 93, a bill requiring Stearns County to refund money paid by the city of Melrose for the acquisition of a specific piece of property in the city. The measure, sponsored by Sen. Joe Bertram, Sr. (DFL-Paynesville), was recommended for the Consent Calendar. Members also approved S.F. 834, authored by Sen. Sandra Pappas (DFL-St. Paul). The bill updates references to the U.S. Internal Revenue Code and provides for changes in the application of the federal earned income credit, adopts the federal change to "taxable income" in the General Agreement on Tariffs and Trade legislation and modifies the penalty for substantial understatement of income for corporations. The bill was sent to the Senate floor.

## Transportation and Public Transit

### DOT budget continued

Dept. of Transportation officials continued their presentation of division budgets during meetings of the Transportation and Public Transit Finance Division held Fri., Mar. 10, and Tues., Mar. 14.

Much of the discussion of Motor Carrier Services, presented by Director Betsy Parker, focused on questions raised by Sen. Terry Johnston (IR-Prior Lake). Johnston questioned the staff vacancies in FY 94. She said the Legislature had appropriated money for seven positions but it didn't look like they had been completely filled. Parker said that not all seven positions could be covered with the \$307,000 due, in part, to salary increases.

"Who didn't recognize that amount wouldn't buy seven employees?" Johnston asked, adding that according to '92 legislation, the money should fund seven positions. "It seems to me that is the law."

Parker said what the agency projects in its budget is a compromise between what the agency expects to need and how much money the Legislature actually appropriates.

Sen. Keith Langseth (DFL-Glyndon), chair of the division, said he would like to see a document clearly showing the department's staffing totals. "I want the department to give a much better idea of what's there," he said.

Division members also reviewed the Public Transit Division's budget request of \$141.7 million for the entire state's transit operating needs. Donna Allan, director of the Office of Transit, presented the budget overview for the office that provides a variety of transit options across the state.

According to Allan, the division needs \$93.3 million for the biennium to maintain services in the Metro Area, and \$24.8 million to maintain services in Greater Minnesota.

### Alternative fuel tax changed

A bill that changes the way fees are collected on alternative fuel usage was approved Weds., Mar. 15, by the Transportation and Public Transit Committee. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), also advanced two other bills.

S.F. 1029, authored by Sen. Jim Vickerman (DFL-Tracy), changes the fee structure for using alternative fuels from permit to pay-at-the-pump fees based on BTU content. The taxes apply only to alternative fuels used in motor vehicles. The bill also allows persons who have purchased an alternative fuel vehicle permit before July 1, 1995 to receive credit for the unused portion of the permit fee.

According to Vickerman, the bill solves the inequity problems of low-mileage users who currently pay a flat permit rate. The current permit usage also is not easily enforceable, he said. The bill was re-referred to the Taxes and Tax Laws Committee.

Two bills dealing with the development of special license plates were laid over for further discussion by the Finance Division regarding their fiscal impact. S.F. 554, authored by Sen. Jane Krentz (DFL-May Township), establishes professional sports team and Olympic license plates, the proceeds of which would go to support the Minnesota Amateur Sports Commission. S.F. 497, authored by Sen. Paula Hanson (DFL-Ham Lake), establishes special plates to support county child protection programs.

According to Jack Wildes of the Dept. of Public Safety, the cost of the license plates is covered in the fee charged, however the department needs money appropriated for up-front costs to make the plates.

One suggestion by Sen. Keith Langseth (DFL-Glyndon) was for the groups to provide the initial money and ensure a certain number of residents are interested in having the plates. The bills were sent to Langseth's finance division for more discussion.

Langseth presented a bill continuing the apportionment of 5 percent of the highway user tax distribution fund for another six years. The 5 percent is currently divided with 28 percent going to the trunk highway fund, 64 percent going to the county turnback program, and 8 percent ear-marked for the municipal turnback programs. According to Langseth, the main sources of funding for the highway user tax fund is the gas tax and license fees.

Sen. Carol Flynn (DFL-Mpls.) objected to the bill which requires future Legislatures to keep the same percentages until the year 2001. The bill advanced to the Senate floor.

S.F. 273, authored by Sen. Linda Runbeck (IR-Circle Pines), allowing license plates for collector vehicles to be transferred and reissued, also was advanced to the full Senate.

## Floor action

### Name change limit

A bill limiting the number of times an inmate is allowed to change their name was heard by the Senate during the floor session of Mon., Mar. 13.

Meeting as the Committee of the Whole to

consider bills on General Orders, the members took up H.F. 125, prohibiting inmates from applying for name changes more than once during their confinement. Sen. Tracy Beckman, the bill's author, moved adoption of the House File which he said is more restrictive than the version that made its way to the Senate floor.

Beckman said H.F. 125 prohibits any inmate from changing their name at state expense, unless the prohibition would infringe on their constitutional rights. He said an inmate could make a motion in court to waive the costs of the name change. Beckman said the Senate version was less restrictive by allowing one name change at state expense. "What we are saying in this version is that an inmate can change their name once while they are in prison if they pay for it," he said.

Sen. Allan Spear (DFL-Mpls.) said the bill allows inmates to seek one waiver of court costs, but anyone who goes to court can seek the same waiver of costs as many times as they wish. "What this bill will do is prevent inmates from ever having the opportunity to have their costs be waived, except for constitutional reasons," he said. No action was taken on the bill, pending preparation of amendments.

The committee also considered other bills for preliminary passage. H.F. 95, sponsored by Sen. Joe Bertram, Sr. (DFL-Paynesville), preventing construction of new headwalls or renovation of existing headwalls in highway right-of-ways, was approved, as was H.F. 362, also authored by Bertram, allowing town boards to set up a petty cash fund. The Committee of the Whole also approved H.F. 749, a bill modifying the eligibility for transitional housing services authored by Sen. Ellen Anderson (DFL-St. Paul).

In other business, the Senate granted final passage to S.F. 145 on a 64-0 vote. The bill, sponsored by Sen. Paula Hanson (DFL-Ham Lake), sets a three-and-one-half year time limit for refunds of motor vehicle registration tax overpayments.

Acting on bills listed on the Consent Calendar, the Senate passed six proposals. S.F. 318, authored by Sen. Arlene Lesewski (IR-Marshall) changes the date when crop hail insurance rates must be filed.

S.F. 521 was passed, 64-0. Sen. Linda Berglin (DFL-Mpls.), the bill's author, said it requires all local social services and placement agencies to list the names of children available for adoption on the state adoption exchange. H.F. 37, sponsored by Sen. Florian Chmielewski (DFL-Sturgeon Lake), allows the towns of Glen or Kimberly to have an alternate annual meeting day.

H.F. 554, sponsored by Sen. Edward Oliver (IR-Deephaven), regulating enforcement actions against licensed brokers and modifying the definition of investment metals was approved, 64-0. Also passed, 64-0, was S.F. 831, authored by Sen. Gene Merriam (DFL-Coon Rapids). The bill includes the amounts of checks and money orders in the definition of "value" that accompanies theft laws. S.F. 127, a bill authored by Sen. Roy Terwilliger (IR-Edina) allows Hennepin County to convey tax-forfeited land to the city of Eden Prairie.

Senate Information 296-0504

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# Preview

## The Minnesota Senate Week at a Glance

Monday, March 20

The Senate will meet at 10 a.m.

### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 708-Lesewski: Exempting a program for recovery of statewide and agency indirect costs. S.F. 739-Scheevel: Change certain procedures for compensating crop owners for damage by elk. S.F. 738-Scheevel: Providing uniformity with certain federal food standards.

### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 457-Chandler: Taxis no fault automobile basic economic loss benefits coverage priorities regulation exemption. S.F. 474-Johnson, J.B.: Medicare supplement insurance policy premiums payment grace period regulation. S.F. 448-Solon: Concrete and masonry contractors licensing requirements. S.F. 685-Merriam: HMO/ISN organization as corporations. S.F. 838-Solon: Barbers registration and regulation modifications.

### Judiciary Committee

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** S.F. 1018-Knutson: Guardians ad litem.

### Rules and Administration Subcommittee on the Senate Budget

*Chair: Sen. Roger Moe*  
12 noon or immediately following session Room 237 Capitol  
**Agenda:** Budget for the Minnesota State Senate.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 287-Lesewski: Interactive video arraignments. S.F. 650-Reichgott Junge: Bail and pretrial release procedures. S.F. 651-Knutson: Miscellaneous crimes.

### Jobs, Energy and Community Development Finance Division

*Chair: Sen. Carl Kroening*  
2 p.m. Room 112 Capitol  
**Agenda:** Overview of the budgets for the Uniform Laws Commission, Workers Compensation Court of Appeals, Indian Affairs Council, Council on Black Minnesotans, Spanish-Speaking Affairs Council, and the Asian-Pacific Council (tentative).

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 726-Mondale: Hennepin County to lease hospital or nursing home. S.F. 858-Solon:

Storm water demonstration project in city of Duluth. S.F. 953-Solon: Modifying a special service district for Duluth. S.F. 1000-Flynn: Creating a contaminated site cleanup loan program within the Metropolitan Council. S.F. 1112-Ourada: Conveying ditches from Sherburne County to city of Elk River.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
5 p.m. or after caucus Room 123 Capitol  
**Agenda:** S.F. 47-Samuelson: Children of institutionalized patients. S.F. 147-Sams: Clarifying variance criteria for day training and habilitation. S.F. 161-Berglin: Authorizing appeals by vendors of day training services. S.F. 242-Berglin: Trusts under the medical assistance program. S.F. 515-Hottinger: Modifying state agency hearings. S.F. 532-Kiscaden: Requiring child care for school age children. S.F. 604-Reichgott Junge: Supervised visitation. S.F. 769-Finn: Indian elders.

### Joint House and Senate Subcommittee on Claims

*Co-Chairs: Sen. Randy Kelly and Rep. Edgar Olson*  
6 p.m. Room 500N SOB  
**Agenda:** Discussion on veterans bonuses. Property claims against the Dept. of Corrections. Injury claims against the Dept. of Corrections.

### Judiciary Committee

*Chair: Sen. Carol Flynn*  
7 p.m. Room 15 Capitol  
**Agenda:** S.F. 512-Spear: Vulnerable adults.

Tuesday, March 21

### Gaming Regulation Committee

*Chair: Sen. Charles Berg*  
8 a.m. Room 107 Capitol  
**Agenda:** Confirmations to Gambling Control Board. S.F. 977-Berg: Changing the pull-tab and tipboard tax.

### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzgen*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 778-Kelly: Changing reimbursement for soft body armor. S.F. 237-Price: Permitting state employees to donate vacation leave for the benefit of a certain state employee. S.F. 368-Lesewski: Farm crisis assistance contracted personnel employment status clarification. S.F. 299-Larson: Clarifying reference to visually handicapped people. S.F. 845-Berglin: Minnesota Care rulemaking exemption.

### Transportation and Public Transit Finance Division

*Chair: Sen. Keith Langseth*  
8 a.m. Room 112 Capitol  
**Agenda:** S.F. 835-Pappas: Financing for transit facilities and equipment. S.F. 554-Krentz: Olympic plates. S.F. 497-Hanson: Child protection plates. S.F. 979-Johnston: Regulating hazardous materials transporters.

### Rules and Administration Special Subcommittee on Ethical Conduct

*Chair: Sen. Ember Reichgott Junge*  
8:30 a.m. Room 237 Capitol  
**Agenda:** Proceedings on Johnson vs. Finn complaint.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 577-Janezich: Shared nursing home administrators; St. Louis County. S.F. 713-Kiscaden: Olmsted County non-profit corporation to own and operate a hospital and medical center. S.F. 801-Berglin: Lead abatement. S.F. 992-Kiscaden: Reinstating certain advisory councils and a task force.

### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** S.F. 1234-Stumpf: New funding formula for higher education. S.F. 627-Moe: Semester system.

### Rules and Administration Subcommittee on Bill Referrals

*Chair: Sen. Ember Reichgott Junge*  
10:30 a.m. Room 237 Capitol  
**Agenda:** Rule 35 Requests - S.F. 62-Merriam (Rule 35ed by Merriam): Exempting the publicly owned transitional housing program from certain sale restrictions. S.F. 304-Marty (Rule 35ed by Marty): Prohibiting lottery advertising. S.F. 399-Knutson (Rule 35ed by Lessard): Recreational vehicles; driving while intoxicated. S.F. 417-Berglin (Rule 35ed by Merriam): Long-term care payment and services delivery system. S.F. 520-Krentz (Rule 35ed by Merriam): Requiring the state court administrator to prepare a guide to informal probate.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
12 noon Room 123 Capitol  
**Agenda:** S.F. 273-Price: Providing for the classification of water supply systems and wastewater treatment facilities and certification of operators by the Dept. of Health and the Pollution Control Agency. S.F. 496-Price: Requiring analysis of water quality and quantity data.

### Ethics and Campaign Reform Committee

*Chair: Sen. John Marty*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 1086-Johnson, D.J.: Prohibiting lobbying by a principal campaign committee or political party committee.

### Family Services Committee

*Chair: Sen. Pat Piper*  
12 noon Room 15 Capitol  
**Agenda:** S.F. 217-Cohen: Child support enforcement. S.F. 642-Stevens: Child support.

### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*  
2 p.m. Room 107 Capitol  
**Agenda:** To be announced.

## Rules and Administration Committee

Chair: Sen. Roger Moe

7:30 p.m. Room 15 Capitol

Agenda: Personnel issues. Report, Subcommittee on Senate Budget. Report, Subcommittee on Bill Referral.

## Finance State Government Division

Chair: Sen. Richard Cohen

4 p.m. Room 318 Capitol

Agenda: Overview of the budgets for the Dept. of Employee Relations and Government Training Services.

## Taxes and Tax Laws Subcommittee on Property Tax

Chair: Sen. John Hottinger

4 p.m. Room 15 Capitol

Agenda: S.F. 961-Moe, R.D.: Crookston TIF. S.F. 165-Murphy: Hastings TIF. S.F. 798-Murphy: Lake City TIF. S.F. 575-Metzen: Property tax class rate reduction for seasonal recreational property. S.F. 346-Kelly: Property tax class rate reduction for seasonal recreational property. S.F. 1194-Berg: Swift County TIF. S.F. 1198-Neuville: Northfield TIF. S.F. 876-Belanger: Property tax class rate reduction for seasonal recreational property. S.F. xxxx-Hottinger: Eliminating LGA/HACA offset from certain TIF districts; providing grants to certain districts. S.F. 284-Olson: TIF use restrictions and disclosure requirements expansion.

## Education Funding Division

Chair: Sen. Lawrence Pogemiller

6 p.m. Room 112 Capitol

Agenda: To be announced.

## Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

6:30 p.m. Room 123 Capitol

Agenda: Continuation - budget review for the Dept. of Natural Resources, Ron Nargang, deputy commissioner.

Wednesday, March 22

## Gaming Regulation Committee

Chair: Sen. Charles Berg

8 a.m. Room 107 Capitol

Agenda: Continuation - bills remaining from prior agendas.

## Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

8 a.m. Room 15 Capitol

Agenda: S.F. 529-Kroening: Automatic sprinkler systems in certain high rise buildings. S.F. 647-Wiener: Providing a deadline for certain actions by state and local government agencies. S.F. 657-Reichgott Jung: Government innovation and cooperation. S.F. 999-Riveness: Agency prompt payment.

## Transportation and Public Transit Committee

Chair: Sen. Florian Chmielewski

8 a.m. Room 112 Capitol

Agenda: S.F. 497-Hanson: Establishing special license plates for child protection. S.F. 554-Krentz: Establishing special professional sports team and Olympic license plates. S.F. 1097-Bertram: Paratransit services outside the Metropolitan Area. S.F. 615-Riveness: Establishing a high-speed bus

service pilot project in the Metropolitan Area. S.F. 696-Morse: High-speed rail service feasibility study. S.F. 371-Olson: Abolishing certain restrictions relating to highway construction. S.F. 172-Lessard: Providing for issuance of manufacturer test plates. S.F. 976-Hanson: Amending the rules for operation of the I-394 parking ramp. S.F. 835-Pappas: Authorizing financing for transit and paratransit facilities and equipment. S.F. 979-Johnston: Regulating hazardous material transporters. S.F. 965-Langseth: Authorizing issuance of permits for 12-foot wide loads of baled hay.

## Education Funding Division

Chair: Sen. Lawrence Pogemiller

10 a.m. Room 112 Capitol

Agenda: To be announced.

## Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

Agenda: S.F. 652-Reichgott Jung: ICF/MR pilot for closure of 64 bed facility. S.F. 775-Berglin: Alternative care grants and waived service programs. S.F. 921-Kiscaden: Establish level of care for nursing home placement; alternative care grants and federal waivers; governor's DHS bill. S.F. 1136-Betzold: Federal mandates, technical; DHS bill.

The Senate will meet at 12 noon.

## Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

12 noon Room 107 Capitol

Agenda: S.F. 839-Dille: Changing certain pesticide dealer requirements; changing expiration of pesticide applicator certifications. S.F. 693-Dille: Changing limits for participation in certain rural finance authority loan programs; provide development and change requirements for feedlots. S.F. 793-Dille: Eliminating requirements for certain periodic reports by the Dept. of Agriculture.

## Commerce and Consumer Protection Committee

Chair: Sen. Sam Solon

12 noon Room 112 Capitol

Agenda: S.F. 1134-Solon: Financial institutions technical corrections; regulatory improvement; interest rate simplification; interstate market development act of 1995.

## Judiciary Committee

Chair: Sen. Carol Flynn

12 noon Room 15 Capitol

Agenda: S.F. 699-Moe, R.D.: Establishing procedures governing entry of private property by government officials.

## Crime Prevention Finance Division

Chair: Sen. Tracy Beckman

2 p.m. Room 15 Capitol

Agenda: Review of the budget for the Dept. of Corrections. S.F. 549-Beckman: DARE funding bill.

## Jobs, Energy and Community Development Finance Division

Chair: Sen. Carl Kroening

2 p.m. Room 123 Capitol

Agenda: Continuation - overview of the budget for the Dept. of Economic Security.

## Metropolitan and Local Government

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 209-Pappas: County consolidation study. S.F. 1070-Pappas: Making certain county offices appointed. S.F. 1109-Novak: Requiring metropolitan council to implement affordable housing policies. S.F. 1209-Betzold: Changes in Hennepin County medical examiners office. S.F. 1233-Pappas: Housing as a metropolitan system.

## State Government Finance Division

Chair: Sen. Richard Cohen

4 p.m. Room 318 Capitol

Agenda: Overview of the budgets for the Minnesota Legislature, commissions, Legislative Reference Library, revisor's office, legislative auditor, and the Office of Strategic and Long Range Planning.

## Joint Crime Prevention and Judiciary Privacy Subcommittee

Co-Chairs: Sen. Jane Ranum and Sen. Harold "Skip" Finn

6 p.m. Room 107 Capitol

Agenda: S.F. 959-Berglin: MinnesotaCare data research initiatives and modifications. S.F. 438-Piper: Superintendent contracts. S.F. 349-Lesewski: Classifying certain data of the economic security department. S.F. 435-Kelly: Classifying name changes of persons in witness and victim protection programs as private data. S.F. 342-Spear: Child abuse investigations. S.F. 510-Ranum: Limiting release of child abuse victim videotape interviews. S.F. 112-Betzold: Records retention for child abuse investigations. S.F. 881-Ranum: Criminal justice information systems. S.F. 206-Merriam: Computer matching programs; Omnibus data practices bill (Finn).

## Legislative Commission on Pensions and Retirement

Chair: Rep. Richard Jefferson

6 p.m. Room 300N SOB

Agenda: H.F. 1092-Kahn, S.F. 922-Riveness: IRAP; recodification and various substantive changes. H.F. 1040-Kahn, S.F. 806-Morse: TRA; benefit coverage for certain part-time higher education faculty. H.F. 925-Johnson, R.; S.F. 743-Metzen: TRA and MSRS; allow TRA employees to elect MSRS general coverage. S.F. 126-Terwilliger: Eden Prairie volunteer fire; vesting and benefit changes. H.F. 1016-Jaros, S.F. 857-Solon: DTRFA; post-retirement adjustment mechanism modification. H.F. 1142-Jaros, S.F. 955-Solon: DTRFA; benefit formula and contribution increase. H.F. 1403-Jefferson, S.F. 1124-Riveness: Statewide plans; graded rate salary increase actuarial assumption. S.F. 1145-Kroening: MSRS; early retirement incentive for Metropolitan Council and Historical Society. S.F. 1083-Morse: Higher education; early retirement incentives for state university and community college personnel. S.F. 1196-Stumpf: Higher education; early retirement incentives. H.F. 1152-Schumacher, S.F. 1098-Bertram: PERA; purchase of credit for town assessor service. H.F. 1080-Jefferson, S.F. 972-Morse: PERA; restrict elected officials to PERA defined contribution plan. H.F. 1427-Jefferson: MTRFA; provision of supplemental contribution. H.F. 995-Johnson, R.; S.F. 863-Morse: Police state aid; establishing excess police state aid amortization aid program.

## Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

7 p.m. Room 107 Capitol

Agenda: S.F. 271-Berg: Removing limitations on ownership and use of agricultural lands by limited liability companies. S.F. 985-Berg: Changes law limiting corporate farming.

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Thursday, March 23

The Senate will meet at 9 a.m.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 783-Kramer: Pilot project for mental health and developmentally disabled persons; governor's DHS bill. S.F. 996-Sams: Registration of housing with services for persons 55 years or older. S.F. 1114-Samuels: Dept. of Human Services bill relating to SOCS and RTCs. S.F. 512-Spear: Vulnerable adult act.

### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** Review of higher education employment agreements, representatives of governor's office; Dept. of Employee Relations, Higher Education Board, and faculty organizations.

### Commerce and Consumer Protection Subcommittee on Insurance

*Chair: Sen. John Hottinger*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 164-Hottinger: Health insurance plans subrogation rights and restrictions. S.F. 704-Belanger: Homeowners and automobile insurance zip code ratings prohibition. S.F. 259-Merriam: Genetic discrimination act.

### Ethics and Campaign Reform Committee

*Chair: Sen. John Marty*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 1128-Robertson: Residency requirements for school board members. S.F. 933-Reichgott Jung: Residency requirements at time of filing for candidates of elective office.

### Family Services Committee

*Chair: Sen. Pat Piper*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 470-Laidig: Sentencing guidelines modifications.

### Jobs, Energy and Community Development Finance Division

*Chair: Sen. Carl Kroening*  
2 p.m. Room 123 Capitol  
**Agenda:** Budget for the Dept. of Commerce.

### Metropolitan and Local Government

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 698-Morse: Land use planning. S.F. 980-Johnston: Allowing additional communities to operate their own transit systems. S.F. 1216-Johnston: Financial assistance for capital expenditures by replacement metropolitan transit systems. S.F. 1217-Johnston: Authorizing replacement transit programs to carry forward unused operating funds. S.F. 1218-Johnston: Allowing additional communities in metropolitan area to operate their own transit programs. S.F. 1219-Johnston: Requiring metropolitan council to allocate up to 90 percent of local property tax levied to replacement transit programs.

### Taxes and Tax Laws Subcommittee on Income Taxes and Sales Taxes

*Chair: Sen. Len Price*  
4 p.m. Room 15 Capitol  
**Agenda:** Items left over from the March 16 meeting. S.F. 97-Betzold: Certain income for service in armed forces exempt from taxation. S.F. 326-Hottinger: Changing the dependent care credit. S.F. 367-Flynn: Changing the dependent care credit. S.F. 17-Bertram: Increasing funding for firefighters state aid. S.F. 256-Runbeck: Changing gross premiums tax on certain insurance companies. S.F. 754-Solon: Change gross premiums tax rate imposed on certain insurance companies. S.F. 896-Finn: Changing gross premium tax rate imposed on certain insurance companies. S.F. 560-Berg: Determine amount of tax refunds to be paid to Indian tribal governments.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
6 p.m. Room 112 Capitol  
**Agenda:** To be announced.

### Joint Crime Prevention and Judiciary Privacy Subcommittee

*Co-Chairs: Sen. Jane Rarum and Sen. Harold "Skip" Finn*  
6 p.m. Room 107 Capitol  
**Agenda:** Continuation - Wednesday's agenda.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
7 p.m. Room 123 Capitol  
**Agenda:** To be announced

Friday, March 24

### Governmental Operations and Veterans

*Chair: Sen. James Metzger*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 871-Hottinger: Revising procedures used for adoption and review of administrative rules. S.F. 872-Hottinger: Rulemaking.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

### Environment and Natural Resources

*Chair: Sen. Bob Lessard*  
10 a.m. Room 107 Capitol  
**Agenda:** S.F. 279-Johnson, D.J.: Certain duties relating to waters and public lands. S.F. 786-Scheevel: Sale tax-forfeited land in city of Preston. S.F. 644-Merriam: Land sale for city of Anoka. S.F. 941-Frederickson: Confidentiality of mineral resources data. S.F. 873-Johnson, J.B.: Sale tax-forfeited land Isanti County. S.F. 710-Frederickson: Broadening use for emergency materials and equipment. S.F. 680-Pariseau: Authorizing commissioner to sell land in Scott County. S.F. 605-Vickerman: Requiring snowmobile operators and passengers to wear helmets. S.F. 830-Finn: Akeley land transfer. S.F. 785-Pogemiller: Change in structure of environment and natural resource services.

### Rules and Administration Subcommittee on Permanent and Joint Rules

*Chair: Sen. Ember Reichgott Jung*  
10 a.m. Room 237 Capitol  
**Agenda:** Discussion on changes to Senate rules.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
3 p.m. Room 123 Capitol  
**Agenda:** To be announced.

# Briefly

The Minnesota Senate Week in Review

March 24, 1995

## Minimum wage bill tabled

A proposal to raise the minimum wage was debated and then tabled when the Senate met in full session on Thurs., Mar. 23.

S.F. 302, authored by Sen. Randy Kelly (DFL-St. Paul), provides a 25-cent increase in the minimum wage on Oct. 1, 1995, and includes additional wage increases based on the length of employment. After nearly two hours of debate, Sen. Dallas Sams (DFL-Staples) moved to table the bill and his motion was approved, 33-32.

In presenting the proposal, Kelly said the last increase in the minimum wage was done four years ago. Since that time, he argued, the value of that wage level has declined. "The current minimum wage is worth less, in purchasing power, than it has been in 44 years," he said.

Opponents argued that the bill will have an impact on the state's economic climate and that jobs will be lost because employers are required to pay more. Sen. Dean Johnson (IR-Willmar) said the bill will have a negative impact on the state's business climate, by adding more regulations on businesses and will cause the loss of more than 10,000 jobs in the state. "If you are intent on further erosion of the number of jobs in Minnesota, this will do it," he said.

Supporters called the bill a step towards providing low-income individuals with the opportunity to earn a living wage. "One of the cornerstones of welfare reform is getting people to work," said Sen. Roger Moe (DFL-Erskine). "You are not going to phase people off of welfare if they can't get jobs that pay them a living wage." The motion to table the bill was made after several members urged the Senate to consider a workers compensation bill before making a decision on a minimum wage increase.

## Welfare reform bill passed

After nearly four hours of debate, members of the Senate granted final passage to a major welfare reform bill at the Mon., Mar. 20, floor session. H.F. 5, authored by Sen. Don Samuelson (DFL-Brainerd), makes numerous changes to laws governing welfare in Minnesota.

Samuelson said that the bill "is a far-reaching welfare reform proposal that is positive, not punitive. The bill emphasizes work, not welfare, and provides education and training where appropriate...most of all the bill does not forget the children."

According to Samuelson, the proposals in the bill will bring about a savings of \$957,000. Samuelson said that key elements of the bill provide for expanding the Minnesota Family Investment Program to

Ramsey County, provide for the application of federal waivers to remove barriers for people seeking employment, requires teen moms to live at home or in supervised living situations, reduces the Work Readiness program from six months to one month, sets up a fraud prevention effort, provides a work experience program for non-custodial parents, and provides for a six-month intensive training program for non-English speaking clients.

The debate on the measure centered on a series of amendments offered to the bill. Samuelson offered the first two amendments. A mostly technical amendment was adopted without much discussion. A second amendment, dealing with General Assistance Medical Care (GAMC) payment for gender reassignment was ruled not germane on the grounds that the amendment dealt with medical benefits and not with welfare.

An amendment, offered by Sen. Linda Berglin (DFL-Mpls.), incorporating a proposal to authorize the creation of empowerment zones, touched off debate on the germaness issue and on the merits of the proposal. The amendment was ultimately ruled germane. The proposal provides for streamlining county administrative procedures in order to fund empowerment zones for economic development in areas with declining property values. Opponents of the amendment argued that the amendment deals primarily with taxes and was not germane to the welfare bill. Berglin countered that the administrative simplification of county administrative procedures and the individuals working on the capital improvements envisioned in the empowerment zones both tied directly to the concept of welfare reform. The amendment was approved on a vote of 40-23 after Sen. Linda Runbeck (IR-Circle Pines) successfully amended the amendment to include a June 30, 1997 sunset date.

Sen. David Knutson (IR-Burnsville) offered an amendment providing incentives and sanctions for AFDC recipients to attend school or enroll in a GED program. The proposal sparked discussion on the cost involved. Opponents of the measure successfully argued that the amendment would place additional burdens on local governments and would be expensive to administer. Sen. Harold "Skip" Finn (DFL-Cass Lake), successfully offered an amendment to the amendment that deleted language delegating power to the county social service workers. However, the Knutson amendment failed 28-34.

Members did adopt an amendment,

offered by Sen. Kenric Scheevel (IR-Preston), requiring applicants to provide social security numbers when applying for assistance.

Sen. Thomas Neuville (IR-Northfield) proposed an amendment to eliminate the Work Readiness Program and institute a Work First Program. The amendment specified that recipients must work in public service jobs if they can't find a job in eight weeks. Samuelson said that to eliminate Work Readiness was quite mean spirited and that there would, again, be very high administrative cost to the Neuville proposal. The amendment failed on a 24-36 vote.

Members also voted down an amendment, offered by Sen. Mark Ourada (IR-Buffalo), limiting benefits for AFDC recipients to 24 months. Samuelson, Sen. Roger Moe (DFL-Erskine) and others argued against the proposal because of the effects on children. The amendment was defeated 28-33. An amendment, offered by Sen. Dennis Frederickson (IR-New Ulm), setting AFDC benefits for new comers to Minnesota at the level of the state from which the recipient came, was adopted. An amendment, offered by Sen. Dan Stevens (IR-Mora), eliminating representative payees from those who receive vendor payments for drug dependent persons was also adopted. Members voted down an amendment, offered by Sen. John Marty (DFL-Roseville), that sets targets for the maximum number of children in poverty--similar to the cost of government targets adopted by the Legislature.

At the close of debate, several members made statements in support of the bill. Sen. Dean Johnson (IR-Willmar) said the bill changes the direction of welfare from one of dependency to one of responsibility. "The bill provides an opportunity for people to be more accountable," Johnson said. Sen. Sandra Pappas (DFL-St. Paul) commended Samuelson for his efforts but said, "to be honest, this legislation will not move significant numbers of women and children out of poverty...we must also enact legislation for higher wages, affordable housing and adequate transportation."

The bill was given final passage on a vote of 63-1.

## Frequently called numbers

Senate Information	296-0504
TDD	296-0250
Copies of bills (voice mail)	296-2343

# Committee update

## Agriculture and Rural Development

### Pesticide requirements revamped

The Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), approved four bills at its afternoon meeting Weds., Mar. 22.

Sen. Steve Dille (IR-Dassel) presented S.F. 839, a bill that changes pesticide dealer license requirements. On hand supporting the measure was Craig Sahlsbrom from the Minnesota Plant Food Chemical Association.

Besides clarifying that no fixed location may sell pesticides without a license, S.F. 839 eliminates the eligibility examination currently required to sell pesticides. The measure now proceeds to the floor.

Also authored by Dille, S.F. 793, eliminates various reports required by the commissioner of agriculture to the chairs of the Senate and House agriculture and environment committees.

"The intention of this bill is to reduce paperwork," Dille said. Included in the list of reports eliminated under the bill are grasshopper control, weather modification operations and community shade tree disease and insect control programs. Members approved the measure and sent it to the full Senate.

Also sent to the floor was S.F. 738, a bill that provides for uniformity with federal food standards. Authored by Sen. Kenric Scheevel (IR-Preston), the measure brings Minnesota requirements in line with federal regulations.

S.F. 739, carried by Scheevel as well, eliminates the words "federal crop adjuster" from statute. Scheevel said that the position was abolished as of Oct. 1, 1994. Members placed the measure on the Consent Calendar.

### LLCs defeated

After sifting through more than six hours of public testimony at a Weds., Mar. 22, evening meeting, the Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville) defeated S.F. 271. Carried by Sen. Charles Berg (DFL-Chokio), the measure would have allowed limited liability companies to own and use agricultural lands. LLCs are structured differently than corporations and partnerships, their intent being to provide tax advantages, simpler rules, and lower fees to small operations. But after listening to extensive debate on both sides of the issue, members finally opted, on a roll call vote, 5-5, to put the matter of LLCs and farming to rest for the 1995 Legislative Session.

Opponents argued that allowing LLCs in agriculture would open the door to multi-national corporations and usher in the final destruction of the family farm. "This throws the barn door wide open," said Sen. Jim Vickersman (DFL-Tracy), "to non farmers and outside interests."

Farmer Dennis Timmerman, a cattle feed operator, pointed out that big agriculture states, including Iowa, North and South Dakota, and Nebraska, have rejected changes to the Corporate Farm Law. Sen. Steven Murphy (DFL-Red Wing) added "there are other options to LLCs, ones that will keep farmers, farming."

Supporters, including Commissioner Elton Redalen of the Dept. of Agriculture, argued that the time has come to allow farmers the same tools that other businesses have available to them.

Berg's measure to expand the definition of authorized farm corporations was also defeated 5-5 on roll call vote. S.F. 985 would have eliminated the requirement that 51 percent of the shareholders of a farm corporation must be farmers living in the state and actively engaged in livestock production.

## Commerce and Consumer Protection

### Financial institutions omnibus

The Commerce and Consumer Protection Committee heard and approved the financial institutions omnibus bill at the Weds., Mar. 22, meeting.

S.F. 1134, authored by Committee Chair Sam Solon (DFL-Duluth), makes numerous technical changes and updates. The bill permits financial institutions to sell repossessed manufactured homes without going through a licensed real estate broker. It also removes the requirement that banks publish their financial statements annually. It requires, however, that they make their balance sheets and statements of income and expense publicly available at all their offices. The measure also sets forth new requirements for short-term loans under \$350, in an effort to ensure that these "payday loans" are available from reputable sources.

In addition, the bill contains several provisions regulating pawnbrokers. One provision requires the person making the pawn to sign a statement verifying that he is the rightful owner of the goods. Another sets a 30-percent-per-month limit on pawnshop charges. The bill also requires municipal ordinances to be consistent with the provisions of the bill.

The panel approved three amendments to the bill. The first, offered by Solon, changes a provision that makes pawned goods the property of the pawnbroker after a 30-day period. The amendment changes the period to 60 days. The second amendment, offered by Sen. Kevin Chandler (DFL-White Bear Lake), extends to credit unions a provision that allows financial institutions to establish deposit and education programs for elementary and secondary students. The third, offered by Solon, excludes retailers' point-of-sale terminals (such as cash registers) from statutes governing automatic teller machines. The terminals would remain subject to federal regulations that provide a number of consumer protections. S.F. 1134 now goes to the Judiciary Committee.

The committee also approved three other bills. S.F. 457, authored by Chandler, adds taxis to the No-Fault Automobile Insurance Act. The measure, Chandler said, brings taxis in line with the rest of the no-fault system, which now covers school buses, MTC buses, and commuter vans. The panel sent the bill to the Senate floor.

A bill that exempts person performing barbering services for charitable purposes in nursing homes, shelters, missions and similar facilities from statutes regulating barbers also received the Senators' approval. S.F. 838, sponsored by Solon, now goes to the full Senate.

The committee approved and sent to the floor S.F. 474, a bill that extends the grace period for payment of Medicare supplement policy premiums to 30 days. The bill is sponsored by Sen. Janet Johnson (DFL-North Branch)

The panel voted down a bill, S.F. 685, sponsored by Sen. Gene Merriam (DFL-Coon

Rapids), that allows for-profit health maintenance organizations (HMOs) and Integrated Service Networks (ISNs) to operate in the state.

## Crime Prevention

### "Koskinen" bill approved

A bill, referred to as the "Kari Koskinen Manager Background Check Act," requiring criminal background checks on managers of apartments and mobile home parks was approved by the Crime Prevention Committee during a Thurs., Mar. 16, meeting.

S.F. 98, presented by Sen. Gene Merriam (DFL-Coon Rapids), received further discussion and several amendments before advancing to the Jobs, Energy and Community Development Committee. The bill stems from an incident in which a woman was abducted and murdered by the manager of the apartments where she lived. Mother of the woman, LouAnn Koskinen, testified in favor of the bill, saying it could help protect other people.

The bill specifies that an apartment manager applicant must undergo a background check before being hired; the provision also applies to anyone who has regular access to tenants' homes.

Merriam presented an amendment that divided into two groups, by order of severity, the crimes that would require notification of an apartment owner. Any conviction of the most severe crimes, including first-degree murder, first-degree manslaughter, felony criminal sexual conduct, and felony harassment and stalking, would automatically disqualify an applicant for the position. If the manager was hired before the background check was completed, the owner must terminate the manager's employment.

If an applicant had been convicted of one of the less severe crimes listed in the amendment, the applicant may not be hired for the position unless more than 10 years have elapsed since the date of discharge. The bill allows an owner to hire an applicant who had been convicted of one of the less severe crimes only if all current and previous tenants are notified; tenants have the right to terminate their leases. The bill also specifies that current apartment managers must have criminal background checks by Aug. 1, 1996.

Sen. Allan Spear (DFL-Mpls.), chair of the committee, said he was concerned about the retroactive provision of the amendment requiring tenants to be notified of a manager's past convictions and possibly fired. He said the measure was akin to neighborhood notification of convicted felons.

Merriam said if a check was not required of current managers the safety of current tenants would be jeopardized. "If we're passing the law because we think it's important then it doesn't make sense to not require [background checks] of current managers," he said.

Sen. Tom Neuville (IR-Northfield) offered an amendment to allow owners to hire a manager regardless of the conviction if all tenants were notified personally by the manager. The amendment failed on a voice vote.

### Bill allowing victim's side heard

A bill requiring a prosecutor to present a victim's account of a crime to a judge in determining whether to release an arrested person before trial was approved by the Crime Prevention Committee during a Mon., Mar. 20,

meeting. The committee, chaired by Sen. Allan Spear (DFL-Mpls.), discussed only the three sections of the bill dealing with crime matters.

S.F. 650, presented by Sen. Ember Reichgott Junge (DFL-New Hope), builds upon the Grant Hussey legislation passed in 1994.

The bill also requires notification of a victim or a victim's family when an alleged violent offender is scheduled to be reviewed for release from the pretrial detention, and provides notification of involved law enforcement agencies when an alleged violent offender is about to be released before trial.

Clark Hussey, father of Grant Hussey who was murdered a year ago, testified in favor of the bill, saying the three sections dealing with notification could have helped protect his son. He said he believes it is critical to have the victim's account of the events before a judge decides whether to release an arrested person on bail. The bill was re-referred to the Family Services Committee.

The committee also discussed S.F. 287, a bill allowing judicial districts to use interactive video for first court appearances under certain conditions. The conditions include safeguards regarding participation of counsel, the physical environment in which the defendant will be viewed, and the defendant's ability to participate in the proceeding. Sen. Arlene Lesewski (IR-Marshall), author of the bill, said the use of interactive video could help save costs, especially in larger District Courts.

Some Senators questioned what the proposed cost savings would be if district courts were allowed to use video. The bill was laid over for discussion by Finance Division members.

## Corrections budget reviewed

With the possibly of some \$20 million in cuts from his budget looming on the financial horizon, Commissioner of Corrections Frank Wood presented an overview of the department's biennial budget request to the Crime Prevention Finance Division, Weds., Mar. 22.

Members of the division, chaired by Sen. Tracy Beckman (DFL-Bricelyn), brainstormed with Wood about possible avenues of savings in the \$571 million biennial budget. The department is seeking a 33 percent increase over the current biennium, \$48 million of which is in new initiatives. Wood acknowledged the Legislature's anticipated reductions, but cautioned members against making cuts that could jeopardize the safety of the institution staff and inmates.

Wood explained much of the budget increase is due to "massive growth" in the system. From July 1994, correctional system staff increased from 3,322 to 3,997. But despite the growth, Wood said Minnesota's correctional budget still is one of the lowest in the nation as a percentage of the state's total budget.

Sen. Gene Merriam (DFL-Coon Rapids) said the division has to look at the big picture and the state's per-prisoner cost compared to other states. He said he hears citizens complaining about the amount of money spent on prisoners versus other programs like education. He said he wants to know what the money is accomplishing. Wood said the state has one of the lowest incarceration rates in the country, reflecting Minnesota's practice of imprisoning the most violent, repeat offenders. He added that the major portion of the corrections budget is spent on salaries.

Some members suggested the division may have to look at some of the programs provided in the state's 10 correctional institutions when the budget is considered.

Wood agreed he could look at "massaging" some of the programs to increase efficiency, but he also warned Senators about simply reacting to public outcry. "Idle inmates are the source of systemic violence," he said. Getting rid of programs often cause more problems than maybe the public understands, he said. Wood reviewed some of the new initiative and suggested some areas that could be looked at to make some budget cuts.

Jim Burton, deputy commissioner in charge of institutions, reviewed individual facility budget requests.

## Education

### Buy-out bill re-referred

The Senate Education Committee, co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met briefly Thurs., Mar. 16, to re-refer a bill requiring candidates for a superintendent position to disclose previous contract buy-out agreements. The measure was re-referred to the Judiciary Committee without recommendation.

S.F. 438 requires a person applying for a job as a superintendent to disclose the existence and contents of any previous contract buyouts. The bill, authored by Sen. Pat Piper (DFL-Austin) also voids any superintendent's contract if a previous buyout is not disclosed. The measure applies to contracts reached after June 30, 1995.

### Safe schools bills heard

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), took up two proposals aimed at providing safer schools, at meetings held Thurs., Mar. 16.

S.F. 418, said Sen. Randy Kelly (DFL-St. Paul), the bill's author, is focused on truancy and provides a systematic approach to school safety. The bill specifies that parents are responsible for assuring their child's attendance, requires school districts to notify parents of a child's habitual truancy, and makes parents who fail to comply with compulsory attendance laws subject to a fine of up to \$700 and up to 90 days in jail.

Under the bill, the court can suspend a habitual truant's driver's license, if they are age 16 and older. The court may also prevent truants under the age of 16 from receiving their driver's licenses when they become eligible. The measure also provides for establishment of community-based truancy projects and service centers, sets up school attendance review boards, and authorizes a county attorney to establish a truancy mediation program.

Other provisions allow school districts to adopt policies on school uniforms and locker searches and requires districts to approve a gun-free schools policy. School districts are required to conduct criminal background checks on all new employees and the board of teaching will run background checks on applicants for new teaching licenses.

The division also reviewed S.F. 707, sponsored by Sen. Warren Limmer (IR-Maple Grove). The bill lowers the compulsory attendance age to 16, and allows school districts to not admit students under open enrollment if they were previously expelled or suspended from school for violent acts. The bill also requires disabled students to prove their disabling condition was the cause for their action before an expulsion or suspension is overturned. The division took no action on either bill, but began to hear public response to the proposals.

Bill Larson, assistant superintendent in the St. Paul School District, said Kelly's bill "is a major step in giving districts the ability to enforce truancy and provide safety." But Linda Garrett-Johnson, a St. Paul parent, said the bill "sounds punitive towards parents." She said parents should be more involved in the process being proposed. "Parents hold a lot of valuable information, and that information is not being given equal weight in the decisions," she said.

After some discussion, the division voted to delete two sections of S.F. 418, requiring parents to ensure students receive instruction and the misdemeanor penalties for failing to do so. An amendment, requiring school boards to expel students who bring a firearm to school for up to one year, was offered by Sen. Kenric Scheevel (IR-Preston) and approved. The amendment allows districts to modify the expulsion requirement on a case-by-case basis. The division is expected to give further consideration to both bills at a later meeting.

### Gov's recommendations heard

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) continued to review a bill containing the governor's budget recommendations at its Fri., Mar. 17, meeting.

Sen. Gen Olson (IR-Minnetrista) continued her presentation of S.F. 391 from a prior meeting. The division reviewed the governor's recommendations contained in the bill pertaining to facilities and equipment, organization and cooperation, various programs, and the Minnesota Center for the Arts.

The bill includes the governor's recommendation allowing outcome-based schools to receive capital expenditure revenue. After some discussion, the division adopted a similar provision from S.F. 679, authored by Sen. Ember Reichgott Junge (DFL-New Hope), to allow the outcome-based schools to receive revenue for capital facilities and equipment. The provision was added into the education finance omnibus bill.

The division also adopted a provision of S.F. 391, reducing the equipment formula allowance. The governor recommended reducing the per pupil amount from \$69 to \$68. The members set aside the reduction amount for further discussion.

### Bills advance

The Education Committee, co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Sen. Lawrence Pogemiller (DFL-Mpls.), approved a measure ratifying the contracts of several higher education employee groups at the Tues. evening, Mar. 21, meeting.

S.F. 557 ratified the labor agreements that were reached last year between the state and several higher education groups. Sen. Carol Flynn (DFL-Mpls.), the author, said the agreements were struck with state university faculty and staff, and with unclassified technical college, community college and Higher Education Board staff. The bill was approved and re-referred to the Finance Committee.

Sen. Leonard Price (DFL-Woodbury) presented a bill combining the provisions that govern the three public post-secondary systems into one chapter in state law. The new chapter will reflect the merger of the three systems on July 1, 1995, he said. The bill was approved and referred to the Senate floor.

The panel also heard S.F. 362, authored by Sen. Arlene Lesewski (IR-Marshall). The bill

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specifies that students at a public post-secondary institution could bring a civil action if they are aggrieved by a violation of the free speech clauses in the U.S. and state constitutions. The measures also allows the court to award attorney fees and costs to the prevailing side.

Sen. Tom Neville (IR-Northfield) offered an amendment adding a provision to direct higher education systems to review their policies and repeal those that infringe on students' free speech rights. The committee rejected the amendment and then Neville's motion to approved the bill failed on a 9-6 vote.

## Charter school changes adopted

The Education Funding Division adopted several provisions modifying the laws governing charter schools at the Tues. evening, Mar. 21, meeting.

The division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), approved several provisions on charter schools from two bills and added them to the education funding omnibus bill.

S.F. 679 changes the name from outcome-based to results-oriented charter schools. The bill, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), also allows public post-secondary institutions to sponsor a charter school and permits school districts to sponsor up to five charter schools as determined by the size of their student population. The panel adopted the name change included in the bill and then approved a provision allowing all post-secondary institutions to become sponsors.

S.F. 391, authored by Sen. Gen Olson (IR-Minnetrista), includes the governor's charter schools proposals. The members adopted the recommendation specifying that the State Board of Education will have 45 days from when a charter school application is submitted to act on the application. Also approved was a provision allowing districts to sponsor more than one school.

The limit on the number of charter schools allowed, set at 35 in state law, is remove in the Olson bill. The division adopted a proposal raising that limit to 60 schools.

The members also heard testimony from representatives of the teachers' unions in opposition to additional expansion of charter schools. Further discussion on charter school proposals is expected at a later meeting.

## Higher ed funding changes heard

A bill changing the higher education funding formula by providing money based on the number of degrees or certificates granted was presented to the Higher Education Funding Division at a meeting held Tues., Mar. 21.

According to Sen. LeRoy Stumpf (DFL-Thief River Falls), chair of the division and author of the bill, S.F. 1234 is in response to the "tremendous financial pressures" facing higher education over the past four years and continuing into future bienniums. At the same time, Stumpf said, citizens are demanding post-secondary institutions undergo instructional changes and be accountable to the product, or students, they turn out.

The intent of the bill is to focus on the end results of higher education and provide incentives to improve those end results. Right now, he said, state appropriations are driven by the number of credits a student buys, with little attention paid to the outcome of that purchase. If

the state funded a student's achievement instead, the post-secondary institution would have to focus on a student's preparedness and keep that student on the academic track, Stumpf explained. The bill creates a funding formula that moves the dollars "from the front to the back," basing funding on results and achievements.

According to the bill, the state provides 67 percent of the estimated cost of a degree, diploma or certificate. Allocations to campuses are to reflect the graduation results achieved by each campus.

Under the bill, remedial courses are provided by a post-secondary institution only if a student does not meet a 12th-grade level of competency in reading, writing and mathematics. If a graduate of a Minnesota public high school does not meet a 10th-grade level on a post-secondary evaluation test, the student's high school must pay the tuition for the student for all remedial courses taken in the first year after high school graduation.

The bill also guarantees that the degree-granting institution must provide a graduate with a semester or quarter of undergraduate courses at no cost if the graduate does not find a job in his or her field of study within two years.

The new funding formula would begin with a phase-in process in 1997, Stumpf said, to spur discussion and iron out the implementation details.

Division members launched into a philosophical debate regarding the bill's requirement of high schools to pay for a student's remedial courses. Some members disagreed with the provision, saying students should be responsible for paying for the full cost of developmental courses. Both Sen. Steve Murphy (DFL-Red Wing) and Sen. Deanna Wiener (DFL-Eagan) said sometimes it's not the high school's fault that a student did not achieve a certain level of competency.

But other Senators agreed that the onus should be on high schools to make sure students holding high school diplomas have achieved a 12th grade level education. Sen. Lawrence Pogemiller (DFL-Mpls.) called for "truth in diplomas." "Do we give diplomas to people who can't read?" he asked.

Stumpf said the bill is an attempt to send a message to a variety of people that education is a serious business. No action was taken on the bill.

In other business, the division approved S.F. 627, authored by Sen. Roger Moe (DFL-Erskine), a bill requiring all higher education institutes to convert to the semester system by the 97-98 academic year.

## Safe schools bill advances

A proposal creating programs and projects to combat truancy and provide safer schools was amended and approved, Weds., Mar. 22, by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

S.F. 418, said the author, Sen. Randy Kelly (DFL-St. Paul), aims to place a greater focus on truancy and provide school districts with additional ways to ensure safer learning environments. The bill was reviewed and amended by the division at an earlier meeting. Kelly presented an amendment, offered by Sen. Jane Krentz (DFL-May Twp.) and adopted, that both incorporated the changes the panel had previously approved and responds to the concerns raised by the members.

Kelly said the amended bill requires school districts to notify parents if a child has been truant for three days and creates a truancy

mediation program to be operated by a county attorney. The bill also allows the court to suspend the driver's license of a habitual truant or prevent a habitual truant becoming eligible for a license if they are not yet age 16.

A number of amendments were offered and approved, clarifying various provisions of the bill. Sen. LeRoy Stumpf (DFL-Thief River Falls) moved to eliminate a proposal increasing the amount districts may levy to support the DARE program. His motion was approved. The bill, as amended, was approved and referred to the full Education committee.

The members also resumed consideration of S.F. 707, authored by Sen. Warren Limmer (IR-Maple Grove). The bill lowers the compulsory attendance age to 16, and allows school districts to not admit students under open enrollment if they were previously expelled or suspended from school for violent acts. The bill also requires disabled students to prove their disabling condition was the cause for their violent action before an expulsion or suspension is overturned. Testifying in support of the bill were to special education teachers from Wayzata, who had been threatened by a student. Action on the bill is expected at a later meeting.

## Environment and Natural Resources

### Ag budget scrutinized

While reviewing the Dept. of Agriculture's budget Thurs., Mar. 16, members of the Environment and Natural Resources Finance Committee discussed the department's request for \$225,000 in bonding for the coming biennium.

Art Mason, director of the Plant Protection Division, explained that by May 1996, the Seed Potato Inspection Program fund balance will be nearly \$130,000 in deficit on July 1, 1996, unless the Legislature authorizes additional bonding. The cash-flow shortage arose from a the construction of a potato inspection facility in East Grand Forks. In 1992, the commissioner of administration received bonding authority for \$365,000, however the construction project totals \$432,000. According to Mason, the project was to be paid for with the bonding money and fees from the seed potato inspection program. The building is nearly completed, however some laboratories need finishing and furniture needs to be purchased, he said.

Sen. Gene Merriam (DFL-Coon Rapids) pointed out that the department did not receive proper authorization to spend more than \$365,000 on the building project. Quoting Minnesota statutes, Merriam said that someone could be guilty of a gross misdemeanor offense for allowing the larger project that was authorized to be built. Merriam also said that under current law, he, as chair of the Finance Committee, should have been presented the program plan, including cost estimates for the full project, before final construction plans were prepared.

According to Agriculture Finance Director Joseph Komro, the division received advice from the state Dept. of Finance regarding the matter. He said neither he nor the agency division knows how the payments are disbursed out of the accounts since the Dept. of Administration oversees that portion of the project.

Doug Watnem of the Dept. of Finance said his department became aware of potential cash-flow problems in September 1994. He said it was

the Dept. of Finance's belief that the agency was going to build a \$365,000 facility, and that it wasn't until later they found the agency was going to build a more expensive building.

Merriam asked why Legislators were not notified of the expected shortages and why the checks and balances in place did not catch the problems. Bonding projects are supposed to be checked by the Dept. of Administration so that problems like this can be prevented, Merriam said. "I'm dumbfounded as to how the system has broken down," he said.

Mason explained that undertaking a facility building project is somewhat unusual for the agency. He said that although it doesn't preclude any wrong-doing, there were many things happening with many different people involved. Deputy Commissioner Bill Oemichen said there was no intention to intentionally violate the authorization procedures.

### Emissions bill advances

A bill exempting five-year-old or newer vehicles from the state's emission testing program advanced from the Environment and Natural Resources Committee at a Fri., Mar. 17, meeting. The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), also extensively discussed a bill revising wetlands protection provisions.

S.F. 11, authored by Sen. James Metzen (DFL-South St. Paul), received several hours of testimony and debate at the division level before being amended and approved by the full committee. Under the bill, vehicles which model year is "no more than four years earlier than the year in which it is being registered" are exempted from air pollution emissions inspections.

An amendment offered by Sen. Pat Pariseau (IR-Farmington) was divided and partially adopted. The committee adopted a section of the amendment that requires the commissioner of the Pollution Control Agency to take reasonable steps to comply with the federal Clean Air Act without having to continue the motor vehicle inspection program. The provision also requires the commissioner to submit to the Legislature by December 1997 a report outlining the commissioner's efforts and recommendations regarding the continuation of the program after July 1, 1998.

A section of the Pariseau amendment repealing the inspection program in 1998 was rejected. The bill was re-referred to the Transportation and Public Transit Committee.

After more than four hours of debate, the committee set aside a bill revising the 1991 Wetlands Conservation Act (WCA). S.F. 483, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), modifies current wetlands protection provisions to ease some of the restrictions and addresses some of the concerns raised by landowners and developers. The one law designed for every situation across the state is not working, Stumpf said.

The goals of the bill are to maintain the no-net-loss policy of the current wetlands act, he said, but adds some exemptions. The bill also allows more involvement by local government.

Much of the sometimes heated discussion centered on three main areas of change from the current act: the provisions that limit reporting requirements for projects affecting certain sized wetlands; changes affecting projects that are exempted from wetland replacement plans; and provisions allowing local government units to submit comprehensive wetland protection and management plans.

Three of the six amendments adopted by the committee dealt with the above areas. The first focused on limiting the reporting requirements for projects in certain sized wetlands. The amendment takes out some of the paperwork in smaller projects, often undertaken by private landowners. Currently, every effort must be made to avoid affecting a nearby wetland; if a wetland is affected, a landowner or developer must minimize the effect. If a wetland must be filled or drained, current law may require replacement of the wetland. All activities and any mitigation must be documented. The adopted amendment eliminates the documentation for mainly smaller-sized wetlands, depending upon their location.

Members debated for some time over the exact size of wetlands that could be affected without requiring the local government to document the mitigating process. Several members agreed with Don Anosti of the National Audubon Society who supported smaller sized wetlands areas included in the provision. Eventually the committee adopted an amended version of the amendment that increased the size of the affected wetlands.

Another amendment increased the de minimus factor, the threshold that triggers regulatory action of certain wetlands. Projects are exempted from the WCA if they result in draining or filling of smaller wetlands. Those sizes, depending upon where the wetland is located, were increased from the current sizes. Senators spent considerable time discussing the proposed changes before adopting the amendment.

A third amendment, presented on behalf of the governor by Sen. Gary Laidig (IR-Stillwater), dealt with comprehensive wetland protection and management plans developed by local government units. The amendment changes Stumpf's bill by ensuring state oversight of the plans through the Board of Water and Soil Resources. Stumpf opposed the amendment, saying local governments must be trusted to go through the process without extensive state involvement.

Lessard set aside the bill for further discussion.

### MPCA budget review continued

Members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota), continued discussion of the Minnesota Pollution Control Agency's (MPCA) budget at a hearing held Fri., Mar. 17.

James Warner of the MPCA's Ground Water Protection and Solid Waste Division presented his division's requested budget changes for the coming biennium. The program protects, preserves and restores the state's land and ground water resources by mitigating the long-term environmental effects of waste generation. One of the programs larger issues is identifying and cleaning up the state's solid waste landfills.

The agency is requesting a reduction of some \$2.1 million for each year of the biennium from the Motor Vehicle Transfer Account that was used for cleanup of the state's tire dumps. According to Warner, the cleanup project is finished and the agency will continue to oversee waste tire management. The agency also plans to provide grants and loans to develop alternative uses of used tires.

A revision to the hazardous waste generator tax in 1994 was intended to provide a stable funding source for the state's Superfund which pays for cleanup of contaminated sites. However, revenues are lower than expected during the first

six months of collecting the tax. Warner said the MPCA is investigating the reasons for the shortfall, including lack of compliance with the new tax law, whether projections were based on higher than actual hazardous waste volumes, or if the tax will not be collected until this April.

The division will continue its review of the MPCA budget in coming meeting.

### Wetlands revision advanced

A bill revising the 1991 Wetlands Conservation Act (WCA) was approved by the Environment and Natural Resources Committee Tues., Mar. 21, with limited discussion on several amendments. Committee Chair Sen. Bob Lessard (DFL-Int'l. Falls) spurred on discussion among committee members, saying he wanted to move the bill to the next committee.

S.F. 483, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), modifies current wetlands protection provisions to ease some of the restrictions and addresses some of the concerns raised by landowners and developers. The one law designed for every situation across the state is not working, Stumpf said.

The goals of the bill are to maintain the no-net-loss policy of the current wetlands act, he said, while adding some exemptions. The bill also allows more involvement by local government units with oversight by the Board of Water and Soil Resources (BWSR).

Several amendments were added to the committee engrossment, including one offered by Sen. Harold "Skip" Finn (DFL-Cass Lake) that removes the criminal offenses for violating the WCA and instead puts violation under civil enforcement. It also allows the commissioner of natural resources or a conservation officer to petition the courts to make a violator restore a wetland as part of a civil enforcement action. "I didn't know when I voted [on the act] that we would be making criminals out of people," Finn said.

The Senators approved the amendment on a roll-call vote.

Another Finn amendment calls for the Wetlands Heritage Advisory Committee to "investigate alternative procedures and policies for improving the current wetland banking system in the state." Currently, landowners or developers in some cases may pay an amount equal to the fair market value of the upland created by draining or filling a wetland. The payment is made to BWSR or a local government that has established a wetland bank. The money is then used for replacing wetlands.

Some members questioned the practice and asked if there were any guarantees the money is used specifically for wetland replacement. The Finn amendment requires the study take into account ecological, hydrological and economic aspects of wetland banking; the study must be reported to the Legislature by January 1997.

The committee approved the bill and advanced to the Agriculture and Rural Development Committee.

### Water system bill heard

A bill relating to certification of operators of water supply systems and wastewater treatment facilities was laid over for more discussion by the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota).

At a Tues., Mar. 21, meeting, the author of S.F. 273 Sen. Leonard Price (DFL-Woodbury)

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presented the bill that establishes an advisory council and transfers to the Dept. of Health and the Minnesota Pollution Control Agency (MPCA) authority governing water supply systems and wastewater treatment facility operators. The previous Operator Certification Council was terminated by a blanket sunset effective June 30, 1994.

The bill also establishes fees for the certification program and moves that authority from rules to statute. Price explained the bill includes a fee increase to cover costs of the program. The current fees do not fully cover program costs incurred by the MPCA. However, the higher fees more than cover the costs incurred by the Dept. of Health.

In other business, the division heard presentation of a bill that makes improvements to the state's groundwater protection practices. S.F. 496, presented by Price, is a recommendation from the Legislative Water Commission and calls for analysis of water quality and quantity data, evaluation of the effectiveness of best management practices, and authorizes increased well-sealing cost-share grants. The bill also appropriates funds.

Craig Sallstrom of Minnesota Plant Food and Chemicals testified against a provision in the bill that allows money from the Pesticide Regulatory Account to be used for a cooperative project with the Minnesota Institute for Sustainable Agriculture. Sallstrom feared that taking money from a dedicated fund would eventually lead to other fee increases.

The division laid the bill aside for later discussion.

## Bill advanced, DNR budget review

A bill relating to certification of operators of water supply systems and wastewater treatment facilities was approved by the Environment and Natural Resources Finance Division during an evening meeting Tues., Mar. 21.

S.F. 273, presented by Sen. Leonard Price (DFL-Woodbury), establishes an advisory council and transfers to the Dept. of Health and the Minnesota Pollution Control Agency (MPCA) certain authority governing water supply systems and wastewater treatment facility operators. The previous Operator Certification Council was terminated by a blanket sunset effective June 30, 1994.

The bill also establishes fees for the certification program, moving that authority from rules to statute. Price explained the bill includes a fee increase to cover costs of the program. The current fees do not fully cover program costs incurred by the MPCA. However, the higher fees more than cover the costs incurred by the Dept. of Health.

Price offered an amendment that changes the fee increase to cover the program costs for both agencies. The bill advances to the full committee.

## Ethics and Campaign Reform

### Voters' guides okayed

The Ethics and Campaign Reform Committee, chaired by Sen. John Marty (DFL-Roseville) approved two bills at a meeting Thurs., Mar. 16.

S.F. 590, a bill that provides households with voters' guides, was approved and re-referred to the Finance Committee. Sen. Carol Flynn (DFL-Mpls.), the bill's author, said that the cost of the

three publications, \$1.8 million, would be taken from the general fund.

Joan Higinbotham, from Common Cause Minnesota, and Diane Gibson, a representative volunteer from the League of Women Voters, spoke in favor of the measure. "This is the first step in empowering the electorate," Higinbotham said.

Sen. Pat Pariseau (IR-Farmington) objected to the costs involved, saying that sufficient information has always been provided to the voters by newspapers and television. "This function has always been handled by the private sector, and I don't think the state should pay for it when there are other options that can be pursued," Pariseau said. Members re-referred the bill to the Finance Committee.

Sen. Joe Bertram, Sr. (DFL-Paynesville) presented S.F. 1099, a measure permitting election judges to serve outside their county of residence. Bertram said that the bill would facilitate the appointment of election judges, who are frequently in short supply. The city of Sartell is located in both Stems and Benton Counties, Bertram pointed out, and lifting the restriction "makes it easier to get people to serve as election judges." The committee approved S.F. 1099 and placed it on the Consent Calendar.

## Lobbying prohibition approved

A bill that prohibits lobbying by a principal campaign committee or political party committee that issues refund receipt forms, was approved by the Ethics and Campaign Reform Committee Tues., Mar. 21. Chaired by Sen. John Marty (DFL-Roseville), the committee sent S.F. 1086 to the full Senate.

"The intent of this program was not that the funds be used for lobbying," said the measure's author, Sen. Doug Johnson (DFL-Crookston). "The money was meant for candidates and campaigns, not for lobbying by politicians and political parties," he added.

Johnson was referring to the publicly financed campaign refund program that allows individual taxpayers to contribute \$50 to a campaign organization, then apply to the Dept. of Revenue for a reimbursement of the contribution. He acknowledged that the practice is not illegal, but argued against it, saying "this is clearly an abuse of the program, and I think it should stop."

## Family Services

### Self-sufficiency bill advances

Members of the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin) approved two bills at the Thurs., Mar. 16, meeting.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 1004, making improvements to the Self-Sufficiency Administrative Program. The bill makes changes to the electronic benefits transfer (EBT) system, accelerates the state financing schedule for county reimbursements for STRIDE and work readiness programs, and allows increased AFDC eligibility. The bill also aligns the Minnesota supplemental aid program (MSA) with the federal Supplemental Security Income Program (SSI). The changes improve the efficiency and effectiveness of the programs, Berglin said.

Under the bill, the county share of STRIDE and work readiness case management is eliminated from the reimbursement schedule.

The proposal simplifies administration for the programs and save an estimated \$1.87 million because of the decreased cost of operating the services, said Steve Nelson of the Dept. of Human Services Budget Analysis division. Berglin also explained that counties will benefit from an additional "freed up" cashflow of \$800,000. "With this bill, everyone will be better off," Berglin stated.

Under the bill, SSI policies are adopted for the MSA program regarding citizenship, determinations, income deductions and the payment cycle. Debra Tucker-Goin of the Hennepin County Dept. of Economic Assistance testified that the policy change will reduce the counties' administrative burdens and will be easier to understand for both county workers and clients. The bill goes to the funding division.

Members approved S.F. 702, sponsored by Sen. Sheila Kiscaden (IR-Rochester), which amends the Children's Mental Health Act by permitting service to persons 18 to 21 years if the person was receiving services before turning 18 years old. The bill also delays for two years a provision that requires the state to pay for half of the non-federal cost of out-of-state placement for youths with severe emotional disturbance and who exhibit violent behavior. The sliding fee child care is changed to a calendar program, and recipients of the Minnesota Family Investment Program (MFIP) are eligible for the program. In addition, funds from the AFDC child care program are redistributed among counties.

Sen. Phil Riveness (DFL-Bloomington) questioned the need for a section that adds more requirements to the resource and referral grants provision. The provision requires coordination of early childhood training for child care providers. The training is "nice to do but not critical," Riveness said, stating that budgetary considerations require evaluation of what is essential. He moved to delete the provision. Barbara O'Sullivan of the department explained that providers are not currently meeting requirements and that the diffusion of information is important to make training more efficient. The availability is particularly inadequate in rural areas, O'Sullivan said. The section was deleted. The bill, as amended, goes to the Health Care Committee.

## Child support discussed

The issue of unpaid child support was discussed at the Family Services Committee meeting Tues., Mar. 21. Chair Sen. Pat Piper (DFL-Austin) and members reviewed S.F. 217, a bill relating to child support enforcement. The bill, sponsored by Sen. Richard Cohen (DFL-St. Paul) contains several measures to recoup a portion of the \$551 million currently in arrears.

The bill requires a suspension of a driver's license upon receipt of notice that the driver owes over four months of child support and no payment plan has been established. The bill also suspends the occupational license of a person in arrears if no payment plan has been established. Liens on vehicles are permitted, and the owner's exemption amount is increased to \$4,500 before satisfying creditors. The Dept. of Human Services is responsible for the administrative burden of this provision. The employers reporting program is modified to require the department to cross-reference employee data for an employer to determine payment delinquency.

In addition, the bill establishes a pilot project allowing an obligor to perform up to 32 hours per

week of community service when they fail to pay child support. The department is authorized to seek a court order requiring unemployed non-payers to find a job. A public education campaign implemented through the Attorney General's Office is also authorized.

Sen. Sheila Kiscaden (IR-Rochester) presented an amendment to transfer the public education functions to the Department of Human Services, which would be consistent, she said. Sen. Jane Krentz (DFL-May Township) opposed the provision, and said that the Attorney General's Office has begun planning and development, and has valuable media contacts that permit "more bang for the buck." The amendment was not approved.

Kiscaden presented another amendment to require a sunset on the license suspension provision, to require the department to provide a cost-benefit analysis to assess the program. With a new program, Kiscaden said, evaluation of its effectiveness is critical. Sen. Kevin Chandler (DFL-White Bear Lake) and others expressed concern about a sunset, noting that it is inefficient and sets an unusual precedent. Kiscaden modified the amendment to require only the cost-benefit analysis and department report. The amendment was adopted.

Sen. Phil Riveness (DFL-Bloomington) offered an amendment permitting a person whose license has been improperly suspended to recover expenses from the agency at fault. The measure was adopted. The bill was laid over.

## Finance

### Budget presentations continue

The Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul), met Thurs., Mar. 16, to review the biennial budget request from the Dept. of Human Rights.

In presenting the department's budget request for the next biennium, Commissioner David Beaulieu said the department's organization has been restructured in order to make it more efficient and effective in resolving human rights complaints. Dolores Fridge, assistant commissioner, said the governor is recommending the agency receive \$6.8 million in the next two fiscal years, which includes a \$400,000 appropriation to upgrade the department's data network system.

The division also heard from individuals who raised concerns about the department's reorganization efforts. Linda Miller, representing the National Employment Lawyers Association, said investigators are leaving the department because of high caseloads and increases in the number of managerial staff.

### Data project reviewed

On Fri., Mar. 17, the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul), heard an update on a project to streamline the state's administrative and business systems.

Kent Allen of the Dept. of Finance said that, beginning in April and continuing through the rest of the year, the Statewide Systems Project will come on-line. When the five-year project is completed by the end of the year, he said the administrative and financial data from all state agencies will be organized and maintained within a single system. Over the last three years, the Legislature has appropriated about \$31 million for development and implementation of the project.

The division also took additional testimony

about the Dept. of Human Rights. After hearing concerns presented in the testimony about the department's organizational structure, Sen. Phil Riveness (DFL-Bloomington) made a motion to ask that the Legislative Auditor evaluate the agency's organization and report the findings. The motion was approved.

### DOER budget presented

The biennial budget request from the agency responsible for human resources management was reviewed, Tues., Mar. 21, by the members of the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul).

Commissioner Bruce Johnson presented a \$15.5 million budget request for the operations of the Department of Employee Relations. He said the agency's budget is used to support the human resource activities associated with managing a state work force of 40,000 members.

As part of the budget proposal, Johnson said the governor has recommended appropriations of \$1.3 million for a human resources innovation project and \$600,000 for a state diversity project.

### Budget reviews conclude

The Finance State Government Division completed its review of agency budget requests, Weds., Mar. 22, with presentations on the proposals submitted by the Senate and other legislative offices and the Office of Strategic and Long-Range Planning.

The Legislative Coordinating Commission (LCC), the umbrella organization for a number of legislative commissions, is requesting \$24 million for the next biennium, said Acting Director Mary Ryan. She said the LCC budget includes about \$60,000 that has been set aside for costs that may be incurred if the Legislature eliminates several commissions this session.

The division also heard the budget requests of the Legislative Reference Library, the Revisor of Statutes, and the Office of the Legislative Auditor. The library is requesting \$1.9 million for the biennium, while the biennial budget request from the revisor's office totals about \$9.1 million. Legislative Auditor Jim Noble said his office is seeking \$8.2 million for the biennium. The request, he said, includes a \$300,000 to provide the office with three additional auditors to handle the merger of the higher education systems.

Linda Kohl, director of the Office of Strategic and Long Range Planning, said her department is requesting a general fund appropriation of \$7.8 million for the next biennium. Deputy director John Hustad said the governor has recommended funding for three initiatives: a \$145,000 biennial appropriation for anticipated changes in the environmental review; \$160,000 in FY 1996 to support the sustainable development roundtable; and another \$1 million to develop a data base of information on all state-operated programs that serve children.

## Gaming Regulation

### Tax cap raised

A bill that raises the cap on the amount an organization can use from lawful gambling proceeds for payment of real estate taxes was approved the Gaming Regulation Committee Fri., Mar. 17. The bill's author, Sen. Joe Bertram, Sr. (DFL-Paynesville), said that the current \$15,000 cap has resulted in the closing of many buildings owned and operated by organizations

that provide communities with invaluable services and activities.

Jim Johnson, chairman of the Legislative Dept. of the American Legion, testified that in his district 15 buildings were closed because the posts were unable to pay property taxes. "And the worst of it was that the money was in the charitable gambling fund," Johnson said, "but we couldn't use it. The real victims of the real estate tax cap are the beneficiaries of the summer rec programs, the Christmas parties, and the safe Halloween nights that we provide to the children in our communities," Johnson added. S.F. 1100 was re-referred to the Taxes and Tax Laws Committee.

Sen. Charles Berg (DFL-Chokio) presented S.F. 619, a bill that modifies the definition of lawful purpose as it applies to compulsive gambling expenditures. "This clarifies that the program must be approved by the Dept. of Human Services," the committee chair explained. The measure now proceeds to the full Senate.

Two bills relating to Indian gaming and authored by Berg, were laid over, along with S.F. 402, Berg's bill to establish a pilot program to operate video lottery terminals.

The first, S.F. 1044 terminates the Tribal-State Gaming Compacts as of June 30, 1998. Berg said that the compacts were negotiated in perpetuity, therefore not in the best interest of the state. Furthermore, "they were never ratified by the rank and file of the Legislature," he added. Berg said that the legality of terminating the compacts needs to be determined by the Attorney General's Office.

Sen. Allan Spear (DFL-Mpls.) asked if Berg had any indication that such an action would be successful. Senate Counsel Christopher Stang said that there may be some legal authority that would support a good faith action against the tribes.

A memorial resolution asking Congress to enact, and the President to sign, legislation amending the Indian Gaming Regulatory Act, S.F. 618, was also laid over. The resolution requires that Tribal-State Compacts terminate not later than seven years after their effective date. Sen. Ted Mondale (DFL-St. Louis Park) criticized the measure, calling it a "bad faith effort."

### Pull tab tax changed

The Senate Gaming Regulation Committee approved S.F. 977, a bill that changes the pull tab tax, at a Tues., Mar 21, meeting. Members also confirmed the four gubernatorial appointments of Patricia Fischer, Allan Fonfara, Peggy Moon, and Howard Register to the Gambling Control Board.

Committee chair and author of S.F. 977, Charles Berg (DFL-Chokio) said "the tax collected on unsold pull tabs was an ill-begotten one and should have been dealt with years ago." Berg's bill shifts the tax from the distributor to the organization's gross receipts from actual sales.

King Wilson, executive director of Allied Charities, testified in favor of the measure. Wilson said that the matter of unsold pull tabs "is the greatest single concern of nonprofit gambling."

Sen. Kenric Scheevel (IR-Preston) asked about structural changes related to the proposed collection of taxes under the bill. A representative from the Dept. of Revenue explained that the individual organizations will be required to report monthly to the department.

# Committee update

The measure also changes the words "lawful gambling" to "nonprofit gambling," and raises the number of bingo games that organizations are allowed from seven to ten per week.

S.F. 977 was re-referred to the Taxes and Tax Laws Committee.

## Governmental Operations and Veterans

### Childrens dept. bill considered

Discussion of a proposal to consolidate a number of state programs serving children and families into a single agency continued at the Fri., Mar. 17, meeting of the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), heard opposition to the bill eliminating the Dept. of Education and replacing it with a Dept. of Children, Families and Learning. Under S.F. 1103, sponsored by Sen. Jane Ranum (DFL-Mpls.), programs now operated in seven state agencies are consolidated into the new department. Such initiatives as the supplemental food program for Women, Infants and Children, state support for child care, the Minnesota Family Investment Plan, and Head Start are among the more than 50 programs to be transferred to the new agency. No action was taken on the bill.

In other business, the committee approved a bill permitting the state's chief building inspector to issue building code interpretations and allows those interpretations to be incorporated into state rules. S.F. 877, authored by Sen. Deanna Wiener (DFL-Eagan) also clarifies that the existing \$70 examination and certification fee for building officials is non-refundable, and makes several technical corrections to state laws related to building codes. The bill was re-referred to the Finance Committee.

S.F. 759, a bill making several technical changes to laws governing the operating procedures of the Dept. of Trade and Economic Development, was also approved and sent to the Senate floor. Provisions in the bill, sponsored by Sen. Steven Novak (DFL-New Brighton), clarify the operating procedures used by the board of directors of Advantage Minnesota, Inc., and allows the board of the Rural Finance Authority to hold its meetings by teleconference.

### MinnesotaCare proposal presented

A bill laying out the structure of the state's health care plan, was reviewed by the members of the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), Tues., Mar. 21.

S.F. 845, authored by Sen. Linda Berglin (DFL-Mpls.), modifies a number of the components of MinnesotaCare. The members' attention focused on the parts of the bill allowing agencies to make state rules, requiring studies to be conducted, and other provisions that may expand the size of state agencies.

Berglin said the bill allows the Dept. of Health, along with the Depts. of Commerce, Human Services and Employee Relations, to identify standard exclusions to the list of covered procedures offered by health plan companies. Those exclusions are to be placed into state rules and the department can use the emergency rulemaking process to do so. She pointed out other parts of the bill allowing the department to adopt state rules required for the program.

Concerned that the bill expands the Dept. of Health's responsibilities, Sen. Phil Riveness (DFL-Bloomington) moved to delete a department study on the feasibility of becoming a single entry point for consumer complaints about the quality and cost of health care services. The motion was adopted.

Riveness also questioned a provision establishing a clearinghouse for health care services information. The committee took no action on the bill and is expected to resume consideration of the proposal at a later meeting.

In other business, the committee considered four other bills. S.F. 778, increasing the state's contribution towards the purchase of soft body armor, was approved and re-referred to the Crime Prevention Committee. The bill, sponsored by Sen. Randy Kelly (DFL-St. Paul), also allows an annual cost-of-living adjustment to the public safety officer's death benefit.

H.F. 282, presented by Sen. Leonard Price (DFL-Woodbury), allows state employees to donate vacation time to an employee in the Dept. of Administration who has leukemia. The bill was approved and sent to the Senate floor.

The committee also approved S.F. 368, authored by Sen. Arlene Lesewski (IR-Marshall). The bill clarifies that persons under contract with the Dept. of Agriculture to provide farm crisis assistance are not state employees for liability purposes. The bill was referred to the floor.

S.F. 299, modifies state law to change the phrase "visually handicapped" to "visually disabled". Sen. Cal Larson (IR-Fergus Falls), the author, said the bill also allows a rehabilitation advisory council to the Dept. of Economic Security to continue. Sen. Deanna Wiener (DFL-Eagan) offered, and the committee approved, an amendment setting a July 1, 1996 expiration date on the council. The bill was approved and sent to the floor.

### Sprinklers bill heard

A proposal requiring all high-rise apartment buildings have automatic sprinkler systems was heard, Weds., Mar. 22, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also amended and approved a bill clarifying the authority and procedures of the Board of Government Innovation and Cooperation.

S.F. 529 requires installation of automatic sprinklers in high-rise buildings used for habitation. The bill, authored by Sen. Carl Kroening (DFL-Mpls.), specifies that the requirement applies to buildings more than 75 feet above the lowest level that can be accessed by fire department vehicles. The measure also requires owners to prepare a compliance schedule and submit that schedule to the fire marshal's office by July 1, 1997. Kroening said the bill is aimed at those high-rise structures built before 1974, the year that new building codes requiring sprinkler systems in high-rise apartments were enacted.

After hearing testimony opposing the proposal, Sen. Linda Runbeck (IR-Circle Pines) offered an amendment exempting residential high-rises from the sprinkler requirement. On an 8-6 vote, the amendment was approved. At the author's request, the bill was laid over for further consideration.

The committee approved S.F. 657, modifying the procedures used by the Board of Government

Innovation and Cooperation in awarding grants to local units of government. The bill, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), requires that local governments applying for grants explain why the grant is needed for the project to proceed. Under the bill, local governments receiving a grant to combine their units into one will no longer be required to complete the merger in the third year of the process.

Sen. Steven Morse (DFL-Dakota) presented an amendment allowing municipalities with populations under 2,500 that are consolidating on their own to apply for grants. The amendment was approved, as were two others offered by Sen. Dave Kleis (IR-St. Cloud) that enable a grant supporting the consolidation of St. Cloud Township with two other local units of government to continue. Another amendment, offered by Sen. John Hottinger (DFL-Mankato), requiring the board to pay the grant in the first year that local units begin to cooperate, was not adopted.

The bill was approved and re-referred to the Taxes and Tax Laws Committee.

## Health Care

### Gambling treatment considered

Better information is needed on troubled gamblers in Minnesota, concluded Patrick McCormack of Senate Counsel and Research. McCormack presented his report on Minnesota's programs for gamblers at the Health Care and Family Services Funding Division meeting Thurs., Mar. 16.

Since 1990, the Dept. of Human Services has administered programs that encompass education about the problem, short-term crisis intervention and full treatment services. Current expenditures total \$1.8 million and include six treatment centers, a hotline, and research. The greatest need is research and evaluation of these programs, McCormack said. Currently there is inadequate documentation and follow-up on recipients of services partly due to poor program evaluation and design, he said.

McCormack recommended a strategic plan for program expansion and alternatives, noting that the state needs to commit to services, but must have additional information to determine the most effective methods. Education and outreach programs should be expanded, particularly targeting at-risk gamblers, he continued.

The committee, chaired by Sen. Don Samuelson (DFL-Brainerd), also heard the department's current and projected personnel costs. Wes Kooistra of the department explained that throughout much of the agency, a surplus exists. Personnel costs in the finance and management and the mental health areas are lower than expected for 1995, he said. Budget discussion will continue.

### Division approves bills

The Health Care and Family Services Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd), approved several bills at the meeting Mon., Mar. 20. The policy portions of the bills were incorporated into one bill, S.F. 47, and the appropriations will be consolidated into the omnibus finance bill.

The committee approved S.F. 242, a bill that states that supplemental needs trusts, established for children or adult children with disabilities, are

not to be considered when evaluating medical assistance eligibility. Sen. Linda Berglin (DFL-Mpls.) explained that the bill permits parents to provide for additional assistance for children without being disadvantaged in medical assistance programs. Members discussed federal regulations that apply to the provision, which requires that these trusts be exempt.

Sen. Sheila Kiscaden (IR-Rochester) presented an amendment that would give the state the funds remaining in the trust upon the death of the beneficiary up to the amount of the medical assistance that was paid to that person. "It's a fairness issue for the rest of the state," she said. One witness testified that the amendment removes control of an individual over their own trusts, and forces families to spend all their savings before receiving state benefits. The amendment was not adopted.

Members approved S.F. 1004, a bill making improvements to the Self-Sufficiency Administrative Program. Authored by Berglin, the bill makes changes to the electronic benefits transfer system, accelerates the state financing schedule for county reimbursements for STRIDE and work readiness programs, and allows increased AFDC eligibility. The bill also aligns the Minnesota supplemental aid program with the federal Supplemental Security Income Program. The changes will result in a savings of \$1 million in FY 96 and \$1.9 million in 97, Berglin explained.

Also incorporated into S.F. 47 was a bill creating an Indian Elders coordinator position of the Board of Aging. S.F. 769, sponsored by Sen. Harold "Skip" Finn (DFL-Cass Lake) is a response to inadequate nutrition, poor health and lack of transportation and housing facing many in the community. Cultural differences and lack of information are the barriers to access, Finn explained.

Members approved several other bills. Sen. John Hottinger (DFL-Mankato) carried S.F. 515, which allows medical vendors to represent public assistance recipients at state agency hearings regarding appeals of agency decisions. The bill's appropriations total \$211,000 for the biennium. S.F. 532 requires school age child care programs to be licensed by the department. Sponsored by Kiscaden, the bill ensures minimum standards. Sen. Don Kramer (IR-Brooklyn Center) offered an amendment requiring the license fees to cover the costs of the provision by the year 2000. S.F. 147, expands the circumstances under which a day training service may be granted a rate variance. Sponsored by Sen. Dallas Sams (DFL-Staples), it also allows the department to reimburse a day training vendor for up to 15 days a year for clients who receive medical care outside the facility, with a total biennium cost of \$5 million. Sams presented an amendment that allows for changes due to circumstances faced by smaller development achievement centers. The amendment was adopted. Day training vendor appeals were approved by members. S.F. 161, carried by Berglin authorizes vendors to appeal a decision by the department denying a rate variance request. S.F. 47, carried by Samuelson, expands income deductions for institutionalized medical assistance (MA) recipients. Samuelson explained that the bill deletes the requirement that in order to qualify for the allowance, a recipient who has children under 18 must have resided with the children immediately prior to admission. The measure was approved.

S.F. 604, sponsored by Sen. Ember Reichgott-Junge (DFL-New Hope), permits the establishment of children's supervised visitation facilities.

Kim Cardelli, founder of Children's Safety Centers, explained that the facilities reduce children's vulnerability to violence and trauma related to non-custodial visitation when a history of domestic violence exists in the family. The bill is cost-neutral due to a proposed increase in the marriage license fee. Several members supported the centers, but expressed concern about increasing marriage license fees. Sen. Phil Riveness (DFL-Bloomington) moved to change funding for the provision by allocating part of the dissolution action fee for the centers. The measure was adopted. Reichgott-Junge offered an amendment, which was approved, that allows counties to apply for funding for centers, and clarifies that new and existing centers do not compete for the same grant monies. The bill advances to the Health Care Committee.

### Lead abatement approved

The Health Care Committee acted to permit improvements to the state's lead hazard reduction program by approving prevention activities and recodifying statutes. S.F. 801, sponsored by committee chair Sen. Linda Berglin (DFL-Mpls.), was forwarded to the Jobs, Energy and Community Development Committee Tues., Mar. 21.

Berglin said that the bill draws a distinction between lead abatement - the complete removal of lead sources - and reducing lead hazards through prevention and education components. Prevention, the focus of the bill, costs a fraction of lead abatement measures, Berglin explained.

The bill establishes lead surveillance systems to monitor blood levels in children and adults and provides for prevention programs to target populations. Sen. Don Kramer (IR-Brooklyn Center) and others questioned the need for reporting of all blood levels, regardless of the levels, and noted the additional costs required. Kristin Pederson of the Dept. of Health explained that the collection of complete information helps identify problem populations and regions, provides data for planning, and helps determine the level of problem that exists.

Members also approved S.F. 713 and sent it to the floor. Carried by Sen. Sheila Kiscaden (IR-Rochester), the bill permits a non-profit merger of the Olmsted Community Hospital and the Olmsted Medical Group. Joe Cartney of Olmsted Community Hospital explained that the merger increases competitiveness and flexibility and better utilizes resources. An amendment, offered by Kiscaden, emphasized that the change will have no effect on employee rights. The amendment was adopted.

In other action, S.F. 992, also sponsored by Kiscaden, reinstates several advisory councils. Kiscaden presented an amendment to include a plumbing advisory council and work group. The bill, as amended, goes to the Governmental Operations and Veterans Committee. S.F. 241, carried by Sen. Dan Stevens (IR-Mora) was approved and sent to the funding division. The bill modifies nursing home geographic groups by adding a third group. Sen. Jerry Janeczich (DFL-Chisholm) authored S.F. 577, allowing two non-profit nursing homes in St. Louis County to share an administrator if they are separated by 20 miles or less and have a total of 60 beds or less. The bill goes to the floor.

### Consistent care okayed

Members of the Health Care Committee approved a bill modifying alternative care and waived service programs at the meeting Weds.,

Mar. 22. The bill, S.F. 775, is sponsored by committee chair Sen. Linda Berglin (DFL-Mpls.).

Berglin explained that the purpose of the bill is to improve the alternative care waiver, elderly waiver, community alternatives for disabled individuals waiver and traumatic brain injury waiver to provide that they all cover the same services and have similar policies regarding matters such as purchasing and assessment. The bill continues the alternative care pilot projects authorized in 1993 and keeps the current payment rate for preadmission screening in effect for another year. In addition, it requires a study designed to consolidate alternative care and waived service payment rates.

Sen. Sheila Kiscaden (IR-Rochester) presented an amendment that permits Medical Assistance reimbursement of services, equipment, supplies, or any other item within allocation limits that is needed by the county. The amendment was adopted. The bill, as amended, goes to the Funding Division.

Members considered S.F. 652 carried by Sen. Ember Reichgott-Junge (DFL-New Hope). The bill allows the department to authorize a pilot project to close a facility and shift persons into waived services. Reichgott-Junge explained that the facility is no longer able to accommodate the clients' needs. An author's amendment that was approved specifies that the maximum average cost of the waiver allocations may not exceed 118 percent of the facility cost. The committee laid the bill over to discuss it with similar bills at the next meeting. Members advanced S.F. 28, S.F. 212, and S.F. 1110, bills relating to health care reimbursement, to the Funding Division.

## Jobs, Energy and Community Development

### Workers' comp bill defeated

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), continued hearing testimony, Thurs. Mar. 16, on S.F. 717, a bill that modifies the system related to workers compensation claims.

S.F. 717, authored by Sen. Linda Runbeck (IR-Circle Pines), was supported by Dave Locey, president of the Minnesota Soft Drink Association. Locey briefed the panel on savings the association members would experience if Minnesota's current workers compensation rates were altered. He said that Minnesota's rates are not competitive with neighboring states. Locey said that under the Wisconsin rate system, self-insured members of his organization could save approximately half their current workers comp insurance payments. Locey urged members to consider the effect of workers comp rates on business.

The bill was opposed by a number of groups under the panel's jurisdiction. Bernie Brommer, president of the Minnesota AFL-CIO, warned members to beware of inaccurate information concerning workers comp costs. He cited several examples of what he called apparently false information presented to the committee over the course of the hearings. He urged members to make changes that reduce complexity and encourage the collective bargaining process, but warned the panel not to radically alter the system at workers' expense.

Peter Pustorino, of the Minnesota Defense

# Committee update

Attorney Assn., and Steve Hawn, chair of the Minnesota Trial Lawyers Workers Comp Committee, also testified in opposition to the bill. Pustorino stated that although S.F. 717 results in a 15.1 percent savings to the state, the reduction in cost comes almost entirely from benefit cuts. He said the bill eliminates a number of benefits that workers rely on such as moving allowances, and permanent total disability after the age of 65. He further explained that the bill "extends the authority the Dept. of Labor and Industry, which has been an impediment in the past."

Upon completion of the testimony, Runbeck introduced a delete everything amendment to the bill. The motion to amend failed and Runbeck's subsequent motion to approve the bill was also defeated.

## Two budgets heard

The Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard two budget overviews from organizations under the panel's jurisdiction. Representatives from the Minnesota Housing Finance Agency, and the Municipal Board, briefed members on budget requests and objectives for the 96-97 biennium.

Kit Hadley, Commissioner of the Minnesota Housing Finance Agency, told the panel about her organization's efforts to provide economic and technical assistance opportunities to Minnesotans in need of affordable housing. Hadley stated that the lack of affordable housing in Minnesota does not allow for the growth of communities. She briefed members on the Governor's Economic Vitality and Housing Initiative which attempts to stabilize and revitalize economically challenged neighborhoods through a number of programs. She said \$15 million of state appropriations will be used in four existing programs. The programs provide loans or grants to communities or individuals in need of affordable housing.

Terrence Merritt, Commissioner of the Municipal Board, briefed members on the agency's efforts review and arbitrate boundary adjustments and the consolidation of cities. Merritt explained that the board's decisions often allow communities to improve or deliver needed services, preserve the environment, and protect public health and welfare. He said that the agency attempts to reduce costs by providing service in the most rapid, efficient means possible. In response to an increased workload, and the installation of a new database system, the agency requested a \$15,000 increase in order to employ part-time clerical support.

## Four bills heard

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), heard four bills at the Tues, Mar. 21, meeting.

The first, S.F. 1037, authored by Sen. Florian Chmielewski (DFL-Sturgeon Lake), repeals the sunset on the loggers' workers compensation fund. The fund was created in 1990 to abate problems of extremely high workers compensation costs for loggers. Under the program, Minnesota wood mills provide funding for workers comp premium rebates and logger safety programs. Chmielewski stated that the program has been successful in reducing insurance costs to loggers, as well as decreasing the number of

uninsured loggers. The committee approved the bill. It advances to the Senate floor.

S.F. 963, a bill that establishes a 12-member council to coordinate international activities of state government, was also approved by the panel. Sen. Ellen Anderson (DFL-St. Paul), sponsor of the bill, said that S.F. 963 requires no state funding. Instead, the council will acquire capital from federal grants and local contributors. Membership consists of three executive branch members and three citizen members appointed by the governor, three members of the House of Representatives appointed by the speaker, and three Senate members appointed by the majority leader. The bill moves on to the Governmental Operations and Veterans Committee.

The committee defeated S.F. 1008, authored by Sen. Steve Morse (DFL-Dakota), on a 6-6 vote. The bill attempts to control carbon dioxide emissions by requiring the environmental review process to examine the impact of carbon dioxide emissions on public projects. Michelle Martens, an environmental analyst for NSP, provided members with an overview of national efforts to examine the dangers of carbon dioxide emissions. She stated that an international standard for acceptable carbon dioxide levels has not been defined. She urged members to vote against S.F. 1008 until an acceptable emissions standard can be reached.

The committee also approved S.F. 1176, a bill sponsored by Sen. Dennis Fredrickson (IR-New Ulm). The bill addresses a law which requires the city of Sleepy Eye to provide the Department of Trade and Economic Development with a two year notice when they convert to an alternate form of heating. Currently the city uses steam heating, but due to damage and expensive operating costs, the service will no longer be available to many of the residents. Bill Heymans, a member of the Public Utilities Commission urged members to allow the city to shut down most of the system without providing the required notice. The bill was recommended for the Consent Calendar.

## Wind power tax break

The Jobs, Energy and Community Development Committee spent the bulk of the Weds., Mar. 22, meeting debating the merits of two bills that would repeal the property tax exemption for wind energy systems.

The first bill, S.F. 637, authored by Sen. Arlene Lesewski (IR-Marshall), provides a five-year moratorium on property taxes for the systems' pole structures. Under the measure, the foundation and support pads would be taxable for taxes payable in 1996. Turbines, blades, and related equipment would be exempt from property taxes.

The bill exempts one-owner systems built after Jan. 1, 1995, that produce less than one megawatt of power.

S.F. 902, authored by Sen. Janet Johnson (DFL-North Branch), grandfatheres in the exemption for systems installed between Jan. 1, 1991, and Jan. 1, 1995, which keeps the Buffalo Ridge development, currently Minnesota's only major wind energy facility, tax-exempt. The bill makes the foundation, support and poles of future developments taxable. Johnson's bill exempts from taxation small, two-megawatt or less, systems built in 1995 and later.

After testimony and debate, the committee,

chaired by Sen. Steven Novak (DFL-New Brighton), forwarded both bills to the Taxes and Tax Laws Committee. Some Senators questioned whether the higher level of taxation in S.F. 637, however, would drive up the price of wind energy, making it uncompetitive with energy from other sources. Accordingly, the panel referred the Johnson bill, S.F. 902, to the tax committee with a recommendation to pass, and forwarded Lesewski's S.F. 637 without recommendation.

The committee also approved S.F. 1081, a bill authored by Sen. Dennis Frederickson (IR-New Ulm), appropriating \$4 million for the displaced homemakers program. The statewide director of the displaced homemakers network, Yvette Oldendorf, said the program is effective but cannot continue without an increase in funding. The panel referred the bill to the committee's finance division.

Last, the panel approved S.F. 1060, the Dept. of Economic Security housekeeping bill, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake).

The committee approved two author's amendments to the bill. The first allows claimants in a displaced workers program access to unemployment benefits while they are pursuing approved self-employment training and education activity. The provision requires federal approval before taking effect. The second amendment provides the Dept. of Economic Security with a method of recovering the costs charged by private collectors used to collect delinquent unemployment insurance payments from employers outside the state. The amendment allows the department to pass on the costs to the employers.

S.F. 1060 now goes to the Senate floor.

## Judiciary

### Vulnerable adults bill advances

The Judiciary and Crime Prevention Subcommittee on Privacy met Weds., Mar. 15, to consider the data privacy provisions of several bills. The panel, chaired by Sen. Harold "Skip" Finn (DFL-Cass Lake), devoted considerable time to scrutiny of S.F. 512. The bill, authored by Sen. Allan Spear (DFL-Mpls.), is a major reworking of the Vulnerable Adults Act. Members adopted several amendments clarifying and refining the provisions of the bill dealing with the classification of data arising from the reporting of maltreatment of vulnerable adults. The bill was advanced to the full Judiciary Committee.

In other action members heard, but laid over, a bill providing for access to data in human rights case files by the charging party. The bill provides that the commission may deny access by the charging party to data in an open case file if the commissioner determines that release of the data would be detrimental to the investigative process. The bill also specifies that materials and documentation provided by the charging party are excepted.

Subcommittee members approved two measures for inclusion in the omnibus data practices bill that is being developed by the panel.

S.F. 684, authored by Sen. Gene Merriam (DFL-Coon Rapids), modifies provisions governing the issuance of advisory opinions by the commissioner of administration under the

Data Practices Act. The measure limits the exception for questions involving the exercise of a discretionary power to determinations made by the commissioner of health about whether epidemiologic data identify individuals, clarifies access to and treatment of data in connection with the issuance of an advisory opinion, and removes the sunset on the authorization for advisory opinions. S.F. 372, sponsored by Sen. David Knutson (IR-Burnsville), provides for access to individual social security numbers under limited circumstances.

### Vulnerable adults bill okayed

The Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), held an evening hearing Mon., Mar. 20, to consider two bills. Members approved a bill revamping the state's Vulnerable Adults Act and a measure detailing the responsibilities of guardians ad litem in the juvenile and family courts.

The bill reworking the Vulnerable Adults Reporting Act, S.F. 512, authored by Sen. Allan Spear (DFL-Mpls.), is the product of a working group charged with updating and revamping the 15 year old law. Mamie Segall, of the Attorney General's Office, said that the bill makes significant changes in four areas: definitions, reporting and response, investigations and consequences. Spear said the bill aims to make the process of reporting the maltreatment of vulnerable adults more efficient, fairer, and more precise.

The bill provides continued immunity from civil and criminal liability for making a report in good faith or for participating in an investigation.

The measure also provides that a person or facility who intentionally makes a false report is liable in civil suit for actual damages and attorney's fees. However, in a change from current law, punitive damages are capped at \$10,000. The bill also specifies that a person who is mandated to report who negligently or intentionally fails to report is liable for damages caused by the failure, but no vicarious liability applies. Further, retaliation against a good faith report is prohibited under the bill. The bill also specifies that a facility or person who does retaliate is liable for actual damages, punitive damages up to \$10,000 and attorneys fees. Finally, the bill specifies that a substantiated perpetrator of maltreatment may challenge administrative findings in a fair hearing.

Members adopted several amendments, primarily of a technical nature, before approving the bill and advancing the measure to the Health Care Committee.

Members also approved a bill outlining the responsibilities of guardians ad litem in juvenile and family court. The measure, sponsored by Sen. David Knutson (IR-Burnsville), also requires the state court administrator to prepare a report on the implementation of the legislative auditor's report on guardians ad litem. The report is to address revision of the guidelines and adoption of rules dealing with the selection, training, evaluation and removal of guardians ad litem; to distinguish the roles of guardians ad litem and custody investigators; to develop procedures for guardians ad litem to work with parents who have an order for protections; to require judges to write more detailed appointment orders defining expectations of the guardian ad litem role; to develop procedures for bringing complaints; and to specify criteria for guardians ad litem.

Sen. Harold "Skip" Finn (DFL-Cass Lake) criticized the measure saying that the bill was too specific in detailing the role of guardians ad litem and broadened the role too much. Knutson responded that the bill is designed to more clearly spell out the roll and responsibilities and insure the integrity of the system. Members adopted an amendment, offered by Finn, that adds a section specifying that counties are not to incur additional costs. The bill was advanced to the full Senate.

### Property rights bill debated

Property owners would be notified, in most circumstances, whenever government officials wanted to enter private property under a bill debated at the Weds., Mar. 22, meeting of the Judiciary Committee. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), devoted the entire meeting to hearing testimony and discussing the bill.

S.F. 699, authored by Sen. Roger Moe (DFL-Erskine), sets forth the procedures under which government officials must go about notifying property owners when the officials want to enter private property.

Moe said, "I like to view this as a customer service bill. People are frustrated with their government; this bill encourages government officials to be polite without placing too great a burden on the officials."

The measure requires a government official to give the owner written or oral notice that includes the official's name, the agency the official represents, the reason for the entry, and the right, if any, of the owner to deny or restrict entry. The measure also contains several exceptions to the notice requirement, particularly in cases of on-going peace officer investigations and emergency personnel. In addition, government officials acting on behalf of a public utility and assessors and land surveyors are exempted from the notice requirement.

Chris Radatz, of the Minnesota Farm Bureau Federation, spoke in support of the bill and said the bill will lead to "cooperation rather than confrontation."

Officials from the Dept. of Natural Resources and the Dept. of Health expressed some concerns with specific provisions in the measure. Members were unable to complete work on the measure due to lack of time and the bill was laid over until the next hearing.

## Metropolitan and Local Government

### Three bills okayed

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), advanced three bills and laid over a fourth at a meeting Thurs., Mar. 16.

S.F. 833, a bill that allows the Minneapolis Police Dept. to sell unclaimed stolen property to community based non-profit organizations, was approved and sent to the floor.

"This is a recycling program with an educational component," said the bill's author, Sen. Carol Flynn (DFL-Mpls.), "and it only makes sense to expand it."

Flynn told members that the idea stems from a bike program that's been in place since 1992. Approached by a Seward neighborhood business, the department agreed to turn over damaged bikes to the Phantom Bike Shop. In turn, the shop trains neighborhood youth in bike repair

and business practices. The program has been so successful Flynn said, that it would make sense to expand it to include other unclaimed property, such as electronic equipment.

Testifying in support of S.F. 833 was Mike Oker, owner of the Phantom Bike Shop in Minneapolis. Oker said that his shop provides employment to local youth and focuses on business training and community involvement. Accompanied by two teen-aged employees, Oker said that most of his customers are from the neighborhood and can't afford to buy new bikes.

Two bills relating to Dakota County were brought before the committee.

S.F. 563, a bill appropriating \$100,000 from the general fund to reimburse Dakota County for costs incurred since designation of the county as a potential site for the new airport, was laid over.

Sen. James Metzzen (DFL-St. Paul), the measure's author, said that the costs stem from expenses related to the dual-track airport study. "These are out-of-pocket costs that should be reimbursed," Metzzen said. "This is a fairness issue." But members asked for more information before taking action on the bill.

S.F. 856, authored by Sen. Deanna Wiener (DFL-Eagan), was okayed and placed on the Consent Calendar. The bill states that in Dakota County, the county administrator is designated as the clerk of the county board, not the county auditor, as mandated in current law.

Sen. Sandra Pappas (DFL-St. Paul) presented S.F. 565, a bill that authorizes the Metropolitan Council to enter into a joint powers agreement with local units of government to administer Section 8 housing. Currently, the Met Council is prohibited from operating a section 8 program in local governmental units.

Tom McElveen, from the Housing Regulation Authority of the Metropolitan Council testified that the restriction forces families to relocate. Additionally, he said that the prohibition is an impediment to effective business operations.

The committee approved the bill, and re-referred it to the Jobs, Energy, and Community Development Committee.

### Duluth bills passed

Two bills carried by Sen. Sam Solon (DFL-Duluth) were approved by the Metropolitan and Local Government Committee Mon., Mar. 20. The first, S.F. 858, places the city of Duluth under the general law of Minnesota Statutes on waterworks, sewers, drains and storm sewers. As a first class city, Duluth is exempted from the general law.

Mayor Gary Doty testified that the city has come under pressure from the Pollution Control Agency to correct the overflow of storm water into Lake Superior.

The committee, chaired by Sen. Jim Vickerman (DFL-Tracy) approved the measure and re-referred it to the Environment and Natural Resources Committee.

S.F. 953 amends a special law that set up a service district in 1993, expanding the boundary by one block. Doty said that the only group affected by the legislation is the developer, who agrees with the change. Members advanced the bill to the Consent Calendar.

A bill heard last week by the committee, S.F. 563, was defeated. Authored by Sen. James Metzzen (DFL-South St. Paul) the measure requested reimbursement of \$100,000 for expenses incurred by Dakota County for airport planning costs.

# Committee update

## Metro site cleanup loan bill advanced

Members of the Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Weds., Mar. 22, to consider two measures.

S.F. 1000, sponsored by Sen. Carol Flynn (DFL-Mpls.), establishes a contaminated site cleanup loan program within the Metropolitan Council. Under the bill, the Metro Council may make non-interest bearing loans to cities, counties, towns, housing and redevelopment authorities, port authorities and economic development authorities to pay for the cleanup of polluted or contaminated property if the site is not scheduled for federal funding of state "Superfund" funding, the appraised value is less than 50 percent of the cleanup costs and the site will provide a substantial increase in the property tax base or will be used for a publicly owned or tax-exempt facility. According to Flynn the bill is designed to cleanup areas that have been blighted by pollution in order to encourage economic development. The bill provides for an appropriation of \$14 million from the general fund, authorizes the use of \$1 million of the proceeds of solid waste bonds issued by the council and authorizes the council to levy up to \$10 million annually for the program. Rebecca Yonisch, executive director, Minneapolis Community Development Agency and Hennepin County Commissioner Peter McLaughlin were among those who spoke in favor of the measure.

Sen. Martha Robertson (IR-Minnetonka) proposed, and members adopted, an amendment clarifying the purposes for which the sites may be used after cleanup is completed. The bill was then approved and re-referred to the Finance Committee.

Members also approved, and sent to the Senate floor, a bill allowing county boards to vote to make the offices of county auditor, county treasurer, or county recorder appointive positions. Under current law the positions may become appointive upon an affirmative vote of the voters of a county. S.F. 1070, authored by Sen. Sandra Pappas (DFL-St. Paul), does provide for a transition period during which the offices could be made appointive either with an election or without an election if a vacancy occurred in the office prior to March 1 in the year of a regular election for the office.

Several current county office holders spoke against the measure and argued that the bill was taking away the right of the voters of a county to choose how the offices should be filled. Mary Beckman, of the Minnesota Association of Counties, spoke in favor of the measure.

The bill was approved on a voice vote and sent to the full Senate.

## Taxes and Tax Laws

### Sales tax bills considered

The Taxes and Tax Laws Subcommittee on Sales and Income Tax met Thurs., Mar. 16, to consider a number of bills dealing with different aspects of the sales tax laws. Sen. Leonard Price (DFL-Woodbury) said that the panel was not going to act on any of the bills, but that they would hear the bills and consider amendments.

S.F. 210, sponsored by Sen. Steven Morse (DFL-Dakota), authorizes the city of Winona to use lodging tax revenues for a steamboat center to

promote tourist activities. S.F. 13, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), makes permanent the sales tax exemption for used farm machinery. S.F. 804, carried by Sen. Don Samuelson (DFL-Brainerd), permits the city of Breezy Point to use the proceeds from the local lodging tax to build and operate a regional sports recreational facility. S.F. 24, authored by Sen. Martha Robertson (IR-Minnetonka), repeals the law that imposes a fifty cent tax on each call placed to a 900 service if the service originates from and is charged to a telephone in Minnesota.

S.F. 250, sponsored by Sen. Steve Dille (IR-Dassel) exempts sales to veterinarians of materials used or consumed in the care, medication and treatment of agricultural production animals and horses. S.F. 419, carried by Bertram, provides a sales tax exemption for building materials used in construction of agricultural processing facilities and exempts a tax increment district in Broton from the LGA/HACA offset. S.F. 721, authored by Sen. William Belanger (IR-Bloomington), exempts cargo vans from the rental motor vehicle tax. S.F. 771, sponsored by Price, exempts sales of construction materials and supplies to counties or cities for use in building or improving correctional facilities from the sales tax.

### TIF bills discussed

The Taxes and Tax Laws Subcommittee on Property Tax met Tues., Mar. 21, to continue the discussion of tax increment financing. The panel, chaired by Sen. John Hottinger (DFL-Mankato), heard several bills but took no action on the measures. Members also heard two proposals for reducing the property tax class rate for seasonal and recreational property. The subcommittee took extensive testimony but delayed action on the bills.

S.F. 575, authored by Sen. James Metzen (DFL-South St. Paul) and S.F. 346, authored by Sen. Randy Kelly (DFL-St. Paul), both reduce the property tax class rate for seasonal and recreational property. Dick Wray, president, Minnesota Seasonal Recreational Property Owners, gave a presentation illustrating the dilemma seasonal property owners face. According to Wray, seasonal property owners pay two and a half to three times more than local residents pay but use almost none of the local services.

After hearing testimony on the seasonal property issue, members turned their attention to the bills dealing with tax increment financing. S.F. 961, authored by Sen. Roger Moe (DFL-Erskine), exempts a tax increment financing district in the city of Crookston from the state aid offset if the district is established by July 1, 1996 and the district is used to assist a manufacturer of passenger buses to locate in the city. S.F. 165, authored by Sen. Steve Murphy (DFL-Red Wing), authorizes the city of Hastings Housing and Redevelopment Authority to collect tax increments from the downtown redevelopment increment financing district for an additional five years. Similarly, S.F. 798, also carried by Murphy, extends the duration of a Lake City tax increment district until Jan. 1, 2002. S.F. 1194, carried by Sen. Charles Berg (DFL-Chokio), authorizes a tax increment financing district in Toming Township to help the location of a farm machinery manufacturing facility and exempts the district from state aid offsets. S.F. 1198, sponsored by Sen. Thomas Neuville (IR-

Northfield), extends the duration of two TIF districts in Northfield and provides that the tax increment generated may be used for redevelopment activities in the central business district.

S.F. 1282, authored by Hottinger, takes a broader based approach to dealing with tax increment financing districts. The bill eliminates the LGA/HACA offset and provides for state grants to tax increment financing districts. A bill, S.F. 284, authored by Sen. Gen Olson (IR-Minnetrista), restricting the use of tax increment financing, takes a different approach in dealing with the tax increment financing issue. Both measures will be considered at future meetings of the subcommittee.

## Transportation and Public Transit

### Capital request considered

The Minnesota Dept. of Transportation (MnDOT) received approval from the Transportation and Public Transit Finance Division for \$9 million in capital expenditures to purchase a building for its Metro Division. At a Fri., Mar. 17, meeting, MnDOT's Building Project Manager Adeel Lari presented the request to the division, chaired by Sen. Keith Langseth (DFL-Glyndon).

The request was not on the division's six-year capital budget plan, Lari said, because the property only recently came on the market at a reasonable price. The Waters Edge Building, located in Roseville at the Snelling Avenue and Highway 36 intersection, fits into the division's strategic goals by providing a centralize site to more easily meet customer needs. The building, constructed in 1980, recently underwent \$2 million in renovation and currently meets federal Americans with Disabilities Act standards, Lari said.

The division approved the request and the matter will be considered by the full Transportation Committee.

The division also advanced a bill providing manufacturer testing license plates to be used on vehicles being cold-weather tested in Northern Minnesota. S.F. 172, authored by Sen. Bob Lessard (DFL-Int'l. Falls), also exempts automobiles operated for cold-weather testing from registration taxes.

Lessard explained that currently vehicles used at Minnesota's testing sites have not been required to have Minnesota license plates since the cars usually are in the state for a short period of time. The bill allows for manufacturers to purchase plates to be interchanged on vehicles coming into the state for winter testing. The fees would bring in revenue which the state currently is not receiving, he said.

The bill advances to the full committee.

Sen. Steven Morse (DFL-Dakota) presented a bill authorizing the commissioner of finance to issue up to \$630,000 in bonds for the second phase of a high-speed rail study. S.F. 696 amends 1994 Legislation that provided an appropriation for the feasibility study. Some \$500,000 of the amount is contingent upon Wisconsin's payment of \$500,000 and the receipt of federal matching funds.

The study focuses on development of a high-speed rail line from the Twin Cities to Chicago. "It's not an issue of if high-speed rail is going to happen, but where and when," Morse said.

Sen. Sheila Kiscaden (IR-Rochester), who

joined Morse in the presentation, said the second phase of the study is needed to continue the cooperation among the three states to position the upper-Midwest in high-speed rail development. "Unless we act now and show interest and look at the benefits of intermodal planning, we will be left out," she said.

The division laid the bill aside to consider the request with other bonding projects.

The division also advanced S.F. 615 authored by Sen. Phil Riveness (DFL-Bloomington) allowing the Metropolitan Council to create an advisory committee for a high-speed bus pilot project.

### Transit bonding bill okayed

A bill authorizing \$82 million in bonding for transit over the next three years cleared the Transportation and Public Transit Finance Division Tues., Mar. 21.

S.F. 835, sponsored by Sen. Sandra Pappas (DFL-St. Paul), provides \$50 million in new bonding authorizations. The remaining \$32 million in bonding authorized in the bill, according to Jim Solem, regional administrator, Metropolitan Council, was previously authorized but not issued. The council, according to Solem, expects to issue \$32 million in bonding in calendar year 1995, \$25 million in 1996, and \$25 million in 1997. Among the uses for the bond proceeds are \$32.5 million for fleet replacement, \$28.4 million for public facilities, such as transit hubs and shelters, and \$20 million for support facilities, such as capital equipment and computers. The Senators approved the bill and referred it to the full committee.

The committee, chaired by Sen. Keith Langseth (DFL-Glyndon), also approved S.F. 979. The bill, sponsored by Sen. Terry Johnston (IR-Prior Lake), makes several changes to the law covering hazardous materials transportation that was enacted during last year's session. The measure subjects rail and water carriers of hazardous materials to the registration and permit requirements of the hazardous materials transportation program. It also requires persons with direct management responsibility for hazardous waste transportation operations to submit fingerprints to the FBI for a background check. This and several other provisions are aimed at making the state's program conform with federal and international hazardous waste program requirements. The bill was referred to the full Transportation and Public Transit Committee.

Two bills authorizing new special license plates were also approved and sent to the full committee.

S.F. 554, sponsored by Sen. Jane Krentz (DFL-May Township), establishes special professional sports team and Olympic license plates. The bill provides that the fee for each plate include a \$25 annual fee to be contributed to the Minnesota Amateur Sports Commission. The total fee for the plates has not been determined. Under the measure, the sports commission may pay the initial administrative and manufacturing costs of the first production of the plates. A representative of the commission testified that the startup money would come from private sources.

S.F. 497, sponsored by Sen. Paula Hanson (DFL-Ham Lake), establishes special "Kids First" license plates for child protection. The measure provides for an initial fee of \$10 for the plates, and a \$25 annual fee to be contributed to county child protection services.

### Highway restrictions repealed

A bill abolishing highway construction restrictions related to freeway lanes on I-394 was approved by the Transportation and Public Transit Committee at a meeting held Weds., Mar. 22. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), advanced a number of other bills as well.

S.F. 371, presented by Sen. Gen Olson (IR-Minnetrissa), repeals statutes that impose restrictions on the Minnesota Dept. of Transportation (MnDOT). The repeal allows the department to open up a lane on I-394 near the Penn Avenue interchange that is currently blocked off. Olson explained that the restrictions were enacted in 1977 in response to neighborhood concerns.

Al Pint of MnDOT said opening up the lane would improve the level of service during non-peak traffic hours and could ease congestion during peak hours. The department would have to extend the sound wall to cut down on noise, he said, if the local businesses agree to the measure.

Two residents of the neighborhood testified against the bill saying MnDOT would be going back on its word if the bill was passed into law. Sen. Carol Flynn (DFL-Mpls.) agreed, saying the Legislature could be jeopardizing future negotiations with neighbors if it allows the department to change a past agreement with the residents.

Sen. Keith Langseth (DFL-Glyndon) said he supported advancing the bill to the Senate floor while waiting to see how negotiations were progressing. The committee approved the bill.

Committee members approved S.F. 835, presented by Sen. Sandra Pappas (DFL-St. Paul), authorizing \$82 million in bonds for transit and paratransit equipment and facilities. The bill was re-referred to the Finance Committee.

S.F. 696, authored by Sen. Steven Morse (DFL-Dakota), providing \$630,000 from bond proceeds to fund a phase-two feasibility study of high-speed rail service from the Twin Cities to Chicago. The bill was approved and sent back to the finance division for consideration in the bonding package.

The committee laid over S.F. 976, authored by Sen. Paula Hanson (DFL-Ham Lake), for consideration by the finance division. The bill requires the commissioner of transportation to adopt rules for parking facilities in downtown Minneapolis serving I-394.

The committee also approved seven bills that advance to the Senate floor, including S.F. 615. The bill, authored by Sen. Phil Riveness (DFL-Bloomington), directs the Metropolitan Council to implement a high-speed bus service pilot project. S.F. 979, presented by Sen. Terry Johnston (IR-Prior Lake), subjects rail and water carriers of hazardous materials to requirements of the hazardous materials transportation program, including submission of fingerprints to the FBI. S.F. 172, carried by Sen. Bob Lessard (DFL-Int'l. Falls), issues manufacturer test license plates for cold-weather testing of vehicles in Northern Minnesota. S.F. 554, authored by Sen. Jane Krentz (DFL-May Township) authorizes the issuance of professional sports team or Olympic license plates. S.F. 497, presented by Hanson, authorizes special license plates to provide funding for prevention of child abuse. S.F. 1097, carried by Sen. Joe Bertram, Sr. (DFL-Paynesville), allows any legislatively-established transit commission, city or county, to provide paratransit service outside its jurisdictional

boundaries under several requirements. Finally, S.F. 965, authored by Langseth, allows the issuance of an annual permit for a wide load of square bales of straw within 25 miles of the North Dakota border.

### Floor Action

#### Name change prohibition okayed

The Mon., Mar. 20, floor session also included final passage of several additional bills on the Senate Calendar and the Consent Calendar. H.F. 125, authored by Sen. Tracy Beckman (DFL-Bricelyn), prohibits correctional inmates from applying for name changes. H.F. 121, authored by Sen. Steven Morse (DFL-Dakota), authorizes the extension of the Blufflands Trail System in Winona County. H.F. 435, sponsored by Sen. Steven Novak (DFL-New Brighton), authorizes performance-based gas purchasing regulation for gas utilities. H.F. 305, carried by Sen. Dallas Sams (DFL-Staples), clarifies the provisions for financial audits in towns.

S.F. 229, authored by Sen. Sheila Kiscaden (IR-Rochester), allows sharing of medical examiner data with a state or federal agency charged with investigating a death.

S.F. 308, authored by Marty, authorizes special registration plates for persons subject to an impoundment order.

S.F. 39, carried by Knutson, limits the sentencing court's authority to stay adjudication of a controlled substance offender's guilt and to expunge the offender's record upon the successful completion of treatment and probation. S.F. 257, carried by Morse, provides that an individual may hold the office of soil and water conservation district supervisor and city and town office at the same time.

S.F. 574, authored by Finn, requires the commissioner of natural resources to change names of geographic features of the state. S.F. 93, carried by Sen. Joe Bertram, Sr. (DFL-Paynesville), requires Stearns County to refund money paid by the city of Melrose for acquisition of property.

#### Noncontroversial bills okayed

In other business during the Thurs., Mar. 23 floor session, the Senate passed several bills on the Consent Calendar. S.F. 1099 allows election judges to live in a precinct in one county but serve in a precinct in another county, as long as those precincts are in the same municipality. The bill, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), was passed, 58-0.

H.F. 654, sponsored by Sen. Steve Murphy (DFL-Red Wing), clarifies a town board's authority to alter or vacate abandoned roads that were dedicated by plat. The measure passed on a 61-0 vote.

The Senate passed H.F. 856, 62-0. The bill, presented by Sen. Deanna Wiener (DFL-Eagan), allows the Dakota County administrator to serve as clerk to the county board.

On a 60-0 vote, the Senate passed S.F. 953, authored by Sen. Sam Solon (DFL-Duluth), S.F. 953, allowing the city of Duluth to extend the size of a special service district. S.F. 1176, sponsored by Sen. Dennis Frederickson (IR-New Ulm), was also passed, 60-0. The bill permits the city of Sleepy Eye to discontinue its use of a steam heating system without having to provide a two-year advance notice to the Dept. of Trade and Economic Development.

# Preview

## The Minnesota Senate Week at a Glance

Monday, March 27

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: S.F. 1082-Frederickson: Minnesota River Basin Commission. S.F. 428-Morse: Grants for parks, recreational areas and nsas. S.F. 26-Frederickson: Food licensing.

The Senate will meet at 10 a.m.

### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

12 noon Room 107 Capitol

Agenda: S.F. 693-Dille: Changing limits for participation in certain rural finance authority loan programs; provide development and change requirements for feedlots. S.F. 598-Runbeck: Limits liability of grocery stores and delicatessens as food donors. S.F. 1043-Berg: Modifying provisions related to farmed cervidae. S.F. 1182-Berg: Clarifying certain references in the grain weighing, sampling and analysis law. S.F. 1292-Bertram: Establishing a pilot dairy education and technology transfer program.

### Commerce and Consumer Protection Committee

Chair: Sen. Sam Solon

12 noon Room 112 Capitol

Agenda: H.F. 150-Solon: Temporary on-sale intoxicating liquor licenses term extension. S.F. 232-Murphy: Comprehensive health insurance plan lifetime benefit limit increase. S.F. 649-Chandler: Property and casualty insurance agents quota prohibition. S.F. 1026-Oliver: Insurers risk-based capital regulation. S.F. 1033-Oliver: Insurance solvency regulation. S.F. 1146-Neuville: Master electrician licensure eligibility requirements modifications. S.F. 704-Belanger: Homeowners and automobile insurance zip code ratings prohibition.

### Judiciary Committee

Chair: Sen. Carol Flynn

12 noon Room 15 Capitol

Agenda: S.F. 699-Moe, R.D.: Property rights notification. S.F. 349-Lesewski: Dept. Economic Security document language. S.F. 844-Dille: Marriage license fee. S.F. 1042-Reichgott Jung: Business partnerships clarifications.

### Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 651-Knutson: Miscellaneous crimes. S.F. 1054-Ranum: Juvenile law, procedures, and programming. S.F. 1151-Spear: Peace officer standards. Continuation - S.F. 470-Laidig: Sentencing guidelines modifications.

### Jobs, Energy and Community Development Finance Division

Chair: Sen. Carl Kroening

2 p.m. Room 112 Capitol

Agenda: S.F. 268-Piper: Youth intervention program. S.F. 383-Reichgott Jung: Electronic filing and information retrieval for business licenses. S.F. 768-Novak: Food shelf program. S.F. 1081-Frederickson: Displaced homemakers. Overview of the budget for the Council on Black Minnesotans, Asian-Pacific Minnesotans, Architecture and Engineering Board, Accountancy Board, and the Uniform Laws Commission.

### Metropolitan and Local Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 683-Murphy: Allowing cities to make grants to nonprofit food shelves. S.F. 726-Mondale: Hennepin County lease of hospital or nursing home facilities. S.F. 1144-Flynn: Minneapolis city engineer duties. S.F. 1200-Merriam: Requiring county sheriffs to be licensed as peace officers before taking office. S.F. 1275-Anderson: Money for security measures on Metropolitan Council transit vehicles. S.F. 1300-Pappas: Detachment of intermediate airport land from cities or school districts.

### Joint Crime Prevention and Judiciary Privacy Subcommittee

Co-Chairs: Sen. Jane Ranum and Sen. Harold "Skip" Finn

5 p.m. Room 318 Capitol

Agenda: To be announced.

### Agriculture and Rural Development Committee

Chair: Sen. Joe Bertram, Sr.

6:30 p.m. Room 107 Capitol

Agenda: S.F. 483- Stumpf: Wetlands.

### Environment and Natural Resources Finance Division

Chair: Sen. Steven Morse

6:30 p.m. Room 123 Capitol

Agenda: S.F. 722-Morse: Establishing an environmental legal assistance pilot project.

### Crime Prevention Committee

Chair: Sen. Allan Spear

7 p.m. Room 112 Capitol

Agenda: Continuation - afternoon agenda.

### Judiciary Committee

Chair: Sen. Carol Flynn

7 p.m. Room 15 Capitol

Agenda: Continuation - 12 noon meeting agenda. S.F. 364-Anderson: Third party threats. S.F. 711-Anderson: Peer counseling evidentiary privilege. S.F. 170-Dille: Maintenance of abandoned or neglected cemeteries. S.F. 1088-Krentz: Frivolous lawsuits of inmates. S.F. 1220-Reichgott Jung: Living will amendments.

Tuesday, March 28

### Gaming Regulation Committee

Chair: Sen. Charles Berg

8 a.m. Room 107 Capitol

Agenda: S.F. 1011-Neuville: Repeals authorization for certain forms of gambling. S.F. 1012-Neuville: Abolishes the Minnesota Racing Commission, Gambling Control Board, and the State Lottery Board. S.F. 1120-Berg: Creating a special account for money received by the gambling control board as reimbursement for costs of testing pull-tab dispensing devices.

### Governmental Operations and Veterans Committee

Chair: Sen. James Metzger

8 a.m. Room 15 Capitol

Agenda: H.F. 228-Piper: Board of Medical Practice; reinstating certain advisory councils. S.F. 163-Piper: Crime Victim Witness Advisory Council. S.F. 900-Piper: Foster care; changing licensing requirements. S.F. 947-Krentz: Regional Arts Council. S.F. 963-Anderson: Minnesota International Council. S.F. 992-Kiscaden: Reinstating certain advisory councils and task forces. S.F. 467-Mondale: Coordination and consolidation of public safety radio communications systems.

### Transportation and Public Transit Finance Division

Chair: Sen. Keith Langseth

8 a.m. Room 112 Capitol

Agenda: S.F. 573-Chmielewski:

Transportation funding bill. S.F. 67-Johnston: Transportation funding bill. S.F. 569-Langseth: Transportation funding bill. S.F. 832-Flynn: Transportation funding bill.

### Education Funding Division

Chair: Sen. Lawrence Pogemiller

10 a.m. Room 112 Capitol

Agenda: To be announced.

### Health Care Committee

Chair: Sen. Linda Berglin

10 a.m. Room 15 Capitol

Agenda: S.F. 135-Neuville: Board of Psychology. S.F. 1258-Berglin: Change indices used to adjust hospital and nursing home rates. S.F. 417-Berglin: Long-term care payment and services delivery system (FAIR). S.F. xxxx-Berglin: Children's mental health collaboratives. S.F. 702-Kiscaden: Children's services (governor's DHS Bill).

### Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 107 Capitol

Agenda: S.F. 734-Chandler: 911 System. S.F. 931-Morse: Economic security rehabilitation services. S.F. 1019-Mondale: Metropolitan government and metro housing.

### Commerce and Consumer Protection Subcommittee on Insurance

Chair: Sen. John Hottinger

12 noon Room 112 Capitol

Agenda: Continuation - S.F. 259-Merriam: Genetic discrimination act.

**Environment and Natural Resources  
Finance Division**

*Chair: Sen. Steven Morse*

12 noon Room 123 Capitol

**Agenda:** S.F. 116-Sams: Annual funding for SWCDs. S.F. 300-Sams: Environmental learning center.

**Family Services Committee**

*Chair: Sen. Pat Piper*

12 noon Room 15 Capitol

**Agenda:** S.F. 1103-Ranum: Dept. of Children, Youth and Learning.

**Environment and Natural Resources  
Committee**

*Chair: Sen. Bob Lessard*

2 p.m. Room 107 Capitol

**Agenda:** S.F. 930-Moe, R.D.: Clarifying procedures for watershed districts. S.F. 150-Merriam: Removing restrictions on bringing fish from Canada. S.F. 279-Johnson, D.J.: Public officers and certain duties relating to waters and public lands. S.F. 858-Solon: Demonstration project to prevent infiltration of storm sewers. S.F. 273-Price: Water supply system and wastewater treatment facilities.

**Environment and Natural Resources  
Finance Division**

*Chair: Sen. Steven Morse*

4 p.m. Room 123 Capitol

**Agenda:** S.F. 304-Marty: Restricting advertising and promotion relating to gambling.

**Higher Education Division**

*Chair: Sen. LeRoy Stumpf*

1 p.m. Room 125 Capitol

**Agenda:** S.F. 158-Bertram: Fire crew training. S.F. 282-Morse: MNSCU library debt. S.F. 600-Johnson: UMD medical school. S.F. 697-Morse: Tuition approval. S.F. 823-Chmielewski: Fond du Lac funding. S.F. 951-Stumpf: Credit bank. S.F. 1034-Wiener: Open learning. S.F. 1185-Murphy: HECB financial aid. S.F. 1210-Wiener: Minnesota instructional telecommunications. S.F. 1252-Price: HECB agency bill. S.F. 1288-Johnson, J.B.: Cambridge status.

**Taxes and Tax Laws Subcommittee on  
Property Tax**

*Chair: Sen. John Hottinger*

4 p.m. Room 15 Capitol

**Agenda:** S.F. 369-Stevens: Local government aid for property tax exempt Indian lands. S.F. 1160-Belanger: Bloomington fiscal disparities. S.F. 909-Vickerman: County veto TIF. S.F. 1323-Chandler: North St. Paul TIF. S.F. 1325-Reichgott Junge: Crystal TIF. S.F. 780-Oliver: Residential homestead class rate modification. S.F. 284-Olson: TIF use restrictions and disclosure requirements expansion.

**Education Funding Division**

*Chair: Sen. Lawrence Pogemiller*

6 p.m. Room 125 Capitol

**Agenda:** To be announced.

**Environment and Natural Resources  
Committee**

*Chair: Sen. Bob Lessard*

6 p.m. Room 123 Capitol

**Agenda:** S.F. 868-Berg: Prohibiting local governments from regulatory authority over feedlots. S.F. 1021-Lessard: Abolishing PCA; creating Dept. of Environmental Protection. S.F. 984-Kelly: Standards for oxygenated gasoline. S.F. 1314-Mondale: Modifying provisions

relating to voluntary investigation and cleanup program. S.F. 1111-Lessard: Amendment to the Constitution affirming rights of citizens to hunt or take game and fish.

**Governmental Operations and Veterans  
Committee**

*Chair: Sen. James Metzen*

6 p.m. Room 107 Capitol

**Agenda:** S.F. 845-Berglin: MinnesotaCare. S.F. 410-Marty: Senior drug purchasing.

**Health Care Committee**

*Chair: Sen. Linda Berglin*

6 p.m. Room 15 Capitol

**Agenda:** S.F. 1317-Kiscaden: Long-term care; home and community care (governor's DHS bill - includes PCA cuts). S.F. xxxx: Governor's health care and MA TEFRA bill - if introduced.

**Judiciary Committee**

*Chair: Sen. Carol Flynn*

6 p.m. Room 112 Capitol

**Agenda:** Bills referred from Family Law and Privacy Subcommittees. S.F. 1101-Bertram: Civil proceedings with state. S.F. 1118-Betzold: Revisor's Bill. S.F. 1153-Spear: Adding trial court judges.

**Wednesday, March 29**

**Gaming Regulation Committee**

*Chair: Sen. Charles Berg*

8 a.m. Room 107 Capitol

**Agenda:** To be announced.

**Governmental Operations and Veterans  
Committee**

*Chair: Sen. James Metzen*

8 a.m. Room 15 Capitol

**Agenda:** S.F. 1246-Riveness: Abolishing periodic reports. S.F. 1328-Reichgott Junge: Office of Citizen Advocate. S.F. 1132-Reichgott Junge: Office of Customer Service. S.F. 1384-Anderson: Abolishing the Dept. of Human Rights; transferring responsibilities to the Attorney General. S.F. 647-Wiener: Bill of rights. S.F. 682-Murphy: Abolishing Office of Strategic and Long Range Planning. S.F. 1389-Knutson: Repealing obsolete rules.

**Rules and Administration Subcommittee  
on Ethical Conduct**

*Chair: Sen. Ember Reichgott Junge*

8 a.m. Room 125 Capitol

**Agenda:** Johnson vs. Finn complaint.

**Transportation and Public Transit  
Committee**

*Chair: Sen. Florian Chmielewski*

8 a.m. Room 112 Capitol

**Agenda:** S.F. 1164-Langseth: Dept. of Transportation housekeeping bill. S.F. 11-Metzen: Exempting newer motor vehicles from annual air pollution emissions inspections. S.F. 418-Kelly: Denying driving privileges for certain truant students. S.F. 1017-Cohen: Suspension of a drivers license for failure to pay child support. S.F. 1329-Murphy: Abolishing the Transportation Regulation Board. S.F. 995-Vickerman: Deregulating and conforming state motor carrier laws to federal regulations. S.F. 1293-Belanger: Deregulating most motor carriers. S.F. 571-Murphy: Permitting operation of vehicle combinations over 65 feet in length. S.F. 1318-Langseth: Requiring study on impact of

telecommuting on transportation. S.F. 573-Chmielewski: Changing the county state-aid highway apportionment formula.

The Senate will meet at 9:45 a.m.

**Health Care Committee**

*Chair: Sen. Linda Berglin*

10 a.m. Room 15 Capitol

**Agenda:** S.F. 120-Robertson: Adjust medicare rates for long-term hospitals. S.F. 1055-Piper: Requires licensure for home care hospital and nursing home social workers. S.F. 417-Berglin: Long-term care payment and services (FAIR) delivery system. S.F. 1316-Kiscaden: Long-term care facilities (DHS bill). S.F. xxxx-Berglin: Surcharge update bill.

**Higher Education Division**

*Chair: Sen. LeRoy Stumpf*

10 a.m. Room 112 Capitol

**Agenda:** Continuation - Tuesday agenda.

**Commerce and Consumer Protection  
Committee**

*Chair: Sen. Sam Solon*

12 noon Room 112 Capitol

**Agenda:** S.F. 542-Sams: Health insurance coverage equity for prescription drugs. S.F. 579-Chandler: Charitable organizations regulations and clarification. S.F. 1170-Mondale: Geoscientists licensing or certification requirements. S.F. 1204-Betzold: No-fault auto rental vehicle coverage. S.F. 1404-Solon: Reinsurance intermediaries funds investment authority expansion. S.F. 164-Hottinger: Health insurance plans subrogation rights and restrictions.

**Judiciary Committee**

*Chair: Sen. Carol Flynn*

12 noon Room 15 Capitol

**Agenda:** Continuation - Tuesday agenda. S.F. 342-Spear: Child abuse investigations.

**Crime Prevention Finance Division**

*Chair: Sen. Tracy Beckman*

2 p.m. Room 15 Capitol

**Agenda:** Budget review for the Dept. of Corrections.

**Jobs, Energy and Community  
Development Finance Division**

*Chair: Sen. Carl Kroening*

2 p.m. Room 112 Capitol

**Agenda:** Public testimony on budget issues.

**Metropolitan and Local Government  
Committee**

*Chair: Sen. Jim Vickerman*

2 p.m. Room 107 Capitol

**Agenda:** To be announced.

**Environment and Natural Resources  
Finance Division**

*Chair: Sen. Steven Morse*

6 p.m. Room 123 Capitol

**Agenda:** S.F. 715-1 Vickerman: Towns. S.F. 1006-Morse: Sewage sludge. S.F. 463-Lessard: Eliminating permit fees. S.F. 280-Murphy: Combined sewer overflow grants.

**Governmental Operations and Veterans  
Committee**

*Chair: Sen. James Metzen*

6 p.m. Room 107 Capitol

**Agenda:** Continuation - Wednesday morning agenda.

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### Health Care Committee

*Chair: Sen. Linda Berglin*  
6 p.m. Room 15 Capitol  
**Agenda:** Bills not completed at Tuesday and Wednesday morning meetings. S.F. 843-Kiscaden: Requires certain consent procedures before abortion.

### Judiciary Committee

*Chair: Sen. Carol Flynn*  
6 p.m. Room 112 Capitol  
**Agenda:** S.F. 1314-Mondale: Environment audit privilege. S.F. 885-Ranum: Public nuisance.

## Thursday, March 30

The Senate will meet at 9 a.m.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 845-Berglin: LOC MinnesotaCare bill. S.F. 1291-Berglin: Health Care Reform Waiver (DHS bill).

### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** Bills reported out of the Subcommittee on Insurance.

### Family Services Committee

*Chair: Sen. Pat Piper*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** S.F. 399-Knutson: Recreational vehicle DWI forfeiture. S.F. 663-Betzold: National guard; military affairs department possession of firearms on capitol grounds. S.F. 942-Riveness: Drug-free hospital zones. S.F. 1092-Neuville: Crime victim ombudsman. S.F. 1205-Spear: Nonfelony enforcement advisory committee. S.F. 1248-Kelly: Peace

officer education. S.F. 1255-Limmer: Allowable use of force by Appleton prison staff. S.F. 1286-Kelly: POST Board membership. Bills reported from Joint Privacy Subcommittee. Bills referred from other committees.

### Jobs, Energy and Community Development Finance Division

*Chair: Sen. Carl Kroening*  
2 p.m. Room 112 Capitol  
**Agenda:** Presentation on the Capitol access program, Wall Street Journal reporter. Overview of the budgets for the Barbers Board, Boxing Board, and the Electricity Board.

### Metropolitan and Local Government Committee

*Chair: Sen. Jim Vickerman*  
2 p.m. Room 107 Capitol  
**Agenda:** To be announced.

### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
4 p.m. Room 123 Capitol  
**Agenda:** To be announced.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
6 p.m. Room 112 Capitol  
**Agenda:** To be announced.

### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzger*  
6 p.m. Room 107 Capitol  
**Agenda:** To be announced.

### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
6 p.m. Room 15 Capitol  
**Agenda:** To be announced.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
6 p.m. (Following Health Care and Family Services Finance Division meeting)  
Room 15 Capitol  
**Agenda:** Bills completed at the Health Care and Family Services Finance Division.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
7 p.m. Room 123 Capitol  
**Agenda:** Continuation - afternoon agenda.

## Friday, March 31

### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzger*  
8 a.m. Room 15 Capitol  
**Agenda:** To be announced.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*  
10 a.m. Room 107 Capitol  
**Agenda:** S.F. 345-Stumpf: Wastewater infrastructure funding program. S.F. 592-Stumpf: Confirmation old town roads that cross state lands. S.F. 171-Lessard: Sale of school trust land in St. Louis County. S.F. 1022-Lessard: Public sale of tax forfeited land in Koochiching County. S.F. 1023-Lessard: Notice requirement for sale of tax-forfeited land. S.F. 621-Lessard: Omnibus game and fish. S.F. 1180-Berg: Game and fish omnibus bill. S.F. 1362-Lessard: GEIS provisions. S.F. 1366-Olson: Authorizing Hennepin County to construct a seawall on Lake Minnetonka without a permit.

### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 936-Solon: Omnibus liquor bill.

# Briefly

The Minnesota Senate Week in Review

March 31, 1995

## Informed consent debated

The divisive issue of abortion was the subject of the Health Care Committee meeting Weds., Mar. 29. Sponsored by Sen. Sheila Kiscaden, S.F. 843 details specific consent procedures that must be provided at least 24 hours before an abortion is performed. The bill outlines the information that must be provided before the procedure can be performed and requires that printed materials be developed by the Dept. of Health that inform a woman of alternative options. In addition, the bill requires that the woman must be given the name of the physician who will perform the procedure and that she sign a consent form.

Kiscaden explained that the bill is an attempt to find common ground between the opposing sides. She said that she wanted to "depoliticize" the issue of abortion and provide women with information. "Information is critical to informed decision-making," she said.

Both pro-choice and pro-life witnesses testified before the committee, chaired by Sen. Linda Berglin (DFL-Mpls.). All sides agreed in their opposition to S.F. 843. Susan Stebbens of the Minnesota National Organization for Women said that providing information and consultation is already standard procedure in clinics and that the provisions will jeopardize the confidentiality and safety of women. In addition, the policy is an inefficient use of state funds, sets a bad precedent and is insulting to women, Stebbens said.

Jackie Schweitz, of the Minnesota Citizens Concerned for Life, opposed the bill, stating that it doesn't go far enough to inform and protect women. She said that informing a woman about the doctor and his medical history will reduce unsafe procedures. In addition, clients are not receiving counseling on the other options that are available to them, resulting in decreased choices. The bill failed to gain approval.

## Video gambling bill laid over

Members of the Gaming Regulation Committee laid over S.F. 402, a bill that authorizes a pilot test project for video lottery at its Weds., Mar. 29, meeting. Committee Chair and author, Sen. Charles Berg (DFL-Chokio) said that the measure is an attempt to collect factual data. Recalling last year's creation of the gaming advisory committee, charged with studying the socio-economic effects of all forms of gambling in the state, Berg said that the group had incomplete and conflicting data.

The bill provides that until July 1, 1998, licensed liquor establishments in select counties may operate five state owned video

lottery machines. It also provides a payout schedule of 33 percent to the video lottery retailer, 50 percent of which must be paid to the charity sponsoring the machine, 20 percent to the lottery, 2 percent to the commissioner of human services, with the remainder turned over to the state treasury.

An amendment, which was adopted, changes the selected counties to an east-west band crossing the northern half of the southern third of the state. "This is more representative of the rank and file of Minnesota," Berg said. It includes metro and rural areas, touches the Wisconsin and South Dakota borders, and contains counties that have casinos, as well as those that don't, he added.

Several members voiced strong objections to the bill. Disputing the need for a study, Sen. Thomas Neuville (IR-Northfield) said, "we don't need a pilot study--video gambling's going to be a phenomenal success," he said. "Once the cat's out of the bag, that's it--but there are some of us who don't believe that we should be a total gambling state."

Sen. Dean Johnson (IR-Willmar) predicted that the result of the pilot project will be to produce an economic boom in the counties participating in it, an economic drain on the ones excluded from it, and a net effect of "more gambling in the state of Minnesota."

S.F. 1120, authored by Berg, creates a special account for money received by the gambling control board as reimbursement for costs of testing pull-tab dispensing devices. The measure was approved and sent to the full Senate.

The committee also approved two other bills, carried by Berg, that were discussed earlier in the session. S.F. 1044, a measure that sunsets the Tribal State Gaming Compacts as of June 30, 1998, was sent to the full Senate, while S.F. 618, a memorial resolution asking for legislation amending the Indian Gaming Regulatory Act, was referred to the Rules and Administration Committee.

## Transportation funding proposals

The Transportation and Public Transit Finance Division spent the Tues., Mar. 28, meeting sifting through six transportation funding proposals. The subcommittee, chaired by Sen. Keith Langseth (DFL-Glyndon), advanced three of the six proposals to the full committee.

All of the proposed funding packages calls for a gas tax increase of 5 cents per gallon, bringing the tax to 25 cents per gallon. Each of the bills also provides for tying the future gas tax level to the consumer price index.

A bill sponsored by Sen. Carol Flynn (DFL-Mpls.), received the committee's approval. S.F. 832 provides funding for transit by authorizing a half-cent sales tax increase in the Metropolitan Area, to be levied by the Metropolitan Council. The bill also permits a Metro-only property tax to repay bonds issued for transit capital equipment and short-term borrowing. The bill places no limitations on the taxes levied for bonds issued prior to Jan. 1, 1996, but after that date the council may levy the property tax only after the half-cent sales tax has been levied. The measure also directs the commissioner of transportation to continue to study road pricing options and to implement a road pricing system by the year 2000.

S.F. 573, sponsored by Sen. Florian Chmielewski, also advanced to the full committee. The measure redistributes 5 percent of the highway users distribution formula so that the county turnback account receives 92 percent of the 5 percent and the trunk highway fund receives none of the distribution. The remaining eight percent goes to the municipal turnback account, as it does under current law. The measure prohibits the commissioner from adopting rules that limit the number of miles in the county state aid highway system. In addition, it requires that 30 percent of the county state aid distribution be apportioned on the basis of lane mileage rather than centerline mileage. The bill appropriates an as-yet unspecified amount from the general fund to the commissioner for transit in Greater Minnesota.

S.F. 1447, sponsored by Sen. Steve Dille (IR-Dassel), was advanced to the full committee, however, the bill's funding provisions were removed. The bill directs the commissioner to establish a state trunk highway safety program and to identify the most serious safety problems annually. To resolve these problems, the commissioner must use an amount from the trunk highway fund equal to 10 percent of federal transportation funds received by the state. The measure also requires motor vehicle dealers to give purchasers a description of the vehicle's safety features before the sale and clears the way for police officers to stop drivers for seat belt violations without a separate moving violation.

## Frequently called numbers

Senate Information	296-0504
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# Committee update

## Agriculture and Rural Development

### Livestock expansion bill approved

The Agriculture and Rural Development Committee, chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), met Mon., Mar. 27, and approved S.F. 693. "This is a livestock expansion bill that makes policy changes which will nurture livestock operations in Minnesota," said the measure's author, Sen. Steve Dille (IR-Dassel). The bill addresses several areas, including Rural Finance Authority Loan Programs, feedlot issues, taxes, and carcass composting provisions.

Besides raising the loan caps under RFA programs, the bill contains a tax exemption for new construction of agricultural buildings. Dille said that relief is graduated, and that by the sixth year, benefits are entirely phased out. "I think it's appropriate to provide some tax relief early on, and gradually decrease the benefit as these farmers get up and running," Dille said.

Changes to the definition of "animal unit" are included in the bill, raising the threshold that triggers the mandatory feedlot permit from 10 to 50 animal units. Additionally, local government ordinances pertaining to surface and ground water protection requirements are preempted by regulations of the Pollution Control Agency.

Dille clarified that the PCA has standards far more stringent than local units of government, and that under the bill, zoning power and odor regulations remain in the hands of the local entities. "This provision applies only to surface and groundwater protection," Dille said.

The bill now goes to the Environment and Natural Resources Committee.

### WCA bill tabled

At a late night meeting of the Agriculture and Rural Development Committee Mon., Mar. 27, members finally scrapped the regulatory provisions of the Wetlands Conservation Act of 1991. The outcome resulted from an amendment offered by Sen. Charles Berg (DFL-Chokio) to Sen. Leroy Stumpf's (DFL-Thief River Falls) measure, S.F. 483. Stumpf's bill made policy and procedure changes to the WCA.

After members voted 8-3 on roll call to adopt Berg's amendment, Sen. Steve Dille (IR-Dassel) moved to table the measure.

Recognizing the severity of his action, Berg said, "the WCA has got to be drastically changed, and that's why I'm here with a delete everything amendment. This is the only way we can have a crack at putting together a bill that will treat people fairly."

Responding to Berg's motion, Stumpf said, "this is a dramatic jump from the bill I brought in here tonight--I'm afraid that this is using a 16 pound maul to kill a mosquito."

Ron Harnack, director of the Bureau of Soil and Water Resources agreed. "Repealing the WCA puts us further apart, rather than bringing us closer together," Harnack claimed. "Stumpf's bill is a great opportunity to achieve our goals--we're not very far apart, and we can reach closure by working with it."

Supporters of the Berg amendment argued that the only reasonable course of action is to start from scratch. Among those testifying in favor of the repeal were numerous private property owners from around the state, county commissioners, agriculture associations, and organizations

representing counties and townships.

Turning to other business, the committee also approved Berg's S.F. 1043, a bill that imposes fencing regulations on deer farming, and placed it on the Consent Calendar.

Lastly, S.F. 1292, a bill that establishes a pilot dairy education program was approved by members. Presented by Committee Chair, Sen. Joe Bertram, Sr. (DFL-Paynesville), the measure was re-referred to the Environment and Natural Resources Committee.

### Eurasian hog bill debate

The Agriculture and Rural Development Committee approved three bills and laid over a fourth at its afternoon meeting Weds., Mar. 29.

S.F. 1178, carried by Sen. Jim Vickerman (DFL-Tracy), prohibits importation, ownership and possession of Eurasian hogs. The measure includes a provision authorizing the state to seize the animals and pay the owner \$200 per hog.

Debate circled around what some Senators called trading off heavy-handed government intervention for so-called public safety.

Veterinarian Dr. Walter Mackey called the hogs the "terror of the woods," an exotic species that threatens man, livestock, crops and wildlife.

But Sen. Steve Dille (IR-Dassel) told members that in an effort to "manage risk down to zero," the bill forces the seven operators, who have devoted considerable resources to developing a niche market, out of business.

Members agreed to lay the measure over.

S.F. 598, authored by Sen. Linda Runbeck (IR-Circle Pines) adds grocery stores and delicatessens to the definition of "food facilities" granted liability protection when donating items to food shelves.

Committee Chair, Sen. Joe Bertram, Sr. (DFL-Paynesville) asked why these groups had been left out of the original definition when the bill was first written. Jack Aldrich, of the Minnesota Grocers' Association said, "it was an unintentional omission in the original bill." The measure proceeds to the floor.

S.F. 1350, a bill that appropriates funds for the continued litigation against the USDA for inequities in the federal milk marketing order system, was approved and re-referred to the Environment and Natural Resources Committee. Sponsored by Sen. Dallas Sams (DFL-Staples) the measure earmarks \$100,000 from the general fund.

Also re-referred to the Environment and Natural Resources Committee, was S.F. 1414. Carried by Sen. Dan Stevens (IR-Mora), the bill changes provisions covering ethanol payments. "This clarifies that payments will be made on a pro rata basis among all eligible claimants," Stevens said.

### Eurasian hogs banned

At its Weds., Mar. 29 evening meeting, the Agriculture and Rural Development Committee approved S.F. 1178, a bill prohibiting the importation, ownership and possession of Eurasian hogs, and re-referred it to the Environment and Natural Resources Committee. Chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), members adopted an amendment to Sen. Jim Vickerman's (DFL-Tracy) measure that replaces the \$200 reimbursement limitation with an open appropriation, to be determined by the commissioner of agriculture.

S.F. 1236, authored by Sen. Steve Dille (IR-Dassel) was approved and sent to the full Senate.

The measure allows land spreading of chemically contaminated soil. "Land spreading is an environmentally sound method for managing soil," Dille said.

Sen. Dallas Sams (DFL-Staples) presented S.F. 851 and S.F. 852, both related to loan programs of the Rural Finance Authority. S.F. 851, which was amended into S.F. 852, raises the amount available for farm improvement loans from \$50,000 to \$100,000. S.F. 852 increases the amount available for livestock operation loans from \$100,000 to \$250,000. The measure was re-referred to the Environment and Natural Resources Committee.

S.F. 1159, also carried by Sams, requires state agencies to provide written notification to the Dept. of Agriculture before adopting or repealing rules that affect farming. Bill Oemichen, asst. commissioner of the Dept. of Agriculture, testified in support of the bill saying that it will decrease misunderstandings, and save time and money. S.F. 1159 was re-referred to the Governmental Operations and Reform Committee.

Sen. Steven Morse (DFL-Dakota) presented two bills to the committee. The first, S.F. 1398 makes changes to the agriculture best management practices loan program.

Included in the measure is a provision clarifying that the commissioner of agriculture will make loans to local units of government and lending institutions, who in turn, will provide loans to landowners and businesses participating in the clean up of nonpoint source water pollution. The bill also sets out a list of criteria to evaluate and rank applicants. S.F. 1398 was re-referred to the Environment and Natural Resources Committee.

S.F. 1431, also authored by Morse, permits local governments to exercise feedlot regulatory authority. Members laid the measure over.

## Commerce and Consumer Protection

### MCHA limit bill tabled

Progress on a bill increasing the lifetime limit for people under the Minnesota Comprehensive Health Association plan stalled at the Commerce and Consumer Protection Committee at the Mon, March 27, meeting.

S.F. 232, sponsored by Sen. Steve Murphy (DFL-Red Wing), increases the limit from \$1 million to \$1.5 million.

Lynn Gruber, director of MCHA, testified in opposition to the bill. Gruber said the bill would result in \$275,000 in losses in 1995, \$1.6 million in losses in 1996, and \$1.2 million in 1997. These figures are in addition to the \$42 million per year losses the program is experiencing, she said.

Gruber asked the committee to consider a dedicated tobacco tax to fund the program in the future. The MCHA policy rights organization has endorsed the bill. After discussion, members voted to lay the bill over for interim study.

The panel granted approval to a bill, S.F. 704, authored by Sen. William Belanger (IR-Bloomington), that prohibits insurance companies from charging different rates for different zip codes within the same town or city. Auto and homeowners insurance are covered under the bill.

The committee also approved S.F. 649, sponsored by Sen. Kevin Chandler. The bill prohibits insurance companies from requiring

agents to sell a certain number of the company's life insurance policies as a condition of selling their property and casualty insurance. Chandler said the bill is aimed at stopping aggressive sales tactics that force property and casualty agents, who may not be qualified in the life insurance area, to sell life insurance. S.F. 649 now goes to the Senate floor.

The committee approved and sent to the floor two bills sponsored by Sen. Edward Oliver (IR-Deephaven). The first, H.F. 673 requires insurers to file with the commissioner of commerce and the National Association of Insurance Commissioners (NAIC) a report of their risk based capital level. The measure also establishes four levels of action for companies whose risk based capital levels fall below the levels specified in the bill. In the most severe cases, the commissioner is required to place the company under regulatory control under the state's insurers rehabilitation and liquidation statute.

The second Oliver bill, S.F. 1033, makes changes in statutes regulating insurance solvency. The bill contains provisions regulating disclosures, reinsurance, capital stock, managing general agents, and contracts issued on a variable basis. Oliver said the bill is designed to strengthen the state's ability to regulate solvency.

The panel, chaired by Sen. Sam Solon (DFL-Duluth), also granted approval to S.F. 150, extending the maximum length of a temporary on-sale liquor license from three, to four, consecutive days. It also permits a municipality to issue only three temporary on-sale intoxicating liquor licenses within a 12-month period. The bill was advanced to the Senate floor.

Members also approved and sent to the full Senate S.F. 1146, making changes to the requirements for becoming a master electrician. The bill makes an applicant for a master's electrician license eligible to take the licensing exam if the applicant has at least ten years of supervised or unsupervised experience as an electrician, and holds an adult vocational education license issued by the State Board of Technical Colleges.

## Genetic Discrimination Act

A bill banning discrimination in insurance based on genetic testing cleared its first hurdle in the Senate Tues., Mar. 28. The Commerce and Consumer Protection Subcommittee on Insurance, chaired by Sen. John Hottinger (DFL-Mankato) finished hearing testimony, narrowed the focus of the bill, and forwarded it to the full committee.

The Genetic Discrimination Act, authored by Sen. Gene Merriam (DFL-Coon Rapids), prohibits insurers from requiring applicants to have a genetic test, using the results of such a test or the fact that a test was taken, in determining eligibility for insurance. In addition, insurers cannot ask whether an applicant's or policyholder's relatives have undergone a genetic test. They also are prohibited from making decisions adverse to applicants based on entries in medical records regarding genetic tests.

As originally drafted, the bill applied to any type of insurance, but specified that for life insurance, the prohibitions applied only when the policy is more than \$100,000.

Testimony from insurance company representatives focused on potential problems with applying the bill to life insurance. The major concerns voiced were that applicants would have an unfair advantage in the underwriting process and that high-risk applicants could buy life

insurance at the same price as healthy people, thus driving up prices for everyone.

Later in the meeting, the panel approved an amendment offered by Sen. Don Samuelson that limits the bill's provisions to health insurance.

Several insurance company representatives said that the bill is drafted too broadly and that some of its definitions are unclear and open to interpretations that would adversely affect insurers. Members wrestled at length with the bill's inclusion of "gene products" in the definition of genetic testing.

The bill's definition of "genetic testing" included "a presymptomatic test of a person's genes, gene products, or chromosomes for abnormalities, defects or deficiencies...." After extensive discussion, Sen. Cal Larson (IR-Fergus Falls), offered an amendment to remove gene products from the definition.

Larson failed in a second amendment attempt, this one limiting the definition of "genetic test" to laboratory test of DNA or chromosomes used to identify inherited alterations in genetic material. Merriam objected, saying that the definition excluded most genetic tests.

The subcommittee also approved an amendment offered by Sen. Deanna Wiener (DFL-Eagan) that removes the portion of the bill providing applicants with a private cause of action. Wiener said the cause of action is unnecessary and that leaving it in would be contributing to the problem of excessive litigation.

## Five bills advance

The Commerce and Consumer Protection Committee met Weds., Mar. 29, and approved five bills.

S.F. 1404, sponsored by Committee Chair Sam Solon (DFL-Duluth), expands the investment authority of reinsurance intermediaries funds to allow the intermediaries to invest with licensed broker-dealers and to invest in U.S. treasury bills and notes the maturities of which do not exceed 90 days. The bill now goes to the Senate floor.

S.F. 543, sponsored by Sen. Dallas Sams (DFL-Staples), requires insurance that covers prescription drugs to cover prescriptions that are written by an authorized health care provider, regardless of the type of provider. In effect, the bill prevents denial of coverage for prescriptions written by advanced practice nurses, physician assistants or other non-physician prescribers. The bill was sent to the Health Care Committee.

S.F. 1170, sponsored by Sen. Ted Mondale (DFL-St. Louis Park), requires registration of geoscientists and adds the profession to the responsibilities of the Architecture, Engineering, Land Surveying, Landscape Architecture and Interior Design Board. The committee approved S.F. 1170 and re-referred it to the Governmental Operations and Veterans Committee.

S.F. 1204, sponsored by Sen. Don Betzold (DFL-Fridley), expands no-fault insurance coverage to include loaner vehicles provided by car repair facilities. Betzold said the bill is intended to make it unnecessary to purchase a damage waiver when using a loaner car. It also provides a cap on the liability of rental car owners when a rental car is involved in an accident. The bill was approved and sent to the Judiciary Committee.

S.F. 174, sponsored by Sen. John Hottinger (DFL-Mankato) outlines the rights of all parties in regard to subrogation clauses in health plans.

The measure provides for injured parties to receive a pro-rated amount of monetary settlements. Currently, insurance companies have the first right to settlement funds. The bill was approved and re-referred to the Judiciary Committee.

## Crime Prevention

### Sentencing guidelines changes

Members of the Crime Prevention Committee began discussion Thurs., Mar. 23, on a revision of the state's sentencing guidelines by hearing testimony from both sides of the issue. Sen. Gary Laidig (IR-Stillwater) presented S.F. 470 to the committee, chaired by Sen. Allan Spear (DFL-Mpls.).

Laidig explained that the bill basically implements the recommendations stemming from a study done by the Sentencing Guidelines Commission completed in January. The bill ultimately eases up on some offenses to focus prison sentences on the more severe crimes.

Under the bill, some crimes, mostly offenses against persons, are increased in severity level, while some property crimes are decreased. According to Deb Dailey, director of the commission, the crimes that are most affected by the changes are thefts and some burglary offenses, depending upon an offender's criminal record.

The bill outlines a way to make some changes in the system, make better use of the state's resources, and save some money, Laidig said. It's not without controversy, he added, but most interested parties agree some changes have to be made in the current sentencing system.

Commissioner of Corrections Frank Wood testified in support of the bill, citing savings in prison beds and, consequently, money. If the proposed sentencing changes are enacted, the state will save a total of 534 beds, or \$140 million, by 2004, he said. He also added that the savings can be directed to local governments.

Judge Kevin Burke, chair of the Conference of Chief Judges, also supported the bill, saying the state needs a balanced system of punishment for its criminal offenders. But Sen. Randy Kelly (DFL-St. Paul) countered that changing the sentencing guidelines is not the only way to save money in the corrections area, mentioning a previous discussion on per-inmate costs. "We can no longer afford the Cadillac system that we've been funding for the last 20 years and since I've been here," he said.

Sen. Gene Merriam (DFL-Coon Rapids) asked why the commission is seeking legislation for the revision, adding the Legislature will be directing the commission to do what the commission itself recommends. Dailey said the main reason is because of the affect the changes will have on local government units, particularly counties which could feel the shift through increases in their detention centers and work houses.

Hennepin County Attorney Mike Freeman testified as a representative of the Minnesota County Attorneys Association. He listed concerns about shifting 329 felons onto an already-stressed local correctional system, as well as forcing counties to take money away from prevention efforts in order to deal with an increased felony caseload. He urged the committee to ask whether public safety will be enhanced by the changes, if the shift of some criminals to counties will be fully funded, and if the state will recognize its responsibility to pay for juvenile incarceration and programming.

# Committee update

The committee laid the bill over for more discussion and testimony.

## Juvenile procedural law considered

A bill implementing various recommendations of a task force on juvenile programming was amended and advanced by the Crime Prevention Committee during an evening meeting held Mon., Mar. 27. The committee, chaired by Sen. Allan Spear (DFL-Mpls.), also advanced two other bills.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 1054, a bill clarifying the 1994 Juvenile Crime Act and implementing subsequent studies related to juvenile crime procedures. Ranum explained that the bill addresses many of the challenges outlined in studies completed by a task force and the Legislative Auditor.

Ranum said the findings indicated that many of the children placed in juvenile residential treatment centers have similar backgrounds to those placed in other state residential programs, such as children in need of protection, or CHIPS. Other survey findings show the state is lacking in programs designed to help kids get back into the community after staying at a juvenile corrections facility. Studies also show that some juveniles are placed in a program simply because there is room, not because it may adequately address the individual's needs, she said.

One of the main areas the bill addresses is a need for year-round school at the residential facilities, Ranum explained. Of the state's facilities, only 14 percent required an education assessment before placement into a program, she said.

Under the bill, institutions must provide education programs for at least six hours a day for a minimum of 250 days a year. Each child must be assessed for a program within 72 hours of placement.

The bill also provides for state payment of all the educational program costs of students placed in state facilities, regardless of whether the education is provided by the local school district or the institution. After extensive discussion, the committee re-referred the bill to the Education Committee.

The committee also advanced to the Senate floor a bill dealing with a variety of crime issues, including a section expanding the list of violent crimes by adding crimes committed for the benefit of a gang, harassment and stalking, shooting at a public transit vehicle or facility, and felony violations of malicious punishment or neglect and endangerment of a child. S.F. 651, authored by Sen. David Knutson (IR-Burnsville), also expands several other provisions, including the definition of "orders for protection" and the crime of fifth-degree criminal sexual conduct.

Finally, committee members discussed and sent a bill authored by Spear to the finance division. S.F. 1151 relates to requirements of the Peace Officer Standards and Testing (POST) Board. Among the provisions is a requirement of the POST Board to compile information on peace officers convicted of fifth-degree assault.

## Sentencing bill advances

Discussion and testimony continued on a bill modifying the Sentencing Guidelines at a Mon., Mar. 27, meeting of the Crime Prevention Committee.

S.F. 470, presented by Sen. Gary Laidig (IR-Stillwater), lessens sentences of some crimes, mostly property crimes, while strengthening

sentences of some crimes against the person. The changes are recommendations of the Sentencing Guidelines Commission. Debate centers on whether the changes will save money in prison beds or simply shift costs to county-level services.

Supporters of the bill say the sentencing changes reserve dwindling prison space for the most violent career criminals. Opponents fear that the consequences for drug offenders and property crimes are too loose and that the counties will have to pick up the costs for dealing with additional cases.

Pat Conley of the Association of Minnesota Counties said she opposed the bill because of the extra burden county systems will face in housing more DUI and domestic abuse offenders. Conley said the association would support the bill only if adequate resources were provided to the counties.

Sen. Tracy Beckman (DFL-Bricelyn) said counties and the state can look at other sentencing options for dealing with property offenders. "Quite frankly, I don't think the answer is building more prisons," he said. Beckman also commended Laidig for introducing the bill, because "we have a problem we have to deal with."

After considerable discussion, Beckman asked that the bill be sent to his finance division to consider the fiscal implications of the bill.

The committee, chaired by Sen. Allan Spear (DFL-Mpls.), also discussed a bill dealing with a variety of crime issues, including a section expanding the list of violent crimes. S.F. 651, authored by Sen. David Knutson (IR-Burnsville), was laid over for further discussion.

## Education

### PELRA changes rejected

Two proposals to modify the process used to settle teacher contracts were rejected by the members of the Education Funding Division, Thurs. evening, Mar. 23.

The division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), reviewed modifications to the Public Employees Labor Relations Act (PELRA) contained in S.F. 391, authored by Sen. Gen Olson (IR-Minnetrista) and S.F. 401, presented by Sen. Cal Larson (IR-Fergus Falls). Under both bills, either a school board or the bargaining unit representing the teachers of a district may, after Sep. 1 of an odd-numbered year, request interest arbitration of their contract negotiations. If either party requests arbitration, the commissioner of the Bureau of Mediation Services (BMS) is to request information from both parties and prepare a list of items to be settled by an arbitration panel.

Both bills give a school board 15 days to respond, and if the board agrees to the list prepared by BMS, those items must be submitted to final-offer, total-package binding arbitration. The bills also give teachers the right to strike if a school board has not responded or rejects the BMS list of items to be decided by an arbitration panel. The Jan. 15 deadline for contract settlements, which districts must meet or face a deduction of \$25 per pupil, is also repealed by the bills.

The members' vote to reject the proposals came after nearly three hours of testimony from both supporters and opponents. The proposals, said Bob Meeks of the Minnesota School Boards Association, correct an imbalance that currently tips the negotiation process in favor of the teachers' bargaining units. He said threat of a

teacher's strike, along with other policy changes, have given teachers an edge in the negotiations.

Representatives of the teacher's unions and other bargaining groups lined up in opposition to the proposals. Bernard Brommer, president of the Minnesota AFL-CIO, said that PELRA has served the state well in settling contracts.

### Safe schools bill advances

A bill establishing new approaches to truancy and creating several safe school programs was approved, Fri., Mar. 24, by the members of the Education Committee, co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Sen. Lawrence Pogemiller (DFL-Mpls.). The bill, S.F. 418, was re-referred to the Transportation and Public Transit Committee.

The bill, sponsored by Sen. Randy Kelly (DFL-St. Paul), requires schools to notify parents when a child has become a habitual truant and adds other programs to combat habitual truancy. The bill also allows districts to adopt policies on school uniforms and locker search policies. Districts are also required to conduct criminal background checks on all new employees and the board of teaching is to run background checks before licensing new teachers.

Sen. Mark Ourada (IR-Buffalo) offered an amendment allowing, instead of requiring, districts to conduct background checks. The amendment was not approved.

### Compulsory attendance bill heard

A proposal to modify the state's compulsory education requirement drew some fire from home school parents when it was presented, Fri., Mar. 24, to the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

State law requires that all children between the ages of seven and 16 be enrolled in school. Under S.F. 330, authored by Sen. Jane Ranum (DFL-Mpls.), five- and six-year-old children are included in the compulsory attendance law unless their parents or guardians withdraw them from school for good cause. The bill requires local school districts to define good cause, and if withdrawal is disputed, a third part facilitator is to resolve the dispute. Districts are also required to inform parents with five- and six-year-old children of the withdrawal requirements.

Ranum said school districts had the option of extending the compulsory attendance law to include five- and six-year-olds if they established a policy to do so. The law that allowed districts to set that optional policy was repealed in 1993.

Ranum offered an amendment to her bill allowing school boards to establish a compulsory attendance policy for five- and six-year-olds, and permitting parents to withdraw their child for good cause. Good cause, as determined by the district, is to include enrollment in another school or the social immaturity of the child.

Sen. David Knutson (IR-Burnsville) proposed to change the amendment, allowing parents to withdraw a child for a good cause as they, and not the school districts, determine. Knutson's amendment was approved.

No further action was taken on the proposal, but members heard testimony the issue.

### Attendance change approved

A proposal to include five- and six-year-olds in the state's compulsory attendance law was amended and approved, Tues., Mar. 28, by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

S.F. 330, authored by Sen. Jane Ranum (DFL-Mpls.), includes children under the age of seven in the state's compulsory attendance law. The members heard testimony from parents who argued the bill limits their right to withdraw a child from a public school.

The division adopted an amendment, offered by Sen. Martha Robertson (IR-Minnetonka), allowing school districts to adopt an optional policy to require the enrollment of children under age seven in school. The amendment also allows parents to withdraw their child for good cause, such as enrollment in another school or the social immaturity of the child. Districts are also required give a copy of their policy to parents when a child is enrolled.

Robertson offered, and the division approved, an amendment specifying that the policy applies to children in kindergarten and higher grades. Sen. Paula Hanson (DFL-Ham Lake) moved that the bill not specify a kind of immaturity, such as social immaturity, as good cause for withdrawal and her motion was adopted. The bill was then approved and will become part of the education funding omnibus bill.

The members also considered two other bills. S.F. 975, sponsored by Hanson, changes the name of the Education Cooperative Service Units, making them Service Cooperatives. The bill allows the cooperatives to serve local units of government and permits representatives of local governments to be members of the cooperative's board. The division laid the bill over.

S.F. 688 was presented by its author, Sen. Jane Krentz (DFL-May Township). The bill requires the Dept. of Education and the Dept. of Human Services to analyze and report on the definitions and procedures both agencies use in providing services to children. The bill was laid over.

### Ineligibility bill rejected

A proposal to prevent students from using the open enrollment program to participate in another school's extracurricular athletic program was rejected, Tues. evening, Mar. 28, by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

S.F. 1265, authored by Sen. Jerry Janezich (DFL-Chisholm) makes students who transfer out of their resident districts under open enrollment ineligible from participating in extracurricular athletics for one year at the nonresident districts. The bill allows them to continue participating in varsity or junior varsity athletics in their resident district for that year, and provides other exceptions. Sen. LeRoy Stumpf (DFL-Thief River Falls) moved to eliminate the exceptions and shorten the period of ineligibility to five months. His motion was approved.

After discussion of the effect the proposal may have on the rights of students and parents who use open enrollment, Janezich moved to include S.F. 1265 in the education funding omnibus bill and his motion was defeated.

Considering a related proposal, the division also voted to not include S.F. 1001, authored by Sen. Harold "Skip" Finn (DFL-Cass Lake), in the omnibus bill. The proposal allows pupils to participate in an extracurricular activity offered by another district if that activity is not offered by their own school. Roger Aronson, representing the State High School League, said the proposal circumvents a process that allows school districts to cooperatively offer an activity to students when that activity is not offered by one of the districts involved in the agreement.

The division amended and approved S.F. 975, sponsored by Sen. Paula Hanson (DFL-Ham Lake), changing the name of the Educational Cooperative Service Units (ECSU) to Service Cooperatives. The bill also allows local units of government that use a cooperative's services to be represented on the organization's board of directors. Hanson offered an amendment extending the same provisions to all educational cooperative organizations. Sen. Martha Robertson (IR-Minnetonka) also moved to repeal the bill's provisions that maintain a remaining ECSU in the metropolitan area. Both amendments were adopted. S.F. 975 will be incorporated into the omnibus bill.

S.F. 879, requiring the Dept. of Education to assess the need for a statewide program to serve talented high school students, was also approved for consideration as part of the omnibus bill. The proposal, authored by Sen. Tracy Beckman (DFL-Bricelyn), provides a two-year, \$60,000 grant to the South Central Minnesota Talented Youth Program.

### Grants changes heard

Increases in the allowance for child care grants and expanding the eligibility for nursing grants were included in a proposal presented to the Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), Weds. morning, Mar. 29.

S.F. 1185 modifies several of the state grant programs operated by the Higher Education Coordinating Board. Sen. Steve Murphy (DFL-Red Wing), the bill's author, said the proposal increases the annual amount a student may receive under the child care grant program from \$1,500 to \$1,700. The bill also modifies several provisions of the nursing grant program by expanding the eligibility requirements to include students of color, changes the grant amount from \$2,500 to a range of \$2,000 to \$4,000, and allows students to apply the grants toward baccalaureate and post-baccalaureate programs. No action was taken on the bill.

The division also reviewed S.F. 600, allowing the University of Minnesota-Duluth to expand its medical education program from a two- to four-year program. The bill, authored by Sen. Douglas Johnson (DFL-Cook), also requests the university to seek a federal health education center program grant. The members approved a motion by Sen. Sam Solon (DFL-Duluth) to remove the provision requesting the university to seek the federal grant. The proposal was set aside for consideration as part of a higher education omnibus bill.

### Grants bill approved

At a Weds., Mar. 29, meeting, Sen. Steve Murphy (DFL-Red Wing) presented a bill to the Higher Education Funding Division that modifies higher education grant programs. The division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), approved the bill and heard two others.

S.F. 1185, Murphy explained, makes changes regarding residency status for students to qualify for state grants. The bill also clarifies statutory language by stating a student, the student's parents, and taxpayers share in the responsibility of paying for the student's higher education. The bill also covers some changes in awarding child care and nursing grants.

The division advanced the bill to the full Education Committee.

Sen. Steven Morse (DFL-Dakota) presented a bill prohibiting higher education institutions

from raising tuition more than 3 percent in each year of a biennium unless the increase has the approval of the student association. If a tuition increase above 3 percent is approved, the additional funds must be allocated to the campus.

Morse said the bill, S.F. 697, makes higher education a partnership between the administration and the student body during tight fiscal times.

Division members and representatives of the Higher Education Board questioned the bill, saying it undermines the authority of the new board which is supposed to set tuition. Sen. Cal Larson (IR-Fergus Falls) said he believed the measures would be detrimental to the whole system; he moved to lay the bill over.

Morse offered a second bill, S.F. 282, exempting Minnesota State Colleges and Universities from a one-third debt service requirement. The bill was set aside for consideration with the division's appropriation bill.

## Environment and Natural Resources

### Dry cleaner response bill debated

A group of drycleaner owners across the state are looking to a bill authored by Sen. Bob Lessard (DFL-Int'l. Falls) as a solution to paying for cleanup of contaminated sites. Lessard presented the bill to members of the Environment and Natural Resources Finance Division, chaired by Sen. Steven Morse (DFL-Dakota) at an evening meeting held Thurs., Mar. 23.

Lessard explained that S.F. 1122, referred to as the Minnesota Drycleaner Environmental Response Act, establishes an account to be used for cleaning up state-identified contamination sites. Fees paid by the 275 owners of drycleaning facilities across the state would raise an estimated \$800,000 a year.

Don Poach, who spoke for a group of concerned drycleaner operators, said the business wants to take a responsible approach to the problem and has come up with a win-win solution for both the state and the business owners. Currently, Poach explained, when the state finds contamination and labels it a Superfund site, the state begins cleanup and then seeks reimbursement from the business. Businesses usually end up bankrupt, Poach said. An account, supported by all drycleaners at a reasonable annual rate, would ease the burden on individual cleaners while still paying the cleanup costs. Poach said the bill had the support of both large and small drycleaning facility owners.

After some discussion, the division set the bill aside for working out minor details.

The division also approved a housekeeping bill related to air quality fees of the Pollution Control Agency. S.F. 1007, authored by Morse, advances to the full committee.

### Ag loan program expanded

A bill expanding the eligibility for the value-added agricultural product loan program was approved by the Environment and Natural Resources Finance Division at a meeting held Fri., Mar. 24. The division, chaired by Sen. Steven Morse (DFL-Dakota), also took up two other bills.

Sen. Dallas Sams (DFL-Staples) presented S.F. 654, which makes livestock and other agricultural commodity processing facilities eligible for the loans. Value-added agricultural loans help farmers buy stock in cooperatives proposing to

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operate an agricultural product processing facility. Currently, the loans are only available for facilities that produce products derived from crops.

Sen. Gary Laidig (IR-Stillwater) successfully offered an amendment that removed \$2 million in appropriations for the loan program and \$20,000 for technical support. The amended bill advanced to full committee.

Division members also advanced a bill, authored by Sen. Leonard Price (DFL-Woodbury), establishing special license plates to contribute to the critical habitat private sector matching account. The plates would have a wildlife design and be available for an extra fee to be donated to the account, Price explained.

The bill appropriates \$50,000 from the highway user tax distribution fund for up-front costs of producing the special plates. The division advanced S.F. 1242 to the full committee.

The division laid over a bill, S.F. 819, after significant discussion. The bill, carried by Sen. Jim Vickerman (DFL-Tracy), creates a "Passing on the Farm Center" as part of Southwest Technical College in Granite Falls. The program would provide a variety of supportive and educational services for farmers, including estate planning, farm transfer services, and possibly statewide apprenticeship programs.

## Agency repealer bill advanced

A bill reorganizing and abolishing the state's environmental agencies by July 1996 was approved by the Environment and Natural Resources Committee at a meeting held Fri., Mar. 24. The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), also advanced a list of other bills.

Sen. Lawrence Pogemiller (DFL-Mpls.) presented a bill, S.F. 785, which reorganizes all state programs and services relating to the protection of the environment and natural resources management. The current agencies, like the Pollution Control Agency (PCA) and Dept. of Natural Resources (DNR), have changed their missions from a focus on the client, or citizen, to a focus on institutions, Pogemiller said. The programs have been further fragmented by policy decisions of the Legislature and the system now acts as separate entities, he said. The result is a system of related activities that is not user-friendly to the residents of the state. "The bill is a step towards untangling the systems by centralizing and simplifying the top," he said.

The bill abolishes, by July 1, 1996, eight environment-related agencies, including the DNR, the PCA and the Board of Soil and Water Resources. The bill also eliminates environmental functions of five other agencies, such as the Health and Agriculture departments.

Under the bill, a task force is organized to make recommendations on the administration of the state's environmental protection and natural resources management powers and duties. The bill also calls for a proposed budget plan for FY 97 prepared by the commissioner of finance.

Some Senators expressed concern about moving too fast without taking into account the hundreds of employees or the fiscal implications. But Pogemiller and others said a year was a reasonable amount of time. He added that when working with the agencies, he tried to emphasize this was not a "slash and burn" measure, but a reorganization of the existing activities, albeit a major reorganization.

The committee advanced the amended bill to

the Governmental Operations and Veterans Committee.

The committee also advanced eight other bills. S.F. 680, offered by Sen. Pat Pariseau (IR-Farmington), authorizes the DNR commissioner to sell .8 acres of land in Scott County. Sen. Kenric Scheevel (IR-Preston) offered S.F. 786, a bill authorizing the sale of tax-forfeited land bordering the Root River in Fillmore County. S.F. 830, authored by Sen. Harold "Skip" Finn (DFL-Cass Lake), requires the DNR commissioner to convey certain land parcels to the city of Akeley in Hubbard County.

S.F. 605, carried by Sen. Jim Vickerman (DFL-Tracy), requires snowmobile operators and passengers under age 18 to wear helmets. Sen. Dennis Frederickson (IR-New Ulm) presented a bill, S.F. 941, relating to the confidentiality of mineral resources data. S.F. 710, authored by Frederickson, broadens the uses of emergency materials and equipment. S.F. 644, carried by Sen. Gene Merriam (DFL-Coon Rapids), authorizes the sale of land to the city of Anoka.

And S.F. 873, presented by Sens. Janet Johnson (DFL-North Branch), Dean Johnson (IR-Willmar), Douglas Johnson (DFL-Cook) and Terry Johnston (IR-Prior Lake), authorizes the public sale of tax-forfeited land Isanti County.

## MN River Commission debated

A bill establishing a Minnesota River Basin Commission received extensive discussion at a Mon., Mar. 27, meeting of the Environment and Natural Resources Finance Division.

Sen. Dennis Frederickson (IR-New Ulm) introduced S.F. 1082, which establishes a commission to oversee the clean-up of the large river basin encompassing some 37 counties across the middle portion of the state. A citizens' advisory committee that studied the historical sediment and run-off problems of the river recommended such a commission. Under the bill, the membership would be made up of representatives of several state environmental agencies, watershed districts, both legislative bodies, and 10 citizens who live in different areas of the river basin.

The purpose of the commission is to coordinate water quality improvement activities, review the use and results of monitoring and evaluation systems, conduct public meetings, conduct an ongoing information and education program, and provide an annual report and budget recommendation to the Board of Water and Soil Resources.

Basically, Frederickson explained, the commission would oversee the projects for improving the water quality of the Minnesota River and the state agencies would implement the programs. The bill was approved and advanced to the full committee.

In other business, the division laid over a bill authored by Sen. Steven Morse (DFL-Dakota), division chair, that would authorize grants to units of government and school districts for parks, recreation areas, and natural and scenic areas.

## Bill prohibiting gaming ads heard

A bill prohibiting advertising and promotion of the state's lottery was set aside by members of the Environment and Natural Resources Finance Division at a Tues., Mar. 28, meeting. The division, chaired by Sen. Steven Morse (DFL-Dakota), also heard two other bills during the day's meetings.

S.F. 304, presented by Sen. John Marty (DFL-Roseville), also restricts advertising of pari-mutuel

betting on horse racing. Marty said that although gambling is legal in the state, he does not believe the state should be using its money to promote it.

Sen. Gary Laidig (IR-Stillwater) and other members questioned the negative impact lack of advertising could have on the lottery. Lottery proceeds provide funding for a variety of state programs.

Sen. Dallas Sams (DFL-Staples) presented S.F. 116, a bill providing an annual allocation of funding for Soil and Water Conservation Districts. According to the bill, the state's share will equal county funds to the districts, and be between \$30,000 and \$100,000.

Under the bill, the state grants, provided through the Board of Soil and Water Resources, will be reduced by an amount equal to any reduction in a county's allocation to a soil and water conservation district.

The division laid the bill over for consideration with the appropriation bill.

The division considered another bill authored by Sams, S.F. 300, that provides funds for a non-residential environmental learning center in Fergus Falls. Sams explained that the city had received approval for the \$3 million appropriation from a bill approved in conference committee during the '94 session.

Sen. Charles Berg (DFL-Chokio) opposed the bill on the grounds that the division had not heard the project last year. Morse also questioned the bill, saying he wanted the division and policy committee to decide whether to commit additional state funds to a non-residential center. The bill was laid over.

In a related matter, the division heard a presentation from representatives of Project EarthSense, a \$25 million funding project for the expansion of the state's five residential environmental learning centers. Project officials asked division members to approve a request to release \$7.5 million in state matching funds earlier than proposed.

The division is expected to address the issue in future meetings.

## Various bills heard, advanced

A bill exempting premium-grade fuel from oxygenated gasoline standards received extensive discussion before the Environment and Natural Resources Committee rejected it. The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), heard 10 other bills during meetings held Tues., Mar. 28.

S.F. 984, carried by Sen. Randy Kelly (DFL-St. Paul), also increases the oxygen content of gasoline beginning Oct. 1, 1995. A federal requirement that all gasoline be oxygenated goes into effect in October 1997. Kelly explained the bill would allow premium grades to be excluded from the federal provision.

Several people testified both in favor and against the provisions. Proponents, including representatives of various recreational associations, believe the state should keep options for other fuels available. Opponents, including the Minnesota Corn Growers Association, listed the benefits of ethanol for the environment and Minnesota agricultural businesses.

The bill failed on a voice vote.

Sen. Douglas Johnson (DFL-Cook) presented S.F. 279, a bill relating to ownership and authority over the state's waters, specifically Voyageur's National Park. The bill, Johnson said, recognizes the basic principles of state sovereignty of its lands and waters. The issue has an extensive

history in the courts regarding the regulation of the lakes in the national park. After hearing testimony in opposition to the bill from a representative of the National Parks and Conservation Association, the committee advanced the bill to the floor.

Lessard presented S.F. 1111, a bill for amending the Constitution to affirm the rights of citizens to hunt and fish within state regulations.

After some discussion regarding an amendment, the committee advanced the bill to the Rules and Administration Committee.

S.F. 150, authored by Sen. Gene Merriam (DFL-Coon Rapids), was approved and advanced to the Finance Committee. The bill removes restrictions from bringing fish into the state from Canada.

The committee also discussed seven other bills at the Tuesday hearings. S.F. 868, authored by Sen. Charles Berg (DFL-Chokio), prohibits local governments from creating ordinances that are more strict than the MPCA regulations governing feedlots. After some debate, the bill was laid over.

S.F. 858, carried by Sen. Sam Solon (DFL-Duluth), allows a demonstration project in Duluth to prevent infiltration of sewage into the storm sewer system.

The bill advances to the Senate floor.

Lessard presented S.F. 1362, enacting provisions for forest management as recommended in the Forestry Generic Environmental Impact Statement. Sen. Steven Morse (DFL-Dakota) successfully offered an amendment that, in part, establishes a process for airing citizen concerns regarding forest management practices. The bill was re-referred to the Governmental Operations and Veterans Committee.

S.F. 930, authored by Sen. Roger Moe (DFL-Erskine), clarifies the ability and procedures for watershed districts and drainage authorities to take land for projects.

The bill advances to the floor.

Sen. Ted Mondale (DFL-St. Louis Park) presented S.F. 1314, a bill modifying provisions relating to voluntary investigation and cleanup programs. The bill was re-referred to the Judiciary Committee. S.F. 1242, authored by Price, establishing critical habitat license plates, advances to the floor. Finally, S.F. 273, carried by Price, provides for the classification of water supply system and wastewater treatment facilities, and certification of operators by the Dept. of Health and the Pollution Control Agency.

The bill was re-referred to the Governmental Operations and Veterans Committee.

## Ethics and Campaign Reform

### Residency requirement approved

At a Thurs., Mar. 23 meeting, the Ethics and Campaign Reform Committee, chaired by Sen. John Marty (DFL-Roseville) approved a measure that changes residency requirements for candidates. The bill contains a constitutional amendment to be voted on in the 1996 general election.

Sponsored by Sen. Ember Reichgott Junge, S.F. 933 requires that at the time of filing, candidates must live in the district from which they are seeking office. The current requirement is that candidates must be residents for just 30 days prior to the election.

The bill was re-referred to the Rules and Administration Committee.

## Family Services

### New department approved

In a move to "refocus the bureaucratic system on families and children and not on bureaucracy", Sen. Jane Ranum (DFL-Mpls.) gained approval for S.F. 1103 in the Family Services Committee. At the Tues., Mar. 28, meeting, Ranum explained that the bill brings together a variety of services that affect the well-being of children and places them in a newly created Dept. of Children, Families and Learning.

The department, which will replace the Dept. of Education, combines more than 50 programs from numerous agencies. Programs to be included range from STRIDE to jobs training to learning readiness. Ranum introduced an amendment that adds to the goals of the department and increases the programs to be included. Luann Nyberg of the Children's Defense Fund explained that combining the programs under one agency allows better collaboration on behalf of families. Sen. Phil Riveness countered that the scope of the programs is too broad. "It reduces the focus of the bill," he said, warning that the department may become a "hodge-podge" of programs. Many of the additional programs in the amendment were deleted and the amendment was then adopted.

Denny Demars of Head Start opposed the bill, stating that the present agencies are best organized to respond to economic security issues of the poor.

Sen. Linda Berglin (DFL-Mpls.) presented an amendment to delete the transfer of the AFDC, food stamp, Minnesota Family Investment Program, STRIDE and general assistance programs to the new department. She said that it was "prudent to move cautiously", evaluate the progress and return next year with additions. The amendment failed to gain approval.

The bill advances to the Jobs, Energy and Economic Development Committee.

## Gaming Regulation

### Bills laid over

The Gaming Regulation Committee, chaired by Sen. Charles Berg (DFL-Chokio) laid over two bills at its Tues., Mar. 28, meeting. Both measures were authored by Sen. Tom Neuville (IR-Northfield). S.F. 1011 abolishes all forms of class III gambling in the state, and S.F. 1012 dissolves the Minnesota Racing Commission, The Gambling Control Board, and the State Lottery Board, placing their duties under one umbrella authority.

The measure redefines public policy and eliminates all class III games by Jan. 1, 2000. The bill affects parimutuel horse racing, the state lottery, social betting, and class III gambling under the Indian Gaming Regulatory Act. The bill does not affect pull tabs or bingo games.

Some members objected to the discriminatory nature of the bill. Sen. John Marty (DFL-Roseville) said that to criminalize social betting is "heavy handed government intervention." Neuville explained that to withstand a court challenge, social betting must be banned. Sen. Ted Mondale (DFL-St. Louis Park) offered, then withdrew, an amendment to remove the provision before Senators laid over the bill.

Also laid over was S.F. 1012, the governor's reorganization effort. Dick Krueger, executive director of the Minnesota Racing Commission, opposed the measure along with George Anderson, director of the state lottery. Krueger

said that horse racing is a specialized endeavor, and would suffer under a comprehensive authority. Anderson also pointed to the divergence of interests saying, "consolidation would only exacerbate conflicts."

## Governmental Operations and Veterans

### New agency proposal advances

A bill to establish the Dept. of Children, Families and Learning took its first steps towards passage on Fri., Mar. 24, when the Governmental Operations and Veterans Committee amended and approved the proposal, re-referring it to the Family Services Committee.

S.F. 1103, sponsored by Sen. Jane Ranum (DFL-Mpls.), eliminates the Dept. of Education and combines the programs of that agency with state-operated initiatives serving children and families now housed in six other agencies. The committee, chaired by Sen. James Metzzen (DFL-South St. Paul), adopted two amendments before giving its approval to the bill. The first, offered by Sen. Deanna Wiener (DFL-Eagan), allows some consolidation of funds to occur once programs are transferred to the new agency. The other amendment, presented by Sen. Lawrence Pogemiller (DFL-Mpls.), clarifies an earlier amendment the committee had adopted concerning employee transfers and retraining.

In other business, the committee approved a bill requiring the Dept. of Human Services to be subject to the same prompt-payment requirements applied to other state agencies. S.F. 999, authored by Sen. Phil Riveness (DFL-Bloomington), specifies that the department's reimbursement for medical services is subject to prompt-payment provisions. The bill was sent to the Senate floor.

A proposal extending the length of a civil service pilot project was also approved and sent to the floor. S.F. 1247, sponsored by Metzzen, waives the statutory requirement on civil service classification for the Housing Finance Authority (HFA). The agency, Metzzen said, is redesigning the civil service classifications it now uses. He said state agencies are subject to a civil service process specified in law, and that the HFA requires a legislative exemption from those requirements in order to continue its project.

The committee also approved S.F. 874, creating a state government suggestion program. Sen. Kevin Chandler (DFL-White Bear Lake), the bill's author, said the program will give state employees and members of the public the opportunity to use a computer-based system to make suggestions as to how state services may be improved. The bill was re-referred to the Finance Committee.

Two other bills modifying the state's rule-making process were also approved and re-referred to the Finance Committee. S.F. 871 and S.F. 872, both sponsored by Sen. John Hottinger (DFL-Mankato), pertain to slightly different sections in state law that establish the rule-making processes. In addition to the technical changes contained in both measures, the bills also require state agencies to demonstrate the need for rules before they can be adopted and requires a cost-benefit study to be conducted on proposed rules when necessary.

### DHS guidelines bill advances

The Governmental Operations and Veterans Committee amended and approved a proposal,

# Committee update

Tues., Mar. 28, allowing the Dept. of Human Services (DHS) to issue guidelines explaining licensing rules or laws. The committee, chaired by Sen. James Metzen (DFL-South St. Paul), also approved several bills reinstating various advisory groups.

S.F. 900 gives DHS the authority to issue interpretive guidelines that will explain the state's rules or laws affecting foster care licensing. Sen. Pat Piper (DFL-Austin) said the bill exempts development of those guidelines from the rule-making process and specifies that the guidelines will not have the effect of law.

The members discussed the intent of the guidelines and how they would be developed. Sen. Lawrence Pogemiller (DFL-Mpls.) moved to require that the department specify, in state rules, the process they will use in developing the guidelines and the motion was adopted. Sen. Steven Morse (DFL-Dakota) made a motion to delete a provision in the bill that allows the guidelines to be retroactive to the date the laws they interpret became effective. His motion was also adopted. The bill was approved and re-referred to the Family Services Committee.

Three bills reinstating advisory groups that had been terminated last session were also approved and sent to the Senate floor. Piper presented H.F. 228, which reinstates three councils managed by the Board of Medical Practice - the Physical Therapy Council, the Physician's Assistant Advisory Council and the Respiratory Care Practitioner's Council.

S.F. 163, also authored by Piper, exempts the Crime Witness Advisory Council from expiration on July 1, 1995. The members approved an amendment offered by Sen. Phil Riveness (DFL-Bloomington) setting a July 1, 1997 expiration date on the council. Sen. Sheila Kiscaden (IR-Rochester) presented S.F. 992. The bill expands the size of the Plumbing Code Advisory Council from seven to nine members and reinstates the Dept. of Health's advisory councils on emergency medical services, maternal and child health, and state community health. The bill was amended to allow the Plumbing Code Council to operate until 1997 and a provision requiring the Dept. of Health to create a plumbing work group was deleted.

The members also approved S.F. 947 and sent it to the floor. The bill, sponsored by Sen. Jane Krentz (DFL-May Township), requires the State Arts Board to distribute a portion of their funds through the regional arts council system.

## MinnesotaCare update advances

The Governmental Operations and Veterans Committee approved the MinnesotaCare update bill at the Tues., Mar. 28, meeting.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), first reviewed the provisions in the bill relating to governmental operations. Those provisions include establishing the Health Data Institute board of directors. The Health Data Institute's purpose is to adopt data collection and dissemination policies that reflect the importance of patient privacy. The bill also authorizes emergency rules to facilitate the Depts. of Health and Commerce in defining health coverage that companies must offer by July 1, 1997, and provides that the development of standard exclusions for health coverage is exempted from rulemaking procedures.

The committee adopted an amendment offered by Sen. Roy Terwilliger (IR-Edina) that changes the bill's eligibility level for benefits

under MinnesotaCare from 125 to 150 percent of the federal poverty level. Terwilliger said that uncertainty about changes at the federal level makes this a bad time to expand eligibility for the program. He said that eliminating the \$187 million in additional costs that the eligibility expansion would cost is essential to heading off a veto by the governor. The committee approved the amendment.

The committee adopted another amendment, offered by Sen. Phil Riveness (DFL-Bloomington) requiring the commissioner of health to do a cost-benefit analysis before carrying out the data collection requirements in the bill. The committee approved the amendment. The committee re-referred the bill to the Health Care Committee.

The committee also heard S.F. 467, sponsored by Sen. Ted Mondale (DFL-St. Louis Park). The bill establishes the Metropolitan Radio Board and provides direction in establishing a single region-wide radio system for use by police, firefighters and emergency medical services in the Metropolitan Area.

The committee approved an amendment offered by Sen. Deanna Wiener (DFL-Eagan), that sunsets the board in July 1999. The Senators approved S.F. 467 as amended and re-referred it to the Jobs, Energy and Community Development Committee.

Last, the committee heard S.F. 410, authored by Sen. John Marty (DFL-Roseville), a bill that gives the Dept. of Administration the authority to negotiate price contracts for Minnesota purchasers for prescription drugs listed on the state drug formulary. The measure, in effect, makes all Minnesotans eligible to be part of a large purchasing pool, a move Marty said is aimed at providing for negotiating lower drug prices. The cost of administering the program, he said, would be about \$600,000, which would be charged to the final purchaser at a rate of about two cents per prescription.

Marty said that approximately 50 percent of Minnesotans are not part of a purchasing pool, and gave several examples of drugs that are priced so that they cost individuals up to 10 times the amount paid by people in large insurance pools.

The committee heard testimony on both sides of the bill. The Senior Federation is in favor of the bill. Representatives from the Dept. of Administration, Health, and Employee Relations testified against the bill, outlining numerous concerns about administrative problems it could create. Lynn Blewett of the Dept. of Health said that the bill could create a cost increase for Minnesotans who are covered under managed care plans.

Several members agreed that the dramatic price differential for drugs warrants action, but expressed concerns that the bill could create new problems. The committee voted to table the bill in order to give Marty time to work out some of the potential problems.

## Land-use permit bill heard

A bill setting a time limit for action on land-use permits was reviewed, Weds., Mar. 29, by the Governmental Operations and Veterans Committee.

S.F. 647 gives state agencies and metropolitan agencies, and local units of government 60 days to act on applications for land-use permits. Sen. Deanna Wiener (DFL-Eagan), the bill's author, said the permit is granted if no action is taken on the application within that 60-day period.

Permits to be approved by more than one level of government or applications subject to a specified review process are among the exceptions provided to the time limit. After hearing testimony on the bill, the proposal was set aside for further consideration.

The division, chaired by Sen. James Metzen (DFL-South St. Paul), also heard two other bills. S.F. 1246, authored by Sen. Phil Riveness (DFL-Bloomington), repeals more than 320 reports that state agencies are required by law to complete. S.F. 1389, sponsored by Sen. David Knutson (IR-Burnsville), repeals a number of obsolete state rules. Both measures were also set aside for later consideration.

## Health Care

### Bills advanced

Members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) approved several bills at the meeting Thurs., Mar. 23. S.F. 996, sponsored by Dallas Sams (DFL-Staples) gained approval. The bill establishes a home care provider licensure category relating to elderly housing with services. Providers in the category are required to register with the state and have written contracts with each resident. Sams said the bill allows the consumer to know what services are included and outlines costs and rules.

Sen. Harold "Skip" Finn (DFL-Cass Lake) expressed concern that the bill was too broad and would hinder the shared housing concept or elderly living with their children. He proposed an amendment, which was adopted, clarifying their exemption. The bill advances to the funding division.

Minnesota Comprehensive Health Insurance Association (MCHA) clarifications were made in S.F. 893. Authored by Sen. Leonard Price (DFL-Woodbury), the bill states that the MCHA does not pay for services otherwise covered by Medical Assistance and does not cover private duty nurse costs unless the charges are billed by a provider in the association's preferred provider network. The bill helps tackle the high costs of MCHA, Prices said, and permits a second payer. Sen. Pat Piper (DFL-Austin) offered an amendment, which was adopted, that strikes all provisions of the bill except the date for attaining universal coverage. The amendment was approved and the bill goes to the floor.

Sen. Ember Reichgott Junge (DFL-New Hope) carried S.F. 652. The bill allows a pilot project to close an intermediate care facility for persons with mental retardation (ICF/MR) and shift those persons into waived services in the community. Reichgott Junge said that the closure is included in the governor's budget recommendations. The bill goes to the funding division. Discussion of mental health pilot projects will continue at the evening meeting. Berglin sent several bills to the funding division without discussion. S.F. 328, S.F. 388, S.F. 356, relate to efficiency incentives, and S.F. 1166, relate to peer groups.

### VAA bill, others approved

In a continuation of the afternoon meeting, the Health Care Committee reconvened Thurs. evening, Mar. 23, and approved several bills. S.F. 512, relating to the Vulnerable Adult Act, was one such bill. Sponsored by Sen. Allan Spear (DFL-Mpls.), the bill makes significant changes in four areas: definitions, reporting and response, investigations and consequences. The changes

are "designed to improve the efficiency of the reporting and investigation process and assure the system is fair to all," Spear said. Mamie Segall, of the Attorney General's Office, explained that the bill establishes a more centralized and streamlined investigative process. The result should be easier to understand and more effective, she said.

Spear offered an amendment that replaces language requiring the Dept. of Health to make rules. The amendment requires the Dept. of Human Services to conduct background checks on providers. Spear said that he wanted to move away from mandating rulemaking. The amendment was adopted.

Chair Sen. Linda Berglin (DFL-Mpls.) also presented an amendment, which was adopted, to assure that the definition of reasonable medical practice would not be changed by the bill. The bill goes to the funding division.

Members also sent S.F. 783 to the division. Authored by Sen. Don Kramer (IR-Brooklyn Center), the bill authorizes pilot projects to test alternative methods for delivering mental health services. The bill allows funding to follow individuals through a coordinated delivery system of state, county and private programs. Kramer said that the bill will support community services as an alternative to institutionalization.

Discussion focused on an amendment offered by Sen. Don Samuelson (DFL-Brainerd) that appropriates funds remaining from salary supplements directly to state-operated services (SOCS). Samuelson expressed his frustration at the alternative allocation structure proposed by the department, particularly at the high administrative costs. The amendment was adopted.

A bill carried by Sen. Sheila Kiscaden (IR-Rochester) was also sent to the division. S.F. 921 requires the department to seek federal waivers to prohibit most admissions of high function "class A" persons to nursing homes. Class A persons have self-preservation skills but need some daily living assistance, Kiscaden explained. The bill establishes a service allowance for class A's, not to exceed \$225 per month. The department may also seek federal waivers to permit long-term care demonstration projects. With one of the nation's highest institutional rates for long term care, the bill is the most cost efficient solution, said Kiscaden. The service allowance permits flexibility to individuals in obtaining the services they need, she continued.

Laurie Hanson of Mid-Minnesota Legal Assistance testified that the bill does not provide community alternatives, will not save costs, and may actually harm people. Also, the monthly amount allowed is inadequate, Hanson said. Berglin offered an amendment that deletes the service allowance and permits class A's in elderly waived and alternative care services. This alternative is more appropriate, Berglin said, than the allowance which "creates more problems that it solves." The amendment was incorporated. Berglin also proposed the deletion of long term care demonstration projects. She said that the projects will have a significant impact and deserve additional discussion to evaluate completely. The section was deleted. The bill, as amended, goes to the division.

The committee also sent S.F. 1114 to the division. Sponsored by Samuelson, the bill relates to SOCS and RTCs. Revenue for non-appropriation based SOCS may be retained and dedicated to community based residential and day training and habilitation services, community health clinic services, or community-based

transitional support services for adults with serious and persistent mental illness. The bill also provides funding for persons who must be admitted to chemical dependency programs under the Civil Commitment Act. Any county that determines that a person is ineligible for CD fund services must finance this care. Berglin said that the bill allows the county to choose the most appropriate placement for an individual.

An amendment proposed by Sen. Dallas Sams (DFL-Staples), and adopted by the committee, downsizes the Faribault RTC, transfers the facility to the Dept. of Corrections, and requires that SOCS be established in the area.

S.F. 1136 was also approved. Making many technical changes to the department requested by federal mandates, the bill was carried by Sen. Don Betzold (DFL-Fridley). The pediatric vaccine program, which requires medical assistance to pay for the administration of the vaccine, is included in the bill. The reimbursement rate to providers was increased to \$12.00 per dose, after concern that providers were losing money in vaccinations of MA children. The bill advances to the Judiciary Committee.

### Division considers requests

Faced with requests totalling \$66 million, the Health Care and Family Services Funding Division convened Mon., Mar. 27, to review several bills.

The committee considered S.F. 1114, a bill that relates to SOCS and RTCs. Sponsored by chair Sen. Don Samuelson (DFL-Brainerd), the bill provides that revenue for non-appropriation based SOCS may be retained and dedicated to community based residential and day training and habilitation services, community health clinic services, or community-based transitional support services for adults with serious and persistent mental illness. The bill also provides funding for persons who must be admitted to chemical dependency programs under the Civil Commitment Act. Any county that determines that a person is ineligible for CD fund services must finance this care. In addition, the bill permits the downsizing of the Faribault Regional Center and develops developmental disability SOCS through the Cambridge Regional Human Services Center. The facilities include up to 40 four-bed state waived homes. The Cambridge restructuring plan totals \$839,000 over the governor's budget for FY 96.

The bill was laid over.

The division also reviewed S.F. 730. Carried by Sen. Sam Solon (DFL-Duluth), the bill ensures more complete drug therapy by providing pharmacist consultation for patients to review prescription problems. The bill extends comprehensive pharmaceutical care services to persons on Medical Assistance (MA) for up to one year, if they are currently enrolled in the project. "Instead of focusing on the product, we are focusing on the patient," said Solon. John Loch of Loch Pharmacy explained that the care service has helped find many wasteful and potentially dangerous drug treatments. The program, which lasts for 12 months, costs \$47,000. Consideration will continue.

S.F. 795, carried by Sen. Ellen Anderson (DFL-St. Paul), modifies the definition of a battered woman who is eligible for shelter services to include battery by a female. Language in the bill was reinstated to require that a woman meet the AFDC income requirements in order for the shelter to receive General Assistance payments on the woman's behalf. The require-

ment was revived in order to reduce the fiscal note by 50 percent. Discussion was also held on S.F. 667, expanding the definition of mental health professionals to include licensed marriage and family therapists as MA providers. Berglin, sponsor of the bill, said that family therapy takes a more holistic approach and is more effective and cost efficient. Consideration of both bills will continue.

### Several bills advance

Members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), considered and approved several bills at the meeting Tues., Mar. 28. One bill that was discussed was S.F. 702, sponsored by Sen. Shiela Kiscaden (IR-Rochester). The bill amends the Children's Mental Health Act by permitting service to persons 18 to 21 years old if the person was receiving services before turning 18. The bill also delays a provision that requires the state to pay for half of the non-federal cost of out-of-state placement for youths with severe emotional disturbance and who exhibit violent behavior. The sliding fee child care is changed to a calendar program, and recipients of the Minnesota Family Investment Program are eligible for the program.

Kiscaden offered several amendments to the bill, one of which allows counties to use adult mental health funds for adolescents. Counties will have increased options for transitional and violent adolescents, she said, noting that the provision allows greater local flexibility. The amendment was adopted. Another amendment, which was approved, changes the local match percentage that the counties must contribute to the basic sliding fee program. The match percentage is adjusted to reflect a statewide local match of five percent on any state and federal funding for the program above the initial state allocation. The bill was laid over for discussion.

Also discussed at the meeting was the development of long-term care demonstration projects. Sponsored by Berglin, S.F. 417 attempts to assure eligibility, access and innovation in long-term care. Berglin said that increasing costs are due to several trends, one of which is rate changes.

An amendment offered by Berglin, which was approved, offers a solution by decreasing property-related payments to nursing homes so that the funds will not be used in a way pushes up their rates. The amendment also caps inflationary increases by using the Consumer Price Index (CPI), which reduces nursing homes incentives to drive up their rate. Also, the amendment changes the payment rate in nursing homes by moving toward a capitated rate to eliminate administrative and other costs. The measure will reduce expenses of both the nursing homes and the state, Berglin said. Another amendment was adopted that provides a mechanism for short-term residents to leverage more Medicare funding as opposed to Medical Assistance monies. Members will continue discussion at a later meeting.

The committee forwarded several bills. S.F. 1258, authored by Berglin, was sent to the division. The bill reduces MA hospital and nursing home inflation rates to reflect the forecasted CPI. Berglin said that the bill brings hospital inflation rates in line with the rest of the economy. An amendment was adopted that retroactively adjust inflation rates. The provision, which applies to projections beginning in 1990, will recoup approximately \$1.5 million, she said. Loren Coleman, of Care Providers of MN,

# Committee update

opposed the modification. Coleman said that the CPI is "an unstable choice of indices" and will greatly reduce revenues.

S.F. 1440, carried by Berglin, was sent to the floor. The bill makes changes to the children's mental health collaboratives and specifies the conditions under which collaboratives can become prepaid medical assistance providers. S.F. 135 gained approval and was sent to the floor. The bill, sponsored by Tom Neuville (IR-Northfield) eliminates the requirement of a written declaration of intent to seek licensure for psychologists in Minnesota. Sen. Jim Vickerman (DFL-Tracy) carried S.F. 1336, a bill that allows a prescription to be honored in Minnesota when it is written by a doctor in a bordering state. The bill advances to the floor.

## PCA, TEFRA cuts debated

Members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) heard dramatic testimony at an evening meeting Tues., Mar. 28. Discussion focused on two controversial proposals affecting long-term care services such as the personal care attendant (PCA) program, MA home care, alternative care, and elderly, developmentally disabled (DD) waivers, as well as the TEFRA (Tax Equity and Fiscal Responsibility Act) program.

S.F. 1316, sponsored by Sen. Sheila Kiscaden (IR-Rochester) restructures the PCA program and adjusts the allowable hours of care a person may receive. The maximum number of hours of home care are reduced to 1.5 to 2.25 times the direct care hours of care provided in a nursing facility. The program requires that persons receiving services be able to identify their own needs and direct PCA care. In addition, the bill requires that PCAs be able to read, write, speak English, pass training requirements, and be over 18 years old.

Tom Moss, of the Long Term Care Services division of the Dept. of Human Services, said that the restructuring places many people into waived services and eliminates services for only a small portion of people who have low level needs. Helen Yates, assistant commissioner of the Dept. of Human Services, explained that expenditures for the PCA program have increased approximately 1100 percent since 1988. This year alone, Yates said, costs will increase by 26 percent.

Many witnesses testified to the detrimental effects the changes would have. Several other witnesses testified that the reduction in hours would require their children to be institutionalized; children are best off with their families and have been successfully developing, they said.

Several amendments were made to the bill. Berglin offered an amendment to reinstate some PCA services that Kildahl and others had advocated. An assessment by a public health nurse is the proper determination of need, Berglin explained, and excessive services will not be approved. Kiscaden countered that these services are the reason that the PCA cost has grown so greatly. The amendment was adopted. Berglin offered another amendment that was adopted which allows a recipient to choose to have PCA services provided through an agency or may use independent PCA services. It also deletes the requirement that PCA recipients must direct their care. In addition, a plan for school-based PCA services must be developed by the department, to be implemented in 1997.

Berglin also expressed concern about the

alternative care program provisions of the bill. Portions of the bill simplify the waived services processes in the alternative care program (AC), clarify administrative case management in the Traumatic Brain Injury program, and adjust funding mechanisms between group residential housing and the DD waiver. Sections relating to the AC and the elderly care waiver program were deleted so that they do not conflict with another upcoming bill.

Sen. Don Samuelson (DFL-Brainerd) opposed passage of the bill, stating that it is "bad public policy to make cuts" in an area where people need assistance. "Its a disgrace to makes cuts where people can't defend themselves," stated Sen. Jim Vickerman (DFL-Tracy). Kiscaden said that the reductions made by the bill are "prudent and responsible" changes. She encouraged members to consider the other portions of the bill which streamline waived services and to move the bill without approval. The bill was sent to the funding division without recommendation.

Testimony was also heard on S.F. 1535, sponsored by Sen. Edward Oliver (IR-Deephaven). The bill has received attention because it proposes the deletion of the TEFRA program. TEFRA allows disabled children from middle-income families to receive MA. Many parents testified that without TEFRA, they would be reduced to public assistance to meet the extraordinary costs of care for their children. Mary Butler explained that although many parents have private insurance, it does not cover many service and equipment needs of children.

## Division forwards bills

The Health Care and Family Service Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd), approved several requests for funding at the Weds., Mar. 29, meeting. The Vulnerable Adult Reporting Act, sponsored by Sen. Allan Spear (DFL-Mpls.) gained approval and was sent back to the Health Care Committee. The bill improves the efficiency of the reporting and investigation process for cases of alleged abuse through centralizing and streamlining administration, Spear said. The bill requires an estimated \$3 million for the biennium. Spear explained that the cost is due to increased staffing and more investigators, as well as costs related to conducting background studies for providers. Sen. Dan Stevens (IR-Mora) inquired about the necessity of retroactive checks. Spear said that he wants the background checks to prevent a tragedy from happening to a patient.

An amendment was offered by Samuelson that increases several providers' license fee by \$20 per bed to fund the bill. With requests totaling over \$89 million, Samuelson said that tough choices need to be made. The amendment was adopted.

A bill to discourage teen pregnancy, S.F. 337, was presented by Sen. Jane Krentz (DFL-May Township). The bill establishes a Minnesota ENABL (Education Now and Babies Later) program targeted to youth ages 12 to 14, with the goal of reducing the incidence of adolescent pregnancy in the state. The bill, which includes grants to community-based organizations and a statewide media campaign, costs \$2 million for FY 96-97. Several members expressed support for the goals of the bill, but remained concerned about the costs. Krentz explained that the bill is trying to offer an alternative to the messages teens get from various sources, including television and commercials that encourage sexual activity. This

carries a price tag, Krentz said.. Samuelson said that the state should not "get into the ad business," and said he hoped that private companies and organizations would take some moral responsibility for such a large portion of their consumers. The appropriation section was deleted with the intent of sending the bill to the Education Committee. The bill first goes to the Health Care Committee.

S.F. 761 gained approval and was returned to the full committee. The bill, sponsored by Sen. Linda Berglin (DFL-Mpls.) establishes a food stamp outreach program to better inform potential recipients of the existence and availability of food stamps. Rachel Fang of the Urban Coalition presented a report that noted that there are about 346,000 potentially eligible persons in the state who don't receive support. She also said that Minnesota has a participation rate of under 50 percent. The bill requires a minimum of \$200,000 for the biennium. Samuelson moved to reduce the appropriation to \$150,000, a motion that was adopted.

S.F. 28, authored by Samuelson, was discussed. The bill provides rate increases of 5 percent the first year of the biennium and 4 percent the second year for certain health care provider services. The bill requests \$12,400 for FY 96 and \$26,800 for FY 97.

## Long term care discussed

Members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) considered several bills at the meeting Weds., Mar. 29.

S.F. 1055 was adopted and sent to the floor. The bill, sponsored by Sen. Pat Piper (DFL-Austin), exempts certain social workers from obtaining a home care provider license and removes the licensure exemption for social workers employed in hospitals or nursing homes. Beginning 1996, an applicant must have received either a baccalaureate or masters degree in a social work program to be called a hospital social worker. Non-licensed workers are permitted to work in similar positions, but must be distinguished as "social service designees." A provision is made for persons currently working in hospitals but who are not licensed. They may continue to use the title "hospital social worker" as long as they are employed by that hospital. This "grandfather clause" provides a transition time for the employees, Piper said.

Sen. Harold "Skip" Finn (DFL-Cass Lake) expressed concern about the provision, stating that if the bill addresses a concern of public safety, then the requirements should apply equally to all current employees as well. Finn offered an amendment that allows current workers to provide services at other hospitals in the state. The amendment was adopted. The bill advances to the floor. The committee also approved S.F. 120. Sponsored by Sen. Martha Robertson (IR-Minnetonka), the bill adjusts Medicare rates for long-term hospitals. The bill goes to the floor.

Members also discussed two bills modifying long term care services. S.F. 1317, carried by Sen. Sheila Kiscaden (IR-Rochester), amends reimbursement policy for nursing facilities, intermediate care facilities for persons with mental retardation (ICF/MR) and day training and habilitation services (DT&H). The bill authorizes the development of reimbursement reform proposals that incrementally move nursing facilities, ICF/MR and DT&H vendors toward an outcome-based capitated payment

system, Kiscaden explained. Specific outcomes are tied to reimbursement, which will improve cost effectiveness, she continued. An amendment to the bill was adopted that authorizes up to five crisis intervention projects for DD persons.

Berglin offered a bill, S.F. 417, that develops long-term care demonstration projects. The bill decreases property-related payments to nursing homes so that the funds will not be used in a way that increases their rates. The bill also attempts to move toward a capitated rate to eliminate administrative and other costs. Witnesses testified against the bill, stating that the reimbursement changes will adversely affect facilities and not leave them with funds or tools to manage the reductions. In addition, Helen Johnston of the Board on Aging testified that the bill weakens the equal rates law for nursing homes. She said that cost shifting will occur, hurting private citizens.

## Jobs, Energy and Community Development

### Five bills advance

Members of the Jobs, Energy and Community Development Committee, chaired by Steven Novak (DFL-New Brighton) approved five bills for passage Thurs. Mar. 23. All bills moved on to the finance division of the full committee.

S.F. 875, authored by Sen. Dennis Frederickson (IR-New Ulm), increases the cap on principal amount of bonds issued by the Public Facilities Authority (PFA). Terry Coleman, of PFA, told members that summer floods forced the agency to halt construction in 1993. As a result, the organization plans to complete 2 1/2 years of construction in the upcoming biennium. Increased bonding authority will allow the agency to raise the funds needed to complete the work.

Sen. Randy Kelly (DFL-St. Paul), introduced S.F. 334, a housing bill that attempts to revitalize declining neighborhoods in the state. Kelly explained that the bill provides contract for deed assistance to homeowners, control of new low-income rental housing, subsidized housing, and a rental tax equity program. He told members that the initiatives will help stop declining property values, the deterioration of property, and the increasing transient population. Norm Coleman, mayor of St. Paul, testified with Kelly in support of S.F. 334. Coleman said, "the bill recognizes the role of the state to encourage home ownership." He told members that affording people quality housing will improve the condition of the city, and ultimately the state.

Sen. Ellen Anderson (DFL-St. Paul), authored S.F. 818, a bill requesting a small funding increase for Minnesota Project Innovation. Anderson described the organization as a quasi-state agency responsible for providing grants to Minnesota businesses. She told members that the program has already created \$70 million in revenue for the state. Joan Knipe and James Daughton, business owners aided by the project, testified in support of the bill.

S.F. 824, presented by Sen. Janet Johnson (DFL-North Branch), allows the Department of Trade and Economic Development (DTED), to provide grants to microenterprise programs. The funding can be used by the programs for technical assistance or loan capital, and would be matched one of one by non-state money. Mary Matthews, a representative for DTED, briefed members on a 1994 study which confirms the need for a

microenterprise support program.

Sen. Carl Kroening (DFL-Mpls.), introduced S.F. 1167, a bill that combines the summer youth employment program with a pilot program for basic skills remedial learning. Kroening told the committee the bill meets the needs of youth seeking employment and those in need of basic reading skills. He described the program as a self-esteem building enterprise that allows at-risk youth to interact and learn from one another.

### Bills and budget reviews heard

The Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-Mpls.), heard four bills and five budget overviews on Mon., Mar. 27. No action was taken on the bills.

S.F. 768, authored by Sen. Steven Novak (DFL-New Brighton), appropriates \$1.6 million for the biennium to the foodshelf program. Novak told members that approximately \$600,000 has been cut from the program over the last two years. This year budget cuts will bring funding down to \$600,000 for biennium. Genine Laird, director of the Minnesota Foodshelf Association, briefed members on the need for additional funding.

S.F. 268, introduced by Sen. Pat Piper (DFL-Austin), doubles the funding for Minnesota's Youth Intervention Programs. Piper described the need to increase funding to \$2.2 million for the biennium in order to institute, expand and maintain programs.

S.F. 383, authored by Sen. Ember Reichgott Junge (DFL-New Hope), funds the creation of a one-stop electronic business licensing system. Reichgott Junge explained that the computer licensing system would make the business licensing process more accessible and cost effective. Peter Gillette, commissioner of the Dept. of Trade and Economic Development informed members that the overall cost of the project would be about \$1.3 million.

S.F. 1081 introduced by Sen. Dennis Frederickson (IR-New Ulm), appropriates \$4 million for the biennium to the Displaced Homemaker Program. Director, Yvette Olendorf, told members that the program helped 18,000 displaced homemakers achieve economic self-sufficiency in 1994. Additional funding would allow the program to extend its services to Greater Minnesota.

The committee also heard budget overviews from the Council on Black Minnesotans, the Asian-Pacific Council, the Architecture and Engineering Board, the Accountancy Board, and the Uniform Laws Commission.

### 911 bill advances

At a Tues., Mar. 28, meeting the Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), recommended S.F. 734 for passage. The bill, authored by Sen. Kevin Chandler (DFL-White Bear Lake), requires all private-switch systems in areas with enhanced 911 service to have calling station identification capabilities by Dec. 31, 1996.

Chandler told members that S.F. 734 was created to cut down on delayed responses to 911 calls. He explained that 911 operators are often unable to pinpoint the location of the caller when they receive calls from remote areas or buildings with multiple phone lines. S.F. 734 responds to this problem by requiring all systems with automatic number identification to invest in

a device that also confirms the location of the calling station, he said. According to Chandler, the service would prove extremely useful when responding to calls placed in hotels, dorms or other establishments where a single number does not provide operators with adequate information.

S.F. 734 was opposed by William Flynn of the Minnesota Business Utilities Users Council. Flynn stated that the bill forces operators of private-switch systems to purchase additional equipment in order provide calling station identification. Much of the equipment is only available from one vendor and may be expensive. The bill was also opposed by Al Qualm, a representative for Honeywell. Qualm expressed concern for businesses that already have internal security phone service in place. However, Jim Beutelspacher, of the Department of Administration, Diana Collins of the Association of Public Safety Communications, and Muriel Haglund, past president of the National Emergency Number Assn., testified in support of the need for the service. The bill was approved and advanced to the floor.

The committee also approved S.F. 931, a bill that requires the Department of Economic Security (DES) to complete audits of the past four years' activities. Sen. Steven Morse (DFL-Dakota), introduced S.F. 931, a bill that provides incentives to DES to complete audits of the past four years' activities. Morse stated that the agency's inability to complete audits deprives programs under contract with DES of necessary funds. Members heard testimony from a number of groups under the agency's jurisdiction. Bill Harris, of the Winona Occupational Rehabilitation Center, and John Trepp, of Tasks Unlimited, told the committee that the delayed audits have limited the services their programs can provide. S.F. 931 appropriates \$325,000 a year from the dislocated worker fund to pay the administrative costs of programs hurt by DES. It also taps the general fund to repay groups that did not receive funding over the last four years. The bill was referred to the funding division.

### Livable communities bill advances

After nearly two hours of discussion, members of the Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), approved S.F. 1019. The bill, authored by Sen. Ted Mondale (DFL-St. Louis Park), attempts to work with metro communities to provide a range of affordable housing opportunities. The panel also approved S.F. 1152, introduced by Sen. Ellen Anderson (DFL-St. Paul). The bill requires employers of the food service industry to provide written disclosure to employees concerning wages, benefits, housing costs and workers comp coverage.

S.F. 1019 provides incentives to Minnesota communities to increase the supply of affordable housing. The bill establishes a metropolitan communities advisory board which negotiates with each municipality in the Metro Area to establish affordable housing goals. The board also provides each community with a portion of tax revenues taken from property taxes on high-value homes in the area. If the community achieves its housing goals it can spend the money on other initiatives. If the community does not complete its goals, the money goes directly to a regional housing pool. The bill also taps \$7.5 million from the Metropolitan Mosquito Control Commission, an organization that controls

# Committee update

mosquitos and fights mosquito-borne disease. Mondale told members that in 1993, the agency's budget exceeded \$10 million. He suggested that the funds could be used more effectively if diverted toward affordable housing initiatives.

St. Paul Mayor, Norm Coleman testified with Mondale in support of S.F. 1019. Coleman stated that the bill realistically addresses the concentration of poverty in the state. He told members he supported the creation of a fund to create affordable housing, and was impressed by the lack of penalties imposed on communities. "This is a very positive bill," Coleman stated, "that pulls people together in a non-partisan way." S.F. 1019 moves on to the committee on Taxes and Tax Laws.

Sen. Ellen Anderson urged members to approve S.F. 1152, a bill requiring food service employers to provide disclosure to recruited employees. Anderson stated that false information often affects food service employees who relocate to Minnesota under the assumption that housing costs will be partially covered by the employer. S.F. 1152 requires all food service employers to provide employees with comprehensive written information concerning benefits and expectations. The bill moves on to the Judiciary Committee.

## Judiciary

### Property notification bill okayed

A bill requiring government officials to notify property owners when seeking access to the property was approved and sent to the Senate floor by members of the Judiciary Committee. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), held afternoon and evening hearings Mon., Mar. 27.

S.F. 699, authored by Sen. Roger Moe (DFL-Erskine), establishes procedures governing entry of private property by government officials. According to Moe, the bill is an attempt to promote common courtesy on the part of government officials toward the citizens with whom they come in contact. A number of amendments were adopted to clarify the provisions of the measure and to insure that official business is not hampered by the new law. Sen. David Knutson (IR-Burnsville) offered an amendment specifying that violation of the provisions is a petty misdemeanor. No penalty was specified in the bill, in which case a misdemeanor penalty applies. The amendment was adopted and the bill was advanced to the full Senate.

Members also approved a bill aimed at discouraging frivolous law suits filed by inmates of the state's correctional facilities. S.F. 1088, authored by Sen. Jane Krentz (DFL-May Township), limits the ability of prisoners to file suits in forma pauperis by setting forth conditions that must be met before the prisoner can proceed with the suit. In addition, the bill allows the court to dismiss an inmate's law suit because of false allegations of poverty or if the suit is frivolous or malicious. The bill also provides for the payment of fees and costs by inmates and allows parties to defend actions brought by inmates without paying costs. The measure was approved and re-referred to the Crime Prevention Committee.

In other action, the panel advanced three additional bills to the full Senate. S.F. 364, authored by Sen. Ellen Anderson (DFL-St.

Paul), establishes an obligation by employees of the Dept. of Economic Security to communicate threats against a specific person made by vocational rehabilitation clients to the persons or to a law enforcement agency. S.F. 1042, authored by Sen. Ember Reichgott Junge (DFL-New Hope), makes a number of changes in the laws dealing with limited liability partnerships and limited liability companies. The measure modifies name requirements, eliminates a filing requirement and clarifies when debts arise and accrue for limited liability partnerships. S.F. 1220, also sponsored by Reichgott Junge, makes changes to the living will form to include provisions for organ donations.

S.F. 711, authored by Anderson, provides a privilege for public safety peer counseling debriefing about a critical incident that makes any information or opinion stated at the debriefing confidential. Members laid the bill aside because of concerns that amendments and provisions of the bill fall within the scope of the Data Privacy Subcommittee.

Two bills authored by Sen. Steve Dille (IR-Dassel) failed to gain the committee's approval. S.F. 844 increases the marriage license fee but allows the fee to be waived if the couple agrees to participate in pre-engagement or premarital counseling. The bill also authorizes the court to order counseling in contested divorce proceedings if one party requests the counseling. S.F. 170 provides that maintenance of abandoned or neglected cemeteries by nonprofit organizations does not create an employment relationship or liability for local governments.

### Additional judges okayed

A bill increasing the number of trial court judgeships was approved at a Tues., Mar. 28, evening hearing of the Judiciary Committee. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), approved the bill, S.F. 1153, and re-referred the measure to the Finance Committee. The bill, authored by Sen. Allan Spear (DFL-Mpls.), adds one judge in the first, seventh and ninth district and adds two judges in the tenth district. In addition, the bill provides funding for judgeships authorized last year but vetoed by the governor. Members also approved an amendment providing for the conversion of court referee positions to judgeships as referees retire or resign.

Members also approved a bill streamlining the administrative process for dealing with child support enforcement. S.F. 990, authored by Sen. Don Betzold, also adds provisions relating to recognition of parentage. Debate on the bill centered on an amendment, offered by Betzold, requiring all counties to participate in the administrative process. Sen. Harold "Skip" Finn (DFL-Cass Lake) objected to the amendment on the grounds that the amendment undid the work of the Judiciary Subcommittee on Family Law which had deleted the requirement. Witnesses from several counties, however, testified to the effectiveness and efficiency of the administrative hearing process. The amendment was adopted. Another amendment, offered by Betzold, provides for a six-month window in which persons who signed a declaration of paternity as minors may vacate the action after reaching the age of 18. The amendment also was adopted and the bill was approved and re-referred to the Family Services Committee.

A bill making changes to the laws relating to

domestic abuse also was approved by the committee. S.F. 1052, authored by Sen. Ember Reichgott Junge (DFL-New Hope), includes persons who have a significant romantic or sexual relationship in the definition of family or household member. In addition, the bill allows minors age 15 or older to petition for an order of protection on their own behalf, provides for extensions of orders for protection and extends the time period for domestic abuse arrest from within four hours of the incident to within 12 hours of the incident. The measure was re-referred to the Crime Prevention Committee.

S.F. 733, authored by Sen. Sheila Kiscaden (IR-Rochester), also gained committee endorsement. The measure creates a rebuttable presumption of refusal or neglect of parental duties in termination of parental rights cases if the parent has substantially, continuously or repeatedly failed to make progress toward the requirements of a case plan developed by a social service agency and failed to cooperate with court orders. The bill was approved and sent to the Senate floor.

Members also recommended two bills for placement on the Consent Calendar. S.F. 1118, carried by Sen. Don Betzold (DFL-Fridley), is a revisor's bill that corrects erroneous ambiguous and omitted text in the statutes. S.F. 349, sponsored by Sen. Arlene Lesewski (IR-Marshall), requires Dept. of Economic Security written materials to be understandable to a person of average intelligence and education.

S.F. 1101, carried by Sen. Joe Bertram, Sr. (DFL-Paynesville), was re-referred to the Finance Committee without recommendation. The measure, which pertains to the Equal Access to Justice Act, increases the number of employees and raises the limit on annual revenues in the definition of "party" involved in actions with the state.

Members also took action on two final bills. H.F. 496, authored by Sen. Pat Piper (DFL-Austin), provides for the disclosure of past buyout arrangements by superintendents of schools and provides access to the terms of the agreements. The measure was approved and re-referred to the Education Committee. The omnibus banking bill, S.F. 1134, authored by Sen. Sam Solon (DFL-Duluth), was amended to remove provisions dealing with data privacy and pawn shops and advanced to the floor.

### Abuse reporting bill advances

In an effort to clear their agenda before the first deadline, members of the Judiciary Committee met in the afternoon and evening Weds., Mar. 29. The afternoon hearing was dominated by discussion of a bill, S.F. 342, modifying the liability provisions for child abuse reporting and providing for the establishment of protocols for investigations. Sen. Allan Spear (DFL-Mpls.), chief author of the bill, said that the measure was carefully crafted in order to protect the rights of persons wrongfully accused of child abuse and, at the same time, allow agencies to successfully protect children. The bill requires determinations under the Child Abuse Reporting Act to be based on a preponderance of the evidence and provides for access to data regarding determinations of maltreatment. Much of the debate on the bill centered on a section of the bill authorizing the court to award costs and attorney fees to a person who prevails in a civil action arising out of a bad faith assessment or determination of child

abuse. Representatives from the counties said that the provision would have a chilling effect on reporting child abuse. Spear countered that the bill still provides immunity from liability for good faith reports. An amendment, offered by Sen. Sheila Kiscaden, to delete the provision was adopted. The measure was approved and sent to the full Senate.

Members, chaired by Sen. Carol Flynn (DFL-Mpls.), also approved a bill containing the data practices provisions from the MinnesotaCare bill moving through the process. S.F. 959, authored by Sen. Linda Berglin (DFL-Mpls.), contains a number of provisions dealing with the Health Data Institute and the treatment of data held by the Institute. The measure was re-referred to the Health Care Committee.

Five additional bills were advanced during the evening portion of the hearing. S.F. 1314, authored by Sen. Ted Mondale (DFL-St. Louis Park), modifies provisions relating to the voluntary investigation and cleanup of hazardous waste program and establishes the environmental improvement pilot program. The bill was advanced to the Senate floor. S.F. 317, authored by Sen. Don Betzold (DFL-Fridley), permits cities to close unlawful businesses if the city determines that the business is in violation of a city zoning or licensing ordinance at the time the business was established. The measure was sent to the Senate floor. S.F. 678, sponsored by Sen. David Knutson (IR-Burnsville), makes several changes to provisions governing welfare fraud investigations. The measure was advanced to the Family Services Committee.

S.F. 1136, also authored by Betzold, makes a number of housekeeping changes to conform with federal law in several areas. The measure requires the commissioner of human service to provide commitment information to local law enforcement agencies on an individual request basis by means of electronic data transfer from the Dept. of Human Services through the Minnesota crime information system for the sole purpose of facilitating a firearms background check. The bill also adds references to genetic tests to provisions dealing with paternity, makes changes to the medical support statute and makes changes to the income withholding statute. The measure was advanced to the floor. S.F. 1279, authored by Sen. Harold "Skip" Finn (DFL-Cass Lake), is this year's omnibus data privacy bill. The measure includes a number of bills heard in the Joint Crime Prevention and Judiciary Subcommittee on Privacy and several more technical provisions. The bill was advanced to the full Senate.

## Metropolitan and Local Government

### Opt out bill advances

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy) quickly passed two bills, while deliberating over a third, at its meeting Thurs., Mar. 23. After listening to extensive testimony, members finally approved S.F. 980, a bill relating to local public transit operations, and re-referred it to the Transportation and Public Transit Committee.

Authored by Sen. Terry Johnston (IR-Prior Lake) the bill allows cities or towns receiving assistance under the replacement service transit program, known as opt-outs, to use funds for both capital expenditures and operating costs, to carry forward unused monies for the next year's transit

needs, and requires the Metropolitan Council to allocate up to 90 percent of property taxes levied for transit to the local replacement programs.

Jim Solem of the Met Council testified against the bill. "The choice is between a regional system which functions with a wide perspective, or to break it up into little chunks," Solem said. "The regional approach is the only sensible way."

Sandra Masin, an Eagan city council member spoke in favor of the bill. "Before we opted out we didn't have any local service," Masin testified. Pointing to the efficiency and cost effectiveness of the Minnesota Valley Transit Authority, she argued against relinquishing local control.

An amendment restricting expansion of opt-outs was adopted by the committee. "Expanding opt-outs just creates more uncertainty for the entire region," said Sen. Keith Langseth (DFL-Glyndon), who offered the amendment.

S.F. 1209, authored by Sen. Don Betzold (DFL-Fridley), affects procedures used by the Hennepin County medical examiner. Besides clarifying when a death must be reported, the bill allows the examiner to release the personal property of the deceased to the spouse, blood relative or personal representative, as well as releasing any firearms of the deceased to the appropriate law authorities. Additionally, the bill gives the medical examiner access to chemical dependency treatment records, and in deaths involving infants, the medical records of the decedent's mother.

The bill now proceeds to the full Senate.

S.F. 1112, a bill that conveys ditches from Sherburne County to the city of Elk River, was approved and re-referred to the Environment and Natural Resources Committee. The bill's author, Sen. Mark Ourada (IR-Buffalo), said that by eliminating duplication of services, both the city and county will realize cost savings.

### Bus bill advances

Several bills were approved by the Metropolitan and Local Government Committee at its meeting Mon., Mar. 27. Chaired by Sen. Jim Vickerman (DFL-Tracy), the committee unanimously approved S.F. 1275, a bill that appropriates money for increased security on city buses, and re-referred it to the Transportation and Public Transit Committee.

Tom Sather, general manager of the Metropolitan Council Transit Operations (MCTO) testified in support of the bill. "Life on the bus unfortunately reflects life on the street," Sather said, "and crimes against customers and drivers have increased." Last year 51 drivers were assaulted, an increase of nine percent, Sather testified.

The bill's author, Sen. Ellen Anderson (DFL-St. Paul), said that the measure provides for installation of surveillance cameras and plexiglass partitions. These steps have proven effective in reducing the number of confrontations, as well as providing a means of identifying offenders.

Members also approved S.F. 1300, a bill that exempts St. Paul Airport from city and school district taxes. "We want to encourage businesses to use the St. Paul Airport," said Sen. Sandra Pappas (DFL-St. Paul), the measure's author. She added that use of the intermediate airport by private enterprises would relieve congestion at Minneapolis-St. Paul International, while promoting St. Paul's economic development. The bill was re-referred to the Taxes and Tax Laws Committee.

Four other measures were approved and sent to the full Senate. S.F. 1200, carried by Sen. Gene

Merriam (DFL-Coon Rapids) requires that candidates for the office of county sheriff be licensed peace officers at the time of filing. In the event the person is appointed to the office, the person must be licensed before assuming the office. Merriam said that these requirements provide consistency and statewide standards.

H.F. 866, sponsored by Sen. Steve Murphy (DFL-Red Wing), authorizes cities to make grants from their general funds to nonprofit community food shelves. An amendment to expand the provision to all other nonprofits was defeated.

H.F. 823 permits Hennepin County to lease hospital or nursing home facilities by issuing gross revenue bonds. The bill's author, Sen. Ted Mondale (DFL-St. Louis Park) said that Hennepin County is the only county that does not have this authority.

A bill that allows the Minneapolis City Council to delegate erection and regulation of traffic control devices to the city engineer, S.F. 1144, provides for safer, more timely service to the public, said author Flynn. The measure's effect would be to eliminate a two month time lag that exists in current practice.

### Consolidation study bill okayed

A bill requiring a study of the feasibility of consolidating counties was advanced at the Weds., Mar. 29, meeting of the Metropolitan and Local Government Committee. The bill, S.F. 209, authored by Sen. Sandra Pappas (DFL-St. Paul), directs the Board of Government Innovation and Cooperation to perform the study. In addition, the bill specifies that the study is to consider conforming county boundaries to other existing physical and organizational boundaries and to consider the economic implication that may result from consolidation.

Committee members, chaired by Sen. Jim Vickerman (DFL-Tracy), approved the measure and advanced the measure to the Finance Committee.

In other action, the panel rejected a proposal requiring the Metropolitan Council to implement affordable housing policies. According to Sen. Steven Novak (DFL-New Brighton), S.F. 1109 is designed to codify the Met Council's regional housing guidelines. Novak said that the lack of a codified plan has led to suburban areas placing barriers in the way of affordable housing. However, Jim Solem of the Met Council said that the council is already undertaking the tasks outlined in the bill. A motion to recommend passage of the bill and re-refer it to another committee failed on a divided voice vote. A second motion to simply re-refer the measure also failed.

Two bills were approved by the committee. S.F. 1421, authored by Vickerman, protects shooting ranges that have been in existence for five years from local government zoning. The bill was sent to the Governmental Operations and Veterans Committee. S.F. 1472, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), allows an outlet fee to be charged for use of an established drainage system in Red Lake County for drainage originating in Polk County. The measure was sent to the Senate floor.

## Taxes and Tax Laws

### Variety of bills heard

Members of the Taxes and Tax Laws Subcommittee on Income and Sales Taxes met

Thurs., Mar. 23, to consider a number of bills making changes in Minnesota's sales and income tax statutes. The panel, chaired by Sen. Leonard Price (DFL-Woodbury), discussed the bills but took no formal action on the measures.

S.F. 97, carried by Sen. Don Betzold (DFL-Fridley), specifies that the first \$5,000 of compensation for personal services in the active duty armed forces of the United States or the United Nations wholly performed outside the state of Minnesota is exempt from taxation. S.F. 326, sponsored by Sen. John Hottinger (DFL-Mankato), changes the dependent care credit.

S.F. 560, carried by Sen. Charles Berg (DFL-Chokio), provides for the determination of the amount of tax refunds to be paid to Indian tribal governments. S.F. 721, authored by Sen. William Belanger (IR-Bloomington), exempts cargo vans from the rental motor vehicle tax. S.F. 954, authored by Solon, exempts sales of construction materials and supplies for the Duluth convention center.

## TIF bills heard

The Taxes and Tax Laws Subcommittee on Property Tax devoted the entire Tues., Mar. 28, meeting to discussing bills dealing with tax increment financing. Members, chaired by Sen. John Hottinger (DFL-Mankato), also discussed a bill modifying the residential homestead class rate. S.F. 780, authored by Sen. Edward Oliver (IR-Minnetonka), gradually increases the class rate for the first \$72,000 of market value of residential homestead property from the current 1 percent to 1.5 percent for taxes payable in the year 2000. The bill also reduces the class rate for the portion of residential homestead market value over \$72,000 from the current 2 percent to 1.5 percent for taxes payable in the year 2000. According to Oliver, the bill shifts the property tax burden but the shift depends on the mix of residential homestead market value over and under \$72,000 in any given area. Oliver said the bill simplifies the property tax system and eliminates the disparity between higher value and lower value owner occupied homes.

S.F. 1323, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), authorizes the city of North St. Paul to extend the duration of a tax increment financing district until Dec. 31, 2010. S.F. 1325, carried by Sen. Ember Reichgott Junge (DFL-New Hope), authorizes pilot projects for the creation of housing replacement tax increment financing projects in the cities of Crystal and Fridley. S.F. 909, sponsored by Sen. Jim Vickerman (DFL-Tracy), requires county approval for use of the county tax rate in tax increment financing and increases the county appropriation authority for economic development activities.

S.F. 284, authored by Sen. Gen Olson (IR-Minnetrissa), restricts the use of tax increment financing and requires additional disclosure. The measure limits the use of economic development tax increment districts to discouraging companies from moving to another state but not to discouraging the companies from moving to another municipality and limits eligibility for soils condition districts to cases of hazardous substances, pollution or contamination. In addition, the measure restricts the "but-for" test of eligibility to cases where the projected market value growth of the district without the proposed development would be less than the increase from the proposed development after subtracting the present value of projected tax increments and adds a public benefit test.

Members also discussed a bill establishing a property tax aid for local governments for property exempted because it has been placed in trust status for an individual Indian or Indian tribe. S.F. 369, authored by Sen. Dan Stevens (IR-Mora), specifies that the aid is to be equal to the original net tax capacity for the qualifying property times the current local tax rate.

The subcommittee took no formal action on the bills other than to adopt authors' amendments. The panel is considering numerous measures for inclusion in the omnibus tax bill later this session.

## Transportation and Public Transit

### St. Croix toll bridge debated

A bill allowing the Minnesota Department of Transportation (MnDOT) to construct a bridge across the St. Croix River south of Stillwater only as a toll facility was tabled after substantial discussion by members of the Transportation and Public Transit Finance Division, Fri., Mar. 24.

Author of the bill, S.F. 727, Sen. Leonard Price (DFL-Woodbury) said since many of the people using the proposed bridge would be from Wisconsin, a toll would serve as a user-fee of sorts. He said he is interested in having a bridge linking Highway 36 east to Wisconsin even though the area is not his district. The bill provides opportunities to talk about different ways of financing the multi-million dollar project.

Stillwater Mayor Jay Kimble and an area resident testified against the bill saying it is just another measure to try to stop the often-controversial bridge project. The 15,000 Stillwater area residents have been waiting for the bridge for decades, Kimble said. "I believe this bill will kill the bridge."

Kimble said he doubted any private firm would come forward to finance the project up-front or that the daily trips across the bridge would support the costs, estimated at around \$54 million. Kimble pointed out that if the project is done by MnDOT, it would qualify for up to 90 percent of federal and Wisconsin funds. Minnesota's portion would be close to \$21 million, including the construction of the Highway 36 approach.

Sen. Keith Langseth, chair of the division, said he had pursued the legislation allowing toll facilities to be used by communities that don't expect their projects to get on MnDOT's priority list. Passing this bill would be too much micro-management, he said. "I think without the Legislature doing anything to stop it, I think this project is on line," he said.

The division voted to table the bill on Sen. Terry Johnston's (IR-Prior Lake) motion.

The division also discussed and advanced to full committee a bill dealing with a variety of transit issues. S.F. 837, authored by Sen. Sandra Pappas (DFL-St. Paul), initiates a study of Metro Area transit services by the Metropolitan Council to recommend improvements. The bill also establishes an employer payroll tax to help fund Metro Area transit, but that section was taken out for further discussion by the division.

### "Pay it or park it" approved

A bill that requires suspension of driving privileges for parents who do not pay child support cleared the Transportation and Public Transit Committee Weds., Mar. 29.

S.F. 1017 requires the commissioner of public

safety to suspend the driver's license of parents who are at least \$3,000 in arrears in child support or maintenance agreement and who are not in compliance with a written payment agreement.

The bill's sponsor, Sen. Richard Cohen (DFL-St. Paul), said the bill gives the person 90 days to pay the support before the provisions of the bill take affect.

Attorney General Skip Humphrey testified that \$550 million in child support is owed in Minnesota. Of that amount, \$371 million is owed to the state, Humphrey said, making child support the largest single debt owed to the state. Humphrey cited a similar program in Maine, which has resulted in collections of \$23 million in one year, with administrative costs of only \$100,000. Humphrey said that only 41 people have actually lost their licenses under Maine's program. "What we're talking about is a very simple principle. Pay it," Humphrey said. S.F. 1017 was re-referred to the Health Care and Family Services Finance Division.

The committee also approved S.F. 11, sponsored by Sen. James Metzen (DFL-South St. Paul), exempting motor vehicles with a model year of not more than four years earlier than the registration year (essentially five calendar years), from the motor vehicle emissions inspection program.

The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), adopted an amendment offered by Sen. Terry Johnston (IR-Prior Lake), allowing issuance of a temporary registration to vehicle owners whose vehicle registrations have expired or will shortly expire. The 24-hour registration allows the owner to drive to an inspection station to have the vehicle inspected. S.F. 11 now goes to the full Senate.

S.F. 418, sponsored by Sen. Randy Kelly (DFL-St. Paul), provides for juvenile courts to deny driving privileges to children who have been adjudicated in need of protection because the child is a habitual truant. The mandatory cancellation is to be ordered only after the child has been through mediation and again proven to be truant. S.F. 418 was approved and re-referred to the Crime Prevention Committee.

S.F. 1164, sponsored by Sen. Keith Langseth (DFL-Glyndon), is the MnDOT housekeeping bill. The bill increases the allowable amount for lump sum utility location agreements from \$25,000 to \$100,000. It also includes sidewalks as an allowable expense for county state-aid funds. S.F. 1164 was approved and sent to the Senate floor.

S.F. 571, sponsored by Sen. Steve Murphy (DFL-Red Wing), increases the overall length limit for tractor trailer combinations operating on trunk highways from 65 to 75 feet. The bill was approved and now goes to the Senate floor.

S.F. 980, sponsored by Sen. Terry Johnston (IR-Prior Lake), establishes conditions for use of local transit funds by communities. The bill was approved and sent to the Finance Committee.

S.F. 837, authored by Sen. Sandra Pappas (DFL-St. Paul), authorizes a study by the Metropolitan Council of coordination of transit service. The bill also establishes a process for reviewing route and schedule planning. Sen. William Belanger (IR-Bloomington) moved to delete the portion of the bill requiring that the transit symbol designating that a person is eligible for senior citizens' fares be printed on the licenses of persons over 65. Belanger said that having a different kind of license would not necessarily be welcome among seniors. The bill was recommended to pass and sent to the full Senate.

# Preview

## The Minnesota Senate Week at a Glance

### Monday, April 3

The Senate will meet at 10 a.m.

#### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 553-Bertram: Impound lots; unauthorized, abandoned, and junk motor vehicles sales. S.F. 836-Solon: Rental purchase agreements. H.F. 536-Limmer: Residential building contractors regulations. S.F. 1343-Merriam: CPA and LPA biennial license renewal. S.F. 1385-Cohen: Consumer real property goods warranties transferability. S.F. 1479-Anderson: Disability assistive devices express warranty requirements.

#### Judiciary Committee

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

#### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** H.F. 564-Riveness: Law enforcement notary publics. H.F. 1399-Solon: Harming a police horse.

#### Rules and Administration Subcommittee on Ethical Conduct

*Chair: Sen. Ember Reichgott Junge*  
3 p.m. Room 125 Capitol  
**Agenda:** Johnson vs. Finn complaint.

The Senate will meet at 4 p.m.

### Tuesday, April 4

#### Governmental Operations and Veterans Committee

*Chair: Sen. James Metzen*  
8 a.m. Room 15 Capitol  
**Agenda:** S.F. 307-Sams: Acupuncture licensure. S.F. 493-Hottinger: Leave of absence for public employees who are candidates for public office. S.F. 891-Solon: Professional counseling licensure. S.F. 1221-Laidig: Appropriating money for assistance in making claims. S.F. 810-Metzen: Excluding certain fire and police from civil service.

#### Transportation and Public Transit Finance Division

*Chair: Sen. Keith Langseth*  
8 a.m. Room 112 Capitol  
**Agenda:** S.F. 1536-Langseth: Appropriating money for the Dept. of Transportation and other agencies.

#### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

#### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 1075-Piper: X-ray operators and inspections (MDH bill). S.F. 1420-Piper: Mobile health care providers. S.F. 425-Betzold: Dept. of Health housekeeping bill. S.F. 1417-Vickerman: Licensing of chemical dependency counselors and hearing instrument dispensers.

#### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
12 noon Room 123 Capitol  
**Agenda:** Continuation - Budget review for the Dept. of Natural Resources, Ron Nargang, Deputy Commissioner.

#### Family Services Committee

*Chair: Sen. Pat Piper*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

#### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 112 Capitol  
**Agenda:** S.F. 624-Betzold: Northwest community law enforcement project funding. S.F. 413-Johnson, J.B.: DWI Electronic alcohol monitoring pilot program. S.F. 359-Metzen: State reimbursement for bomb squad expenses. S.F. 911-Marty: Funding to improve DWI license place impoundment implementation. S.F. 434-Kelly: Witness and victim protection fund scope and appropriation. S.F. 436-Kelly: Crime victim and witness account authorization and funding for grants to local law enforcement agencies for emergency needs of crime victims. S.F. 1181-Kelly: Criminal surcharges and assessments. S.F. 778-Kelly: Soft body armor reimbursement; peace officer death benefit COLA.

#### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*  
2 p.m. Room 107 Capitol  
**Agenda:** S.F. 462-Johnson, J.B.: Waste management act amendments.

#### Rules and Administration Committee

*Chair: Sen. Roger Moe*  
2:30 p.m. Room 15 Capitol  
**Agenda:** Personnel issues. Report, Subcommittee on Bill Referral. Report, Subcommittee on Permanent and Joint Rules.

#### Health Care and Family Services Finance Division

*Chair: Sen. Don Samuelson*  
4 p.m. Room 112 Capitol  
**Agenda:** Discussion on Lake Owasso residence.

#### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
4 p.m. Room 118 Capitol  
**Agenda:** To be announced.

#### Taxes and Tax Laws Committee

*Chair: Sen. Douglas Johnson*  
4 p.m. Room 15 Capitol  
**Agenda:** S.F. 1570-Moe, R.D.: Property tax freeze.

#### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
6 p.m. Room 112 Capitol  
**Agenda:** To be announced.

#### Environment and Natural Resources Finance Division

*Chair: Sen. Steven Morse*  
6 p.m. Room 123 Capitol  
**Agenda:** Continuation - budget review for the Dept. of Natural Resources, Ron Nargang, Deputy Commissioner.

### Wednesday, April 5

#### Transportation and Public Transit Committee

*Chair: Sen. Florian Chmielewski*  
8 a.m. Room 112 Capitol  
**Agenda:** S.F. 1129-Runbeck: Drivers education programs. S.F. 1015-Neuville: Prohibiting radar jammers. S.F. 59-Merriam: Restricting the issuance of limited licenses for the operation of commercial motor vehicles. S.F. 720-Laidig: Modifying the appearance of amateur radio station license plates. S.F. 1096-Bertram: Providing for firearms safety designation on drivers license. S.F. 1091-Kramer: Expanding regulation of providers of special transportation services. S.F. 1108-Finn: Prohibiting certain barriers across roads, driveways, and trails. S.F. 1171-Vickerman: Permitting protective agents to perform certain traffic control duties. S.F. 1163-Belanger: Authorizing issuance of original license plates 20 or more years old. S.F. 1199-Belanger: Requiring vehicle buyer to notify registrar of motor vehicles of vehicle transfer within ten days. S.F. 1536-Langseth: Appropriating money for the Dept. of Transportation and other agencies.

The Senate will meet at 9:45 a.m.

#### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

#### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** S.F. 309-Berglin: Health care patient access. S.F. 1535-Oliver: Governor's health care and MA TEFRA bill.

#### Higher Education Division

*Chair: Sen. LeRoy Stumpf*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

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### Agriculture and Rural Development Committee

*Chair: Sen. Joe Bertram, Sr.*  
12 noon Room 107 Capitol  
**Agenda:** S.F. 429-Morse: Eliminating the sunset date for the farmer-lender mediation act.

### Commerce and Consumer Protection Committee

*Chair: Sen. Sam Solon*  
12 noon Room 112 Capitol  
**Agenda:** S.F. 579-Chandler: Charitable organizations regulations modification and clarification. S.F. 846-Neuville: Videotapes captioning requirements. S.F. 68-Solon: Group life insurance policy proceeds alternative payment methods requirement. S.F. 973-Metzen: No-fault automobile insurance rental vehicle coverage requirement. S.F. 1272-Metzen: Securities investment advisors or brokers dealers payment disclosure regulation. S.F. 1390-Ourada: State building code exterior deck construction regulation. S.F. 949-Solon: Automobile insurance premiums reduction for vehicle antitheft alarms or devices.

### Judiciary Committee

*Chair: Sen. Carol Flynn*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
2 p.m. Room 15 Capitol  
**Agenda:** To be announced.

### Taxes and Tax Laws Subcommittee on Income and Sales Tax

*Chair: Sen. Len Price*  
4 p.m. Room 112 Capitol  
**Agenda:** S.F. 1393-Pogemiller: Omnibus public finance bill. S.F. 1543-Pogemiller: Bond allocation bill.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
6 p.m. Room 125 Capitol  
**Agenda:** To be announced.

### Finance Committee

*Chair: Sen. Gene Merriam*  
6 p.m. Room 123 Capitol

**Agenda:** S.F. 150-Merriam: Repeal fish import restriction. S.F. 566-Vickerman: Lakeville school bond project.

## Thursday, April 6

The Senate will meet at 9 a.m.

### Health Care Committee

*Chair: Sen. Linda Berglin*  
10 a.m. Room 15 Capitol  
**Agenda:** To be announced.

### Family Services Committee

*Chair: Sen. Pat Piper*  
12 noon Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Committee

*Chair: Sen. Allan Spear*  
2 p.m. Room 15 Capitol  
**Agenda:** To be announced.

### Crime Prevention Finance Division

*Chair: Sen. Tracy Beckman*  
4 p.m. Room 107 Capitol  
**Agenda:** To be announced.

### Taxes and Tax Laws Subcommittee on Property Tax

*Chair: Sen. John Hottinger*  
4 p.m. Room 15 Capitol  
**Agenda:** S.F. 311-Lesewski: Pipestone County general obligation bonds. S.F. 531-Johnson, D.J.: Tax anticipation certificates of home rule charter cities. S.F. 637-Lesewski: Wind energy conversion systems property tax. S.F. 657-Reichgott Junge: Board of Innovation and Cooperation. S.F. 902-Johnson, J.B.: Wind energy conversion systems property tax. S.F. 998-Flynn: Reduced class rate for new commercial and industrial properties locating in transit zones. S.F. 1064-Pariseau: Exempting certain airport property. S.F. 1160-Belanger: Bloomington fiscal disparities contribution. S.F. 1556-Hottinger: Constitutional dedication of sales tax to property tax relief. S.F. 1557-Hottinger: Property tax and local government aid reform.

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
6 p.m. Room 123 Capitol  
**Agenda:** To be announced.

### Finance State Government Division

*Chair: Sen. Richard Cohen*  
6 p.m. Room 318 Capitol  
**Agenda:** All bills referred to the division.

### Judiciary Committee

*Chair: Sen. Carol Flynn*  
7 p.m. Room 125 Capitol  
**Agenda:** Bills referred from subcommittees and other full committees.

## Friday, April 7

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
10 a.m. Room 112 Capitol  
**Agenda:** To be announced.

### Environment and Natural Resources Committee

*Chair: Sen. Bob Lessard*  
10 a.m. Room 107 Capitol  
**Agenda:** S.F. 1405-Frederickson: Technical corrections to water law. S.F. 898-Price: Eliminating position of BOWSR Secretary. S.F. 897-Price-Water surface and groundwater management in the Metropolitan Area. S.F. 507-Novak: Petroleum tank release cleanup fund. S.F. 1067-Laidig: Conforming state regulation of chlorofluorocarbons. S.F. 1073-Chandler: Abandonment of hazardous waste. S.F. 1250-Johnson, D.J.: Modifying terms for tax-forfeited timber.

### Education Funding Division

*Chair: Lawrence Pogemiller*  
4 p.m. Room 112 Capitol  
**Agenda:** To be announced.

## Saturday, April 8

### Education Funding Division

*Chair: Sen. Lawrence Pogemiller*  
9 a.m. Room 112 Capitol  
**Agenda:** To be announced.

# Briefly

The Minnesota Senate Week in Review

ST. PAUL, MN 55155

April 7, 1995

## Property tax freeze okayed

The entire Thurs., Apr. 6, floor session was devoted to debating a proposal for a one-year property tax freeze. S.F. 1570, authored by Senate Majority Leader Roger D. Moe (DFL-Erskine), specifies that property taxes payable in 1996 remain at the same level of taxes payable in 1995. The bill also contains provisions for preventing a "snapback" rise in property taxes in 1997. Moe said that a key feature of the bill allows school districts that would otherwise lose revenue because of the freeze to receive additional state aid to make up the difference.

Moe said, "If we don't do this, there will be significant property tax increases across the state—an average of 15 percent. This vote is probably the best vote you will cast this session for middle-income taxpayers." Moe also said that the bill sets up a procedure to engage the Legislature, public officials and members of the public in the effort to bring about genuine reform of the property tax system and the education funding system.

Sen. Douglas Johnson (DFL-Cook) explained the provisions of the bill and said, "This is just one piece of the DFL budget plan in which we have a strong commitment to increase funding for education without relying on the most unfair form of tax—the property tax."

Arguments against the bill revolved around the burden that the measure places on local units of government. Sen. Sheila Kiscaden (IR-Rochester) said that local elected officials testified about the dire consequences of the bill. Moe responded, "We heard from elected public officials, we didn't hear from the average homeowners, or farmers, or small business owners who have been watching their property taxes rise."

Sen. Dean Johnson (IR-Willmar), however, charged that property taxes rose because of DFL policies and that the bill was politically motivated by the 1996 elections.

Moe countered that the DFL welcomes the debate over tax policy and that he wants to engage everyone in the debate about the role of government. "This is an opportunity to help middle-income families in this state and to work for meaningful property tax reform," he concluded.

After defeating several amendments, members granted final passage to the bill on a 38-29 roll call vote.

## IR tax bill debated

The Senate unanimously rejected the governor's tax bill after 90 minutes of partisan debate at a Mon., Apr. 3, floor session. The bill divided the Senate between the IR leaders who said the proposal prepares the state for anticipated federal cuts, and DFL leaders who supported changes that would have increased funding to education.

Sen. William Belanger (IR-Bloomington) offered S.F. 610, a bill outlining the governor's tax initiatives. Upon presentation, Belanger offered an amendment that would have funneled an additional \$62 million to K-12 education funding, restored cuts to local government aid, and established a property tax reform and education aid task force.

Sen. Douglas Johnson (DFL-Cook) objected to the proposal, saying the bill raises property taxes on homeowners, farmers and small business owners. "Haven't you heard the concerns of the residents and their call for no tax increases?" he asked. Johnson referred to the restoration of cuts to local government aid and Homestead and Agricultural Credit Act (HACA) aid that could translate to increases in taxes at the local level.

Belanger argued that the bill does not require local governments to increase property taxes, and instead forces the Legislature to reform the property tax system by 1996.

Majority Leader Roger Moe (DFL-Erskine) questioned the creation of a new reserve account of some \$220 million and asked Belanger how the funds would be used. Belanger explained that the money would be set aside to deal with expected cuts in federal aid to the state. Moe said that was like letting the federal government determine the state's funding priorities. "Why should we let the federal government dictate our spending policies?" he asked.

Sen. Lawrence Pogemiller (DFL-Mpls.) offered an amendment to the Belanger amendment that would have channeled the \$220 million realized in cuts to local government aid to K-12 education in addition to the \$62 million proposed in the Belanger amendment. Calling it an investment in Minnesota's children, Pogemiller said the provision would allow the state to direct its own funds. "We're choosing our priority and our priority is children. Period."

Senate Minority Leader Dean Johnson (IR-Willmar) then asked Pogemiller what he would do when the Senate is forced to respond to the federal cuts without the reserve money. He added that the action also would add to the base funding for education which could result in budget shortfalls in coming bienniums.

Pogemiller eventually withdrew the amendment at the request of Moe. When the Belanger amendment failed on a 25-38 roll-call vote, Belanger asked the IRs to vote against the bill. The bill failed 0-67.

## TEFRA changes made

Continuing discussion on proposed TEFRA cuts, the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), reconvened Weds., Apr. 5. The cuts are called for in S.F. 1535, sponsored by Sen. Edward Oliver (IR-Deephaven). The bill also reduces MA

payments for prescription drugs, eliminates GAMC payment for non-preventive dental services except for emergencies, and implements a hospital peer grouping system.

In a move to reach a compromise, Sen. Linda Berglin (DFL-Mpls.) and Oliver offered an amendment that retains the TEFRA program while tightening the eligibility criteria. All recipients must go through a screening process by Jan., 1996. TEFRA recipients are required to be in a managed care program. The threshold for eligibility is lowered to 175 percent of the poverty level, and the parents' fee schedule is income-based. Berglin's proposal for after-school and summer home care services is included in the amendment. Also, a study of private insurance for disabled children and a managed care progress report is required of the department. The amendment was adopted.

Berglin offered another amendment to reimburse pharmacists for cost-effective intervention in drug therapies. The proposal provides an incentive to administer prescriptions or therapies that save state funds, Berglin said. It also sets the pharmacy dispensing fee at \$3.25, instead of \$2.35 as proposed in the bill. Molly Siegel of the Minnesota Medical Association opposed the measure, stating that financial incentives for pharmacists sets a bad precedent and may cloud judgement. Berglin agreed to work out details of the amendment, and it was adopted.

Another amendment was approved. Offered by Berglin, it establishes at least four different reimbursement rates in Greater Minnesota and two in the Metro Area to reflect regional differences in cost and utilization. Demonstration projects are authorized for counties that seek a partnership as a joint purchaser for MA, GAMC, and county-reimbursed services. Projects are also established to test alternative delivery services to high risk families and children. Berglin presented an amendment to permit a long-term care demonstration project by a nursing facility. The proposal was adopted. Certain dental services, x-rays and fillings, were reinstated in the bill upon approval of an amendment offered by Berglin. The bill goes to the funding division.

The committee advanced H.F. 331 to the floor. Authored by Berglin, the bill modifies provisions relating to access for patients and residents.

## Frequently called numbers

Senate Information	296-0504
TDD	296-0250
Committee hotline	296-8088

# Committee update

## Agriculture and Rural Development

### Wetlands bill revived

The fate of Minnesota's wetlands was taken from the table at an evening meeting of the Agriculture and Rural Development Committee, Thurs., Mar. 30. Chaired by Sen. Joe Bertram, Sr. (DFL-Paynesville), the committee adopted Sen. Steve Dille's (IR-Dassel) amendment that makes significant changes to S.F. 483, as authored by Sen. Leroy Stumpf (DFL-Thief River Falls).

"It's appropriate for government to have some say about what we do on our private land," Dille said. Since enactment of the Wetlands Conservation Act of 1991 however, numerous citizens' groups have contended that the level of government involvement is too far-reaching. Dille, one of the sponsors of the original legislation, said that the need to rework the WCA was imperative.

S.F. 483, as amended, "makes changes that clean up a lot of the problems landowners have had since we passed the original bill," Dille said. Besides exempting type I wetlands from replacement plans, the measure allows for draining or filling of up to 2 acres on type II wetland located on agricultural land-- regardless of whether or not the wetland is part of a larger wetland.

The bill also increases the de minimis factors, the land area that triggers replacement plans, from 400 square feet to 1000 square feet in counties with less than 50 percent of their pre-settlement wetland acreage remaining and within the building setback of shoreland areas. In counties where between 50 and 80 percent of the land is wetland acreage, the exemption is increased to 5000 square feet, and to 10,000 square feet in counties with greater than 80 percent of their pre-settlement wetland acreage remaining.

Replacement credits for buffer areas and water quality treatment ponds are also allowed under the bill, and compensation is set at a minimum of \$200 per acre for denied use of a wetland. Furthermore, the amount of the payment must be increased or decreased by the percentage change in assessment valuation of land within the township from the 1995 valuation.

S.F. 483 proceeds now to the full Senate.

### Mediation act extended

A bill that extends the sunset date of the farmer-lender mediation act, S.F. 429, was approved by the Agriculture and Rural Development Committee at its meeting Weds., Apr. 5. Authored by Sen. Steven Morse (DFL-Dakota), the measure also contains a provision requiring the University of Minnesota to conduct a study of the program's efficacy.

The committee, chaired by Sen. Joe Bertram Sr. (DFL-Paynesville) adopted an author's amendment before approving the measure and sending it to the full Senate. Offered as a compromise to the bill's original sunset date of July 1, 2000, the measure now places the sunset date at July 1, 1997.

Numerous farmers, lobbyists, and concerned citizens spoke in favor of the bill. Brent Waddell, from Legal Services Advocacy Project testified that the program is used 100 times per month.

Objections centered around previous extensions of the act, and today's improved

agricultural climate. Jerry Schoenfeld, from Greater State Advisors/Independent Community Bankers of Minnesota, said "circumstances are different now. We don't have the farm crisis that existed in 1986 when this legislation was written."

But Morse objected to that perspective saying, "comments about not having a crisis on our hands now are really irrelevant," he said. "When a farmer is in default, when an individual faces losing his farm, that's a crisis."

S.F. 1551, carried by Sen. Janet Johnson (DFL-North Branch), provides loans and incentives toward the development and implementation of wind farms.

"Wind turbines have ushered in an age of new energy production in Minnesota," Johnson said. Telling members that the state is one of the nation's leaders in wind velocity, Johnson said that the future of wind farming is "almost a guaranteed success."

Besides providing loans to individuals for a farm-generated wind energy production facility, S.F. 1551 also makes funds available to cooperatives. Additionally, it provides for incentive payments to be made to qualified wind energy conversion facilities. Johnson said the bill provides farmers with another crop to harvest, "namely electricity."

Members approved the bill and re-referred it to the Jobs, Energy, and Community Development Committee.

S.F. 1270, authored by Sen. Steve Dille (IR-Dassel), clarifies procedures for agricultural chemical response and reimbursement procedures. Besides defining "single site" as a one mile radius around a discovered or reported incident, the measure provides that payment to an eligible person for corrective costs may be by multiparty check. Members approved the measure, sending it to the floor.

S.F. 708, carried by Sen. Arlene Lesewski (IR-Marshall), was also sent to the floor. The bill raises the interest rate on the shared savings loan program from six to seven percent.

## Commerce and Consumer Protection

### Genetic discrimination bill okayed

A bill prohibiting discrimination in health insurance based on a person's history of genetic testing received the approval of the Commerce and Consumer Protection Committee at the Thurs., Mar. 30, meeting.

Under S.F. 259, sponsored by Sen. Gene Merriam (DFL-Coon Rapids), insurance companies are prohibited from requiring applicants to have a genetic test, using the results of such a test or using the fact that a person has undergone a test in determining eligibility for insurance.

The bill also prohibits insurance companies from asking whether an applicant's or policyholder's relatives have undergone a genetic test. Insurers are also prohibited from making decisions adverse to applicants based on entries in medical records regarding genetic tests.

The committee approved an amendment, offered by Sen. Kevin Chandler (DFL-White Bear Lake), that provides new definitions for the terms "gene product" and "presymptomatic" contained in the bill's definition of "genetic test." The bill now goes to the Senate floor.

In other business, the committee approved S.F. 1365, sponsored by Sen. Sam Solon (DFL-Duluth). The bill legalizes the advertisement, sale, possession and use of several kinds of fireworks. The fireworks legalized under the bill include caps for cap pistols, snakes and glow worms, trick noisemakers, and sparklers. The measure also requires manufacturers, distributors and retailers of fireworks to be licensed by the commissioner of public safety, and allows the state fire marshal and commissioner to approve sales locations for retail outlets. The committee approved the bill and sent it to the Senate floor.

Another fireworks bill, S.F. 1503, sponsored by Sen. Dan Stevens (IR-Mora), requires operators of public fireworks displays to be certified by the state fire marshal. Under the measure, a supervising operator of a public fireworks display must be at least 21 years old, must have passed a written test, and must have proof of experience with at least five fireworks displays, at least one in the past year. The committee approved the bill and re-referred it to the Finance Committee.

The panel, chaired by Solon, also approved S.F. 1469, sponsored by Sen. James Metzen (DFL-South St. Paul). The bill makes changes to statutes governing savings banks. The bill outlines the powers and authority of savings banks, and makes numerous technical changes. The bill now goes to the Senate floor.

The committee also granted approval to S.F. 58, sponsored by Solon, permitting officers and employees of Minnesota area or industry labor management councils to elect state insurance coverage for themselves or their dependents at their own expense. The bill was sent to the full Senate.

### Omnibus liquor bill heard

The Commerce and Consumer Protection Committee reviewed then laid over S.F. 936, the omnibus liquor bill, at a Fri., Mar. 31, meeting.

The bill, sponsored by Sen. Sam Solon (DFL-Duluth), states that the label of any brand of alcoholic beverage may be registered only by the brand owner or the brand owner's authorized agent. It also provides that a brew pub owner may hold more than one retail on-sale license, and may manufacture up to 3,500 barrels of malt liquor at each licensed premise.

The bill also adds importers to the list of entities that may not be issued a license if a retailer has a direct or indirect interest in the entity. The measure provides that an owner of a brew-on-premises store, a store that provides the ingredients and equipment for a customer to brew malt liquor at the store, is not considered a brewer, manufacturer, wholesaler, or retailer of intoxicating liquor if the owner complies with provisions set out in the bill and with regulations relating to home brewers. The bill also requires that a business that directly or indirectly permits consumption or display of alcoholic beverages must have an on-sale license.

The bill also permits the issuance of a number of on- and off-sale licenses.

The committee, chaired by Solon, also heard S.F. 866, sponsored by Sen. James Metzen (DFL-South St. Paul), requiring licensing of sign contractors and making it a petty misdemeanor to perform unlicensed work as a sign contractor. After hearing testimony, including testimony from the Dept. of Commerce in opposition to the bill, the committee laid the bill over.

## Disability devices warranty

A bill requiring warranties on assistive devices for people with disabilities cleared the Commerce and Consumer Protection Committee at the Mon., Apr. 3, meeting.

The consumer protections in S.F. 1479, according to the bill's author, Sen. Ellen Anderson (DFL-St. Paul), is a much-needed "lemon law" for people who use assistive devices. Under the bill, manufacturers must provide a one-year warranty on assistive devices and repair defective devices. After a reasonable attempt to repair a device has failed, the manufacturer must replace it or provide a refund. The bill now goes to the Judiciary Committee.

The panel, chaired by Sen. Sam Solon (DFL-Duluth), also approved S.F. 553, expanding and clarifying governmental authority to impound and dispose of abandoned motor vehicles in a timely manner. The bill, sponsored by Sen. Joe Bertram, Sr. (DFL-Paynesville), authorizes peace officers to impound abandoned junk vehicles. It also permits immediately selling or disposing of junk vehicles that have been impounded and do not have a valid license plate. The measure also allows removal of an impounded vehicle 45 days after notice to the owner if the vehicle is already subject to removal under current law.

The Senators approved S.F. 553 and sent it to the Senate floor.

S.F. 1343, sponsored by Sen. Gene Merriam (DFL-Coon Rapids), changes the licensing for individual certified public accountants and licensed public accountants from an annual to a biennial system. The bill was approved and sent to the full Senate.

Also approved was S.F. 836, sponsored by Solon. The measure is in response to a Minnesota Supreme Court ruling that rental purchase agreements are consumer credit sales, and are therefore subject to Minnesota's usury laws. Solon said that many people rely on rent-to-own businesses to buy goods they otherwise would not be able to obtain, and that making such businesses subject to usury laws could cause them to shut down.

The bill also clarifies that rental purchase agreements are subject to consumer protections in current statutes governing rental purchase provisions, the Uniform Deceptive Trade Practices Act, certain consumer fraud provisions and home solicitation sales provisions, certain consumer warranties and statutes relating to deficiency judgments.

S.F. 836 was re-referred to the Judiciary Committee.

The panel also approved S.F. 536, sponsored by Sen. Warren Limmer (IR-Maple Grove). The bill makes several changes to regulations governing residential building contractors. Limmer said the changes were recommended by the Dept. of Commerce. The bill includes a clarification that residential real estate owners who build or improve residential real estate and do the work themselves must use "bona fide" employees, and may only qualify for the exemption if they improve only one such property in any 12-month period. Under the bill, Habitat for Humanity volunteers are exempted from the license requirements. S.F. 536 was sent to the Senate floor.

The committee reviewed then tabled S.F. 1385, sponsored by Sen. Richard Cohen (DFL-St. Paul), extending the warranty on real property goods to a person, who, during the term of the warranty, purchases the real property where the goods are located. The warranty

transfer applies to goods, such as home building materials, that become part of the property. The committee voted to lay the bill over for further discussion.

## Video captioning bill approved

The Commerce and Consumer Protection Committee met Weds., Apr. 5, and approved seven bills.

Topping the agenda was S.F. 846, a bill requiring that prerecorded educational videotapes offered for sale or rent must be open-captioned or closed-captioned for deaf or hearing-impaired persons.

The bill, according to its author, Sen. Tom Neuville (IR-Northfield) represents a compromise between the entertainment industry and the deaf and hard of hearing community. S.F. 846 was approved and sent to the Senate floor.

S.F. 1390, sponsored by Sen. Mark Ourada (IR-Buffalo), amends the state building code for deck building. The bill specifies that decking surface and upper portions of exterior decks must be made from heartwood from species with natural resistance to decay and termites, sapwood grades of naturally durable species, including cedars and redwoods; or treated wood.

The bill now goes to the Senate floor.

S.F. 68, sponsored by Solon, requires group life insurance policies to contain a statement of the alternative methods for the payment of policy proceeds that are offered to beneficiaries in place of a lump sum distribution. Alternative payment methods must include a life income option, an income option for fixed amounts or fixed time periods, and the option to select an interest bearing account with the company, with the right to select another option at a later date. The bill was approved and sent to the Senate floor.

S.F. 949, sponsored by Solon, provides a automobile insurance premium reduction of at least 5 percent for vehicles with antitheft alarms or devices

The panel approved the bill and sent it to the Senate floor.

S.F. 579, makes changes in the filing requirements for charitable organizations. The bill, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), applies the \$25 charitable organizations registration fee to all registrations, and to all organizations, rather than only the first filing for larger organizations, which is now the case. The measure also requires reporting of the salaries of the top five officers of charitable organizations and places fees on registrations and filings. The bill contains a \$75,000 appropriation to the attorney general for implementation costs.

The panel approved an amendment offered by Sen. John Hottinger (DFL-Mankato) requiring the state law conform with IRS form 990. The bill was approved and re-referred to the Finance Committee.

S.F. 973, sponsored by Sen. James Metzen (DFL-South St. Paul), provides that a person's automobile insurance covers the person's liability for cars rented on a monthly basis, in addition to covering daily and weekly rentals, as required in current law. The bill was approved and sent to the full Senate.

Another Metzen bill, H.F. 1371, exempts licensed investment advisors and broker-dealers from the disclosures required under state law for directing order flow, if the disclosures comply with the rules of the U.S. Securities and Exchange Commission.

H.F. 1371 now goes to the Senate floor.

## Crime Prevention

### SAFE schools bill advances

A bill referred to as the SAFE bill, for "Schools Are For Education," was approved by the Crime Prevention Committee at a Thurs., Mar. 30, meeting.

S.F. 418 deals with a variety of juvenile and education issues to try to curb the violence that is infiltrating the schools, explained Sen. Randy Kelly (DFL-St. Paul), author of the bill. Among its provisions are amendments and clarification to the juvenile code applying to truancy; school safety, including requiring criminal background checks on school district employees; and, appropriations to implement some of the programs.

The bill was re-referred to the full Finance Committee.

Members referred to the Senate, a bill authorizing the forfeiture of a motor vehicle if a DUI offender fails to appear in court with respect to the designated offense charge. Current law allows forfeiture only if a person is convicted of an offense.

The committee, chaired by Sen. Allan Spear (DFL-St. Paul), also advanced eight other bills to the full Senate. Sen. David Knutson (IR-Burnsville) presented a bill, S.F. 399, applying DUI forfeiture laws to snowmobiles, all-terrain vehicles and motor boats. Sen. Tom Neuville (IR-Northfield) unsuccessfully offered an amendment allowing vehicle forfeiture on a second offense instead of the current third offense.

Sen. Ember Reichgott Junge (DFL-New Hope) presented S.F. 1052, a bill amending the definition of "domestic abuse" to include persons involved in a significant romantic or sexual relationship, and increasing the time period from four hours to 12 hours during which an arrest may be made without a warrant after a person committed domestic abuse. The bill also authorizes a minor aged 15 or older to file a petition for an order for protection on the minor's own behalf. The bill advances to the floor.

A bill requiring the Peace Officer Standards and Rules (POST) Board to review its minimum standards of conduct and compile information on peace officers convicted of fifth-degree assault was approved by committee members. S.F. 1151, authored by Sen. Allan Spear (DFL-Mpls.), also specifies several other reporting provisions on the part of the POST Board and state law enforcement agencies.

S.F. 663, carried by Sen. Don Betzold (DFL-Fridley), amends provisions for dangerous weapons possession to include prohibitions against intentionally pointing a gun at another, and furnishing a minor with a weapons. The bill exempts governmental military organizations conducting safe training and recruiting activities from the prohibitions.

S.F. 1088, presented by Sen. Jane Krentz (DFL-May Township), requires the commissioner of corrections to develop disciplinary sanctions to provide penalties for inmates who submit frivolous or malicious law suits. The bill also establishes new procedures applicable to inmates who commence a civil action by proceeding in forma pauperis.

Sen. Randy Kelly (DFL-St. Paul) presented S.F. 435, a bill classifying name changes of protected witnesses as private data and expanding the crime of witness tampering.

S.F. 1255, authored by Sen. Warren Limmer (IR-Maple Grove), expands the use of force in

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self defense in state adult correctional facilities to include all private adult correction facilities. The measure was recommended for the Consent Calendar.

The committee also advanced to the floor, S.F. 1092, carried by Neuville, clarifying the duties of the Office of the Crime Victim Ombudsman.

Three bills were re-referred to the finance division for consideration with the appropriation bill. S.F. 1286, authored by Kelly, changes the composition of the POST Board and requires Metropolitan State University and Minneapolis Community College to modify their law enforcement programs so students can complete courses in two consecutive quarters. The bill also appropriates \$4.2 million to the POST Board for the biennium.

S.F. 881, carried by Sen. Jane Ranum (DFL-Mpls.), builds on the 1994 Juvenile Justice Act by requiring further recommendations from the criminal and juvenile information policy group.

Finally, the committee approved and sent to the finance division, S.F. 1205, carried by Spear, expanding the scope of the Nonfelony Enforcement Advisory Committee study and extending the date by which the committee must report its findings to December 1996.

## Police horse bill advances

A bill making it a crime to interfere with a police horse was approved by the Crime Prevention Committee during a meeting held Mon., Apr. 3. Members also considered two other bills.

H.F. 1399, carried by Sen. Sam Solon (DFL-Duluth), amends a provision regarding police dogs by making harming or killing a police horse a gross misdemeanor or felony, respectively. The bill also specifies that an assault on a police horse resulting in harm to the peace officer riding the horse or another person constitutes an assault on the person and enacts first- through fifth-degree assault penalties.

Dennis Flaherty of the Minnesota Police and Peace Officers Association testified in favor of the bill, saying that as more departments use horses in the line of duty, the peace officers and animals must be protected from assaults. The bill advances to the full Senate.

The committee considered another bill, S.F. 882, dealing with patterned sex offenders. Sen. Jane Ranum (DFL-Mpls.), chief author of the bill, explained the bill's provisions, including allowing the courts to sentence patterned sex offenders to a maximum of 40 years in prison. The provision drew considerable discussion among committee members and members of the audience.

The bill specifies that a court may commit a person up to 40 years if the criminal motive reasonably appears to be sexual, if the offender is a danger to public safety, and the offender needs long-term treatment or supervision. John Stuart, State Public Defender, testified against the bill, specifically the 40-year provision, saying the application was too broad and gave too much discretion to judges. He asked that the committee only implement the bill provisions that call for training courses on sentencing laws related to sex offenders.

But Ranum and Committee Chair Allan Spear (DFL-Mpls.) argued that pattern sex offenders currently are being held in state facilities under the sexual psychopath commitment procedure instead of held in prisons under criminal sentencing.

The bill was laid over for further discussion. H.F. 564, carried by Sen. Phil Riveness (DFL-Bloomington), was approved and advanced to the Senate Consent Calendar. The bill provides limited powers of a notary public to licensed peace officers for administering oaths for probable cause notices.

## Budget reviews, bills considered

Members of the Crime Prevention Finance Division discussed five bills to be considered with the division's appropriation bill at a Weds., Apr. 5, meeting. The division, chaired by Sen. Tracy Beckman (DFL-Bricelyn), also finished its review of the budget for the Dept. of Corrections (DOC).

S.F. 946, authored by Sen. Ellen Anderson (DFL-St. Paul), requires the DOC to develop a study in the next two years to measure the outcomes of placing juveniles in out-of-home placement programs.

S.F. 556, carried by Sen. Thomas Neuville (IR-Northfield), specifies that deductions from inmate wages paid by private industry equal deductions from wages paid by the DOC.

Sen. Don Kramer (IR-Brooklyn Center) presented S.F. 776, a bill authorizing the DOC commissioner to deduct room and board charges and other costs of confinement from inmate salaries.

S.F. 758, carried by Sen. Jane Ranum (DFL-Mpls.), directs the Bureau of Criminal Apprehension to collect fees covering expenses for non-criminal justice system background checks, and makes changes to background checks under the Child Protection Background Check Act.

Finally, S.F. 1341, authored by Sen. Linda Runbeck (IR-Circle Pines), pertains to intervention services for young children exhibiting sexually aggressive behavior, and establishes three pilot projects.

## Education

### Juvenile justice bill advances

The Education Committee, co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Sen. Lawrence Pogemiller (DFL-Mpls.) approved a bill, Fri., Mar. 31, requiring payment for the costs of educating students placed in state institutions.

S.F. 1054, sponsored by Sen. Jane Ranum (DFL-Mpls.), requires the state to pay either the institution or the local school district for the costs of providing educational programs to students in a state institution. Under the proposal, the state will also pay for the unreimbursed special education costs carried by a district that serves non-resident students placed in a residential treatment facility. The measure, which also requires residential treatment facilities to provide a year-round education program, was approved and referred to the Crime Prevention Committee.

### Omnibus proposal presented

A proposal reshaping K-12 education funding mechanisms was unveiled, Tues., Apr. 4, to the members of the Education Funding Division.

Sen. Lawrence Pogemiller (DFL-Mpls.), the division chair, presented the first draft of S.F. 944, the education funding omnibus bill. While a number of the provisions contained in the proposal have been previously adopted by the division, included in the bill draft is what Pogemiller called "a work in progress" - the

creation of three funding formulas to replace the current general education and categorical funding programs.

Under the proposal, school districts will receive funds through general education, targeted needs, and community and family support formulas. The proposed general education formula ties the basic per-pupil revenue amount along with what is now given for transportation and capital facilities. The targeted needs programs includes revenue now designated for such programs as special education, desegregation, and compensatory aid. The third formula, community and family support, will support community education and early childhood programs. Further discussion of the proposal is expected.

The division also heard a presentation on education standards by Dr. Willard Daggett, director of the Center for International Leadership in Education. Daggett encouraged the members to support the state's efforts to set high academic standards that are relevant to students' future employment.

## Transportation bills heard

Reducing costs while making school transportation systems more efficient is the intent of two bills presented Tues. evening, Apr. 4, to the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Two bills were presented to allow schools districts to computerize their bus routing and scheduling. S.F. 1511, authored by Sen. Tracy Beckman (DFL-Bricelyn), allows districts to use the transportation levy authority to purchase equipment and software. Roger Saxton, transportation manager for the Blue Earth schools, said a computer routing program will allow him to look at more scenarios than he can develop. Though supportive of the proposal, the potential levy impact led to the division's vote to not include the proposal in the omnibus education funding bill.

An alternative proposal, S.F. 1175, was approved and added into the omnibus bill. Sen. Martha Robertson (IR-Minnetonka) said the bill allows a group of Metropolitan Area districts to use computerized routing to coordinate their special education, non-public, enrollment options, and desegregation transportation routes. The members also adopted Beckman's amendment to give a grant to the Blue Earth schools to establish a computerized mapping system.

A third transportation proposal, to allow districts to provide transportation to and from service learning projects, was set aside for further consideration. S.F. 1149, sponsored by Sen. Jane Krentz (DFL-May Township), allows districts to transport students who are involved in community service and youth development programs.

In other action, the division voted not to include a bill allowing direct aid payments to special education cooperatives or intermediate districts. Presented by Sen. Leonard Price (DFL-Woodbury), S.F. 1113 permits aid payments to flow directly to the special education program providers rather than going first to the district. Price said the bill will reduce the amount of paperwork necessary for districts to make the payments to the cooperatives. However, Pogemiller argued the bill removes a district's discretion over the use of those funds.

S.F. 547 was amended and approved. The bill, carried by Sen. Steven Morse (DFL-Dakota), renames the Office of Environmental Education

and moves its functions out of the Dept. of Education. Under the proposal, the organization becomes known as the Environmental Education Council and is transferred to the Office of Strategic and Long Range Planning. The panel approved Robertson's motion to delete a \$240,000 appropriation included in bill, and the measure was referred to the full Education Committee.

Sen. Gene Merriam (DFL-Coon Rapids) presented S.F. 1306, establishing an intra-district enrollment options program. The bill also requires that schools using site-based management get 95 percent of the general fund revenue and 50 percent of the capital expenditure revenue. After hearing testimony on the proposal, the bill was set aside for further consideration.

## Environment and Natural Resources

### Game and fish bills advance

Two game and fish omnibus bills were discussed and approved by the Environment and Natural Resources Committee during a marathon meeting held Fri., Mar. 31. The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), also advanced 11 other bills.

Sen. Charles Berg (DFL-Chokio) offered S.F. 1180, a bill dealing with a variety of hunting and fishing activities, including clarifying provisions allowing temporarily or permanently disabled people to hunt from a stationary motor vehicle. The bill expands statutes regarding taking, possessing and transporting of wild animals to include rehabilitative purposes.

An author's amendment clarifies enforcement officers' powers by specifying that conservation enforcement officers are not granted any greater powers than other licensed peace officers.

Sen. Gene Merriam (DFL-Coon Rapids) successfully offered an amendment specifying that the fish that are lawfully taken in Canada may be brought into the state. Sen. Kevin Chandler (DFL-White Bear Lake) also offered an amendment clarifying definitions and requirements related to undesirable and harmful exotic species, including Eurasian water milfoil and Zebra mussels.

S.F. 621 is a second game and fish omnibus bill, authored by Lessard, which among its provisions designates mourning doves as game birds.

The bill also decreases from 14 years to 13 years the age when residents may trap without a trapping license. Other provisions include changes in various resident and non-resident fishing fees to allow the licensee to choose the day or days in which to use the license, changes to dates and times when fishing is prohibited, expands the area in the state where ice-fishing houses cannot be left on a lake overnight after Feb. 28, and allows the taking of turtles with a specified floating trap.

Chandler successfully offered an amendment that includes the mute swan as a defined "unprotected bird." And the committee adopted an amendment offered by Merriam clarifying requirements for taking trout or salmon.

Berg offered two amendments that allow the Long Lake Homeowners Association to annually stock up to 5,000 walleye fingerlings in Long Lake in Morrison County, and allow a person to take no more than one northern pike larger than 36 inches daily.

Sen. Pat Pariseau (IR-Farmington) also successfully offered two amendments: one establishing a firearms safety program for children in grades five and under, and another designating an official observance week commemorating the state's heritage of hunting game animals.

The omnibus bills advance to the Senate floor.

Lessard offered S.F. 1122, a bill establishing a drycleaner response account for cleanup of state-identified contaminated sites. Fees paid by the 275 owners of drycleaning facilities across the state would raise an estimated \$800,000 a year. The bill advances to the Finance Committee.

The committee also advanced nine other bills. S.F. 1366, carried by Sen. Gen Olson (IR-Minnetrista), directs the commissioner of Natural Resources to issue a public waters work permit allowing Hennepin County to construct a 15-foot addition to the seawall at the county's Water Patrol building. The bill advances to the full Senate.

Sen. Dennis Frederickson (IR-New Ulm) presented a bill, S.F. 26, modifying definitions and exclusions for food licensing; the bill was sent to the floor.

S.F. 1520, authored by Lessard, expands the notification requirements for spreading contaminated soil to include notification of unorganized townships. The bill advances to the floor.

S.F. 654, carried by Sen. Dallas Sams (DFL-Staples), expands eligibility for the value-added agricultural loan program to include agricultural commodity facilities, including livestock processing facilities. The bill advances to the full Senate.

The committee advanced several land bills, including S.F. 1280, authored by Sen. Steve Dille (IR-Dassel), authorizing the sale of tax-forfeited land in Meeker County. S.F. 1022, carried by Lessard, authorizes the sale of tax-forfeited land in Koochiching County. Olson presented a bill, S.F. 1127, authorizing the sale of tax-forfeited land in Hennepin County. S.F. 171, carried by Lessard, allows the sale of school trust lands bordering public waters in St. Louis County.

Lessard also authored a bill, S.F. 1023, modifying the requirements for the sale of tax-forfeited land. According to the bill, a county is not a road authority for roads used in managing tax-forfeited lands classified as conservation lands.

Finally, the committee rejected a bill that provided incentives for recycling mercury switches from salvaged automobiles. Sen. Leonard Price (DFL-Woodbury) offered S.F. 1373, directing the Pollution Control Agency to pay a motor vehicle salvage operator 33 cents per mercury electrical switch as reimbursement for recycling the switches.

### Waste management act debated

Members of the Environment and Natural Resources Committee approved "the perennial" amendments to the Waste Management Act at a Tues., Apr. 4, meeting.

Among the provisions, the bill clarifies the Minnesota Pollution Control Agency's (MPCA) authority dealing with the Met Council transfer of some responsibilities to the Office of Environmental Assessment (OEA), and implements a variety of solid waste management programs and recommendations.

Most of the committee debate focused on several amendments, including one that allows Minnesota companies to use a wood preservative containing heavy metals. Sen. Harold "Skip" Finn (DFL-Cass Lake) successfully offered the

amendment saying the prohibition against the chemicals does not apply to products made in other states and brought into Minnesota. Unless Minnesota companies are exempted from the prohibition, the state could lose some \$42 million in annual sales, Finn said.

Julie Ketchem of the MPCA testified against the amendment saying currently those businesses are granted temporary exemptions and that other preservative alternatives are available. She added that the complete prohibition for using the chemicals does not go into effect until 1997.

Sen. Steven Morse (DFL-Dakota) offered another amendment directing vehicle salvage operators to remove mercury switches from vehicles and turn them over to the MPCA for recycling. The provision also authorizes the MPCA to enter into cost-sharing agreements with owners of salvage facilities for cleanup of the sites. The amendment was adopted.

Sen. Kevin Chandler (DFL-White Bear Lake) successfully offered an amendment requiring corrugated containers and paper products to be recycled. And the committee adopted an amendment offered by Sen. Janet Johnson (DFL-North Branch), author of the bill, encouraging public entities to require used carpet to be recycled.

The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), advanced the bill to the Judiciary Committee.

## Family Services

### Housing bill advances

Working to hear bills before the committee deadline, the Family Services Committee, chaired by Sen. Pat Piper (DFL-Austin) approved several proposals.

At the Thurs., Mar. 30 meeting, members forwarded S.F. 1041, a bill expanding the existing safe house statute to include transitional housing for homeless youth. Sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), the bill requires coordination of federal and state grant funding to provide a continuum of youth services. Originally proposed by students of City Academy, services to be provided include job, health and education services, and living skills training. Several students testified that many delinquency and criminal problems arise from homelessness. There are only 26 beds in the Metropolitan Area for 1000 homeless youth, a doubling of this population since 1990, Reichgott Junge said.

Reichgott Junge offered an amendment that expands some age requirements to 22 years in order to obtain federal funding. Sen. Martha Robertson (IR-Minnetonka) opposed several provisions of the bill, stating that at 18 years old people need to take responsibility, and questioned the definition of homeless. Reichgott Junge explained that additional needs and crises faced by homeless youth, who are diverted from school, must be addressed. The bill was approved and goes to the funding division.

Reichgott Junge also authored S.F. 650, a bill requiring specialized interviewer training for individuals who are interviewing allegedly maltreated children. The bill creates a criminal alert network and requires notification of certain individuals before a person is released from custody. The training, costing \$200,000 for the biennium, will help investigators identify child abuse. Pete Legus of the St. Cloud Police Dept. testified to the value of this training. However, several members expressed concern about budget

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restrictions. The bill, which also centralizes a 24-hour hotline for abusive situations, advances to the division.

Members also sent S.F. 990 to the division. Carried by Sen. Don Betzold (DFL-Fridley), the bill changes an absent parent's liability for child support and establishes rights and responsibilities for parentage. A provision allows persons under 18 years old to rescind their recognition of parentage. The bill modifies child support proceedings by relying more on administrative process than on the courts. In addition, the bill outlines the administrative law process. Betzold said that the changes will simplify services and allow more efficient and effective collection of child support. Sen. Sheila Kiscaden (IR-Rochester) opposed a provision that requires counties to participate in the administrative process. If it has value, she said, it will voluntarily be implemented. Laura Kadwell of the Dept. of Human Services responded that a statewide administrative process is needed to assist children and families.

S.F. 1284 was approved by the committee. Sponsored by Sen. Phil Riveness, the bill provides an exception to the group residential housing moratorium to provide supportive housing units for homeless adults with mental illness, a history of substance abuse, HIV, or AIDS. Riveness said that this option offers housing and stability at a much lower cost than other alternatives. "It's better for the people involved, better for the taxpayers," he said. Mary Huggins of the department agreed, stating that safe, affordable housing is the greatest need for these populations. Riveness offered an amendment that was adopted that requires 70 percent of the housing units to serve these populations. The bill goes to the division.

## Finance

### Lakeview bond bill advances

Modifications to the Lakeview School bond project are authorized in a bill approved, Weds., Apr. 5, by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids).

S.F. 566, sponsored by Sen. Jim Vickerman (DFL-Tracy), modifies a provision in the 1994 capital bonding bill to allow the Worthington School District to build up to five cottages for the Lakeview School. The bill also allows the residential program, which serves students with special needs, to continue operation until June 1, 1996.

Last year's bonding bill included an authorization of \$2.07 million to the Worthington School District for construction of three residential cottages. But the project was halted, Vickerman said, when Dept. of Human Services' rules forced a change in the original project. He said those rules limit the number of students that could be housed in each of the buildings and the program will not be licensed unless the rules are met.

Sen. Tracy Beckman (DFL-Bricelyn) offered an amendment reducing the amount of the bonding authorization to \$1.7 million, allowing the school to operate until July 1, 1996 without licensure, and exempting the department from paying any costs of the school's operation until it is licensed. The amendment was adopted. The bill was then approved and advanced to the Senate floor.

The committee also amended and approved S.F. 150, authored by Merriam, repealing the

Canadian fish import restriction enacted last year. The bill, which allows fish lawfully caught in Canada to be brought into the state, was also sent to the floor.

An amendment had been added to the bill in a previous committee meeting authorizing a state appropriation to support economic development and promotional projects in the Minnesota-Ontario lakes area. Merriam moved to delete the appropriation provision, but his motion failed. Sen. LeRoy Stumpf (DFL-Thief River Falls) then made a motion to appropriate \$100,000 for the projects and the motion was adopted. The committee also approved an amendment by Sen. Dennis Frederickson (IR-New Ulm), specifying that the funds be allocated as grants to political subdivisions.

### Funding bills heard

A proposal to abolish the Office of Strategic and Long Range Planning was approved by the Finance State Government Division, chaired by Sen. Richard Cohen (DFL-St. Paul), Weds., Apr. 5.

S.F. 682, authored by Sen. Steven Murphy (DFL-Red Wing), abolishes the planning office and shifts a number of its activities to other state agencies. The bill was approved and referred to the full Finance Committee.

The division also approved several other bills, sending them on to the full committee for further consideration. S.F. 1406 sets the salary ranges for state agency commissioners, and the salaries for administrative law and workers compensation judges. Under the bill, presented by Sen. Roy Terwilliger (IR-Edina), the salaries ranges for agency heads appointed by the governor are based on a percentage of the governor's salary. Most commissioners may receive up to 85 percent of the governor's salary.

S.F. 339, carried by Sen. John Marty (DFL-Roseville), allows the Ethical Practices Board to issue advisory opinions on the ban on gifts to local officials. After Sen. Carl Kroening (DFL-Mpls.) moved to delete the appropriations provision in the bill, the measure was approved. The board request of \$118,000 needed to support the bill will be considered with the other appropriation requests before the division.

Also approved were S.F. 877, authored by Sen. Deanna Wiener (DFL-Eagan), requiring that building permit fees will be deposited into a special fund for use in training of building inspectors, and S.F. 947, sponsored by Sen. Jane Krentz (DFL-May Township), clarifying the relationship between the Regional Arts Council and the State Arts Board. S.F. 1120, presented by Sen. Charles Berg (DFL-Chokio), creates a special account for money received by the Gambling Control Board as reimbursement of the costs for testing pull tab dispensing devices. The measure advances to the full committee.

A number of other bills were heard and set aside for consideration as part of a state government omnibus funding bill. S.F. 590, sponsored by Sen. Carol Flynn (DFL-Mpls.), includes a \$1.8 million appropriation for development and distribution of caucus and voters guidebooks. Flynn said the funding would allow the Secretary of State's Office to prepare the informational guides and deliver them to each household in the state.

Sen. James Metzen (DFL-South St. Paul) presented two bills to the division. S.F. 530 amends the state Constitution to establish a

bonus program for Persian Gulf War veterans and places the question before the voters in the 1996 general election of whether the bonuses should be paid. S.F. 938 appropriates \$16,200 as the state's contribution towards plans to develop a national memorial honoring women who have served in the military. An unspecified appropriation is sought under S.F. 603, offered by Terwilliger, to begin planning of a Korean War Veteran's Memorial on the State Capitol Mall.

Sen. Kevin Chandler (DFL-White Bear Lake) discussed his bill, S.F. 874, creating a Government Efficiency Incentive Program. A \$300,000 appropriation is requested to support the start-up costs of the program. S.F. 564, authored by Sen. Dennis Frederickson (IR-New Ulm) appropriates \$500,000 for the biennium to create the Minnesota Quality College Program in the Dept. of Employee Relations.

Cohen presented two of his own bills to the division. S.F. 1121 provides \$100,000 to begin planning for establishment of a Human Development Center by the Capitol Area Architectural and Planning Board. S.F. 454 makes a \$400,000 contribution during the biennium to Minnesota Children's Museum in St. Paul.

## Gaming Regulation

### Video gaming bill laid over

A controversial bill that establishes a test program for video gambling, S.F. 402, was laid over by the Gaming Regulation Committee at its meeting Fri., Mar. 31. Carried by committee chair, Sen. Charles Berg (DFL-Chokio), the bill permits liquor establishments in Traverse, Big Stone, Lac Qui Parle, Chippewa, Stevens, Grant, Douglas, Pope, Koochiching, Itasca, and St. Louis counties to install five video lottery machines per establishment. The bill also provides schedules regulating limits on amounts played, prizes and pay out percentages, as well as a sunset date of July 1, 1998.

Leroy Meyer, owner of Garden Lanes in Alexandria, spoke in support of the bill. He told members that his bowling business, which he's operated for 38 years, has steadily declined since the dawn of casinos. "We can't compete with them," Meyer said. "The people are going by the busloads to the surrounding casinos."

Brian Rusche, from the Joint Religious Legislative Council, testified against the bill. Telling members that the effects of gambling have been measured only in economic terms, he called for a review of the social and moral implications of gambling. "It's caused an alteration of basic values," Rusche said, "an erosion of our social fabric." He added that these problems aren't readily quantified, but are "epidemic in proportion."

Complaints were raised by members about the study, and the effects of the pilot project on neighboring communities. Sen. Dean Johnson (IR-Willmar) said that the study gives unfair advantages to the counties participating in the pilot project.

"You already have unfair competition because of the casinos," Berg answered. "But these video games pay taxes-furthermore there's a sunset date in two years," Berg added.

Sen. Allan Spear (DFL-Minneapolis) objected to the measure saying that businesses without the machines won't survive the two year trial.

S.F. 1360, a bill that permits cities, for the

purpose of lawful gambling expenditures, to define "trade areas" including all or part of the city's school district or districts, was approved by members. Sponsored by Sen. Gary Laidig (IR-Stillwater), the bill now proceeds to the floor.

## Governmental Operations and Veterans

### Human Rights dept. bill advances

A bill transferring responsibilities of the Dept. of Human Rights was amended and then approved, Thurs. evening, Mar. 30, by the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

S.F. 1384, authored by Sen. Ellen Anderson (DFL-St. Paul), abolishes the Dept. of Human Rights and transfers the agency's functions to the Attorney General's Office. The bill was modified by an amendment offered by Sen. John Hottinger (DFL-Mankato). That amendment requires the department to send an evaluation to each person who has filed a grievance in the preceding 12 months, compile those evaluations and submit them to the Legislature each year. The amendment also limits the amount the department may use for administrative costs to 10 percent of its total budget. The bill was approved and referred to the Finance Committee.

The panel also approved a bill providing for the registration of physician assistants. S.F. 258, sponsored by Sen. Pat Piper (DFL-Austin), allows the Board of Medical Practice to establish a physicians assistant advisory council. The measure also give the board the authority to register physician assistants, receive fees for the registration and provides enforcement authority to suspend those registrations. The bill was referred to the Finance Committee.

After hearing some testimony in opposition, a proposal abolishing eight legislative commissions and transferring the functions of another was approved. S.F. 1290, presented by Sen. Roger Moe (DFL-Erskine), eliminates seven commissions July 1, 1996 and another, the Commission on Children, Youth and Families, July 1, 1997.

The bill also eliminates the Legislative Commission on Minnesota Resources (LCMR) and makes that commission a division in the Office of Strategic and Long-Range Planning effective July 1, 1996. Under the proposal, the new division will assume the LCMR's responsibility for distribution of appropriations for environmental programs, now provided by the LCMR from the environmental trust fund. The bill also bars state agencies from seeking the program funds. The committee adopted an amendment offered by Sen. Phil Riveness (DFL-Bloomington), to eliminate the commission on energy and to prevent the Metropolitan Council from applying for funds from the division. The bill, as amended, was referred to the Senate floor.

The members also reviewed a bill, offered by Metzen on behalf of the Dept. of Employee Relations, clarifying a number of human resources procedures. Among the provisions of S.F. 1009 are requirements that affirmative action officers report directly to state agency heads and that the Dept. of Employee Relations audit each agency's records to determine the rate of compliance with affirmative action. The bill was set aside for further consideration.

S.F. 785, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), was also reviewed. The bill abolishes the Dept. of Natural Resources, the

Pollution Control Agency, and six other environmental boards on July 1, 1996. The proposal also creates a task force to recommend how those organizations may be reorganized. The Governmental Operations and Environment and Natural Resources Committees of both bodies are to take the recommendations and present a reorganization proposal to the governor and Legislature by January 15, 1996. The bill was set aside for further consideration.

### Prescription drug bill approved

A bill giving a state agency the authority to buy and sell prescription drugs was amended and approved, Fri., Mar. 31, by the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

S.F. 410, sponsored by Sen. John Marty (DFL-Roseville), requires the Dept. of Administration to negotiate price contracts for Minnesota purchasers for prescription drugs. The bill also requires the Dept. of Human Services to establish a state drug formulary and prevents any Minnesota purchaser from buying prescription drugs from a manufacturer if that company has not been awarded a price contract by the Dept. of Administration.

The bill was tabled earlier but Sen. Deanna Wiener (DFL-Eagan) moved that the committee reconsider the proposal. After the motion was approved, Wiener offered an amendment allowing the department to voluntarily contract with manufacturers and make the contracted prices available to any Minnesota purchaser. The amendment requires the contracted price to be either 15 percent less than the average manufacturer's price, the competitive bid price or a negotiated price, whichever is the lowest. The amendment was adopted.

Wiener moved to strike the required disclosure of prescription drug prices from the bill, but that motion failed. The members approved a motion by Sen. John Hottinger (DFL-Mankato), deleting a provision that allowed the Dept. of Human Services to prepare the State Drug Formulary criteria without having to meet rule-making requirements. An amendment, offered by Sen. Linda Runbeck (IR-Circle Pines), preventing pharmacies that buy prescription drugs from the state from selling tobacco products was rejected. The bill was then approved and referred to the Finance Committee.

With the first policy bill deadline at hand, the committee acted on eight other bills, including S.F. 1246. The measure, authored by Sen. Phil Riveness (DFL-Bloomington), repeals more than 320 state agency reports to the Legislative. The author offered an amendment to include provisions that set up a process to reorganize the state's environmental and natural resources agencies, establish a citizen's advocate office, and to require that state and local governments act on land-use permit applications within 60 days. In addition, the amendment allows the Housing Finance Agency to continue its civil service reclassification pilot project, modifies several Dept. of Employee Relations programs, repeals unneeded state rules, and calls for a study to determine the feasibility of merging the economic-assistance agencies. The amendment was adopted.

Riveness offered another amendment to transfer the Transportation Regulation Board to the Dept. of Transportation on July 1, 1996. The amendment also requires a study to determine how the board's regulatory functions should be

handled. After some discussion the amendment was adopted. The bill was then approved and referred to the Senate floor.

S.F. 1362, authored by Sen. Bob Lessard (DFL-Int'l. Falls), establishing a public and private state forest resource council was amended and approved. The bill requires the council to be responsible for developing guidelines on the use of the state's forest resources.

Several amendments were added to the bill, including two offered by Sen. Dan Stevens (IR-Mora). The first amendment establishes the date the council members are to be appointed and the second requires the council to set up a process for acceptance of public comment on forestry practices. Both amendments were adopted. The committee also approved amendments offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), requiring the council to include economic issues in developing the guidelines, and by Sen. Steven Morse (DFL-Dakota), modifying the council's membership to include representatives of the timber industry. The bill was approved and sent to the floor.

S.F. 373, authored by Sen. Leonard Price (DFL-Woodbury), establishes a Water and Wastewater Operation Certification Advisory Council in the Dept. of Health. The bill was approved and re-referred to the Finance Committee.

S.F. 1159, carried by Sen. Dallas Sams (DFL-Staples), requires state agencies to notify the Dept. of Agriculture before adopting or repealing any rules affecting agriculture operations. The bill was approved and sent to the floor. The panel also approved S.F. 1421, presented by Sen. Jim Vickerman (DFL-Tracy). The bill, which prevents local governments from closing those shooting ranges that have been in operation for at least five years by making zoning or planning law changes, was also sent to the floor.

A bill removing the Bureau of Criminal Apprehension from the Dept. of Public Safety was approved and re-referred to the Crime Prevention Committee. Carried by Sen. Tracy Beckman (DFL-Bricelyn), S.F. 1315 also transfers the criminal justice information system to the bureau on July 1, 1995. A proposal by Sen. Richard Cohen (DFL-St. Paul) to establish the Human Development Center was also approved. S.F. 1211, providing \$100,000 to the Capitol Area Architectural and Planning Board to begin the planning process for the center, was re-referred to the Finance Committee.

### Acupuncture bill advances

Acupuncture practitioners will be subject to licensure under a bill approved Tues., Apr. 4, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), approved H.F. 446 and sent it to the Senate floor. The bill, sponsored by Sen. Dallas Sams (DFL-Staples) establishes a procedure for the licensing of acupuncture practitioners by the Board of Medical Practice. The bill also allows the board to create an acupuncture practitioners advisory council and sets the licensing procedure.

The members heard a second licensing proposal. S.F. 891, authored by Sen. Sam Solon (DFL-Duluth), establishes a board of licensed professional counseling to adopt rules for the licensing and regulation of professional counselors. The requirements needed to become a licensed counselor are also identified in the bill

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and exemptions are provided for students in a counseling program, clergy or other qualified professionals. After hearing concerns from persons representing psychologists' groups on the impact the bill would have on their licensing procedures, the bill was tabled.

In other action, the committee approved a bill creating a process for the governor to declare an inability to carry out the duties of the office. S.F. 1268, carried by Sen. William Belanger (IR-Bloomington), also provides a process for the governor to be declared unable to serve. The lieutenant governor would assume the governor's duties. The measure advances to the floor.

Sen. Phil Riveness (DFL-Bloomington) presented a bill creating three state agency efficiency pilot projects. He said S.F. 1195 calls for the governor to designate three state agencies to be involved. One agency will be exempted from the state's human resources requirements, another will have the opportunity to develop an employee incentive program, and a third will be exempt from state procurement and contract practices. The bill was approved and referred to the floor.

Also approved and advanced for consideration by the full Senate was H.F. 1060. Metzen, the author, said the bill exempts administrative support positions in the South St. Paul fire and police departments from civil service hiring procedures. S.F. 1221 was also approved and referred to the Finance Committee. Carried by Sen. Gary Laidig (IR-Stillwater), the bill calls for a \$30,000 biennial appropriation to support a program of the state council of the Vietnam Veterans of America.

## Health Care Committee

### MNCare approved

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), approved changes to S.F. 845, the MinnesotaCare bill at a meeting Thurs., Mar. 30. The bill repeals the date for achieving universal coverage and suspends the implementation of the Regulated All-Payer Option (RAPO). The bill establishes a senior drug purchasing benefit program to ensure access to lower priced drugs, and also implements a penalty for uninsured persons.

Numerous amendments were added to the bill. Berglin, author of the bill, presented an amendment that expands MinnesotaCare eligibility to persons without children up to 150 percent of the poverty level. Without the provision, Berglin said, "we are breaking faith with the purpose of the creation of the MinnesotaCare Fund." The measure had been deleted in another committee by Sen. Roy Terwilliger (IR-Edina). Terwilliger explained that it was deleted because of serious financial concerns this year, and would be vetoed by the governor. This is a \$187 million issue, he said. Berglin countered that without adoption, the state will be keeping \$200 million that should be used to provide primary and preventative care for Minnesotans. The amendment was adopted.

S.F. 1291, the health care reform waiver bill, was incorporated into the bill. The measure exempts integrated service networks (ISNs) from participating in government health care programs for the first 12 months of licensure. It also includes single adults with incomes 125 percent or less of the poverty level and families with children with incomes 275 percent or less of the poverty level, in MinnesotaCare eligibility.

Medical Assistance is available to a child whose mother was receiving MA before the birth of the child. MA is available for up to 2 years.

An adopted amendment, introduced by Berglin, develops a risk adjustment system for state-run public programs. Berglin explained that no general fund dollars are needed for the provision. In another adopted provision, a 24-hour coverage pilot project is required, to be implemented in 1996. Berglin offered an amendment requiring HMOs and ISNs to offer two cost-sharing options to customers. Sen. Don Samuelson (DFL-Brainerd) expressed concern that the provision mandates coverage that insurance providers must offer. The measure was approved.

S.F. 959, a bill relating to data privacy provisions of MinnesotaCare, was incorporated into the bill. The bill, as amended, goes to the Taxes and Tax Laws Committee.

The committee also granted approval for S.F. 543, authored by Sen. Dallas Sams (DFL-Staples), requiring equal treatment in terms of coverage by health carriers of the various sorts of providers who prescribe drugs. The bill goes to the floor.

### TEFRA bill discussed

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), continued its discussion of TEFRA (Tax Equity and Fiscal Responsibility Act) cuts and other items at the meeting Weds., Apr. 5. The cuts are part of S.F. 1535, sponsored by Sen. Edward Oliver (IR-Deephaven).

Deleting the TEFRA program is a move to control spiraling costs, Oliver said. The intent is not to institutionalize children but to transfer them into more appropriate services, he explained. Oliver said that in the past, Minnesota has been too liberal in its eligibility criteria for TEFRA services. "We have to face the financial reality," Oliver said, noting that the health and human services budget has increased from \$4.4 billion in FY 94-95 to \$5 billion in FY 96-97 to an estimated \$6.2 billion in FY 98-99.

Oliver offered an amendment that continues the TEFRA program but "tightens the criteria for eligibility." The amendment continues screening for waived services and requires all TEFRA recipients to be screened by Jan. 1996. In addition, the bill requires that TEFRA care must be under a managed care system. This will assure the quality and appropriateness of care, said Commissioner Maria Gomez. Tom Moss of the department said that the amendment gives options to families, allowing them to apply for waived services or meet TEFRA qualifications.

Berglin offered a similar amendment to be considered by the committee. The amendment adjusts parental contribution and has different eligibility criteria for TEFRA. Personal care services are offered, including two new services for children, school-based and summer-only services, which share personal care attendants. Moss said that the amendments are consistent in their focus, but that Oliver's amendment targets the more severely emotionally disturbed and ensures there is a chronic, recurring need to be met. Members discussed the need for a clear definition of long-term care.

The bill includes several other provisions, including the reduction of Medical Assistance (MA) payments for prescription drugs to the lowest price the provider has agreed to accept

from any payor, and sets the pharmacy dispensing fee at \$2.35. Kathleen Coda of the Dept. of Human Services said that this provision may have some negative effects on small pharmacists. In addition, GAMC payment for non-preventive dental services is eliminated unless service is required because of an emergency. The bill also implements a hospital peer grouping system dividing hospitals into seven classes and setting a median rate for each class. Because of continuing discussion on the amendments, the bill was laid over until the evening meeting.

The committee approved H.F. 226 and sent it to the floor. The bill, sponsored by Sen. Pat Piper (DFL-Austin), requires hospitals or clinics to report any insurance settlements to the Board of Medical Practice. Another bill, H.F. 813, was sent to the floor. Authored by Sen. Charles Berg (DFL-Chokio), the bill establishes a temporary payment rate for a recently purchased ICFs/MR (Intermediate Care Facilities for the Mentally Retarded). S.F. 1103, establishing a new Department of Children, Families and Learning and H.F. 974, modifying fee payment time schedules, were sent to the funding division.

### New dept. approved

The creation of a Department of Children, Families and Learning was approved by the Health Care and Family Services Funding Division Weds., Apr. 5. The department's creation, as outlined in S.F. 1103, is sponsored by Sen. Jane Ranum (DFL-Mpls.) and replaces the Dept. of Education. The bill incorporates more than 50 programs to better serve children and families in a coordinated manner. "We need to have a common vision and a common goal," for all programs relating to children and learning, Ranum said.

Sen. Linda Berglin (DFL-Mpls.) expressed concern about the incorporation of many programs and services. By taking them out of the Dept. of Human Services, she said, more fragmentation and confusion could result. Members also discussed the threshold for determining programs that focus on children and families. Sen. Sheila Kiscaden (IR-Rochester) asked, "Where is the dividing line between the learning readiness concept" and prevention and family support? Ranum explained that the department aims to provide a continuum of programming and utilize resources to prevent children from needing even more assistance in the future.

Berglin offered several amendments to delete programs from the proposal. The amendments, which were adopted, retained the AFDC, Minnesota Family Investment Program, STRIDE, Food Stamp and other related programs in the Dept. of Human Services. Wait and see the success of the new department before transferring these programs, she said. Also retained were all foster care and child care programs, children's mental health programs, Asian youth services and children with special needs programs. Ranum opposed the deletions, saying that comprehensive integration of these services with education will greatly enhance their effectiveness and enhance local decision-making. The bill goes to the Health Care Committee.

Members also considered S.F. 1284, sponsored by Sen. Phil Riveness (DFL-Bloomington). The bill permits a group residential housing moratorium to provide 180 housing units for homeless adults with mental illness, a history of substance

abuse or HIV/AIDS. The initiative relies heavily on private resources, Riveness said, and saves funds. Kiscaden offered an amendment to require 100 percent of residents to have a chronic condition or already be receiving state services. The amendment was adopted. The bill was laid over for further consideration.

The committee incorporated two bills into the omnibus policy bill. S.F. 775, authored by Sen. Linda Berglin (DFL-Mpls.), modifies alternative care and waived service programs. S.F. 996, authored by Sen. Dallas Sams (DFL-Staples) requires an elderly housing service establishment to register with the state. The bill also requires a contract with residents outlining regulations and prices. Sams explained that the registration fee covers the cost of the bill.

## Jobs, Energy and Community Development

### Background check bill okayed

A bill requiring operators of rental properties to conduct criminal background checks of managers or caretaking employees, was approved by the Jobs, Energy and Community Development Committee, Thurs., Mar. 30. The committee, chaired by Sen. Steven Novak (DFL-New Brighton), also heard testimony on S.F. 1231, a bill that limits the authority of public utilities to disconnect services during the winter months.

S.F. 98, authored by Sen. Gene Merriam (DFL-Coon Rapids), requires owners of apartments or manufactured home parks to consult data maintained by the Bureau of Criminal Apprehension, which provides identification of convicted offenders. Under the bill, persons convicted of a violent crime may not be given access to homes unless accompanied by a person designated by the employer.

LuAnn Koskien, the mother of a young woman abducted and murdered by her landlord, testified in support of the bill. Koskien stated that the bill provides tenants with a level playing field with a landlord. She told members that the bill may prevent tragic crime from affecting others.

A number of individuals testified against the bill. Among the opponents were, Diana Wilhelmson, president of the St. Paul Assn. of Responsible Landlords, Ron Dody, a Bloomington apartment manager, and Doug Clark, supervising attorney for housing issues for St. Cloud Area Legal Services. Most opponents supported criminal background checks but were opposed to one section of the bill which requires the landlord to give 24 hour notice to the tenant before entering the premises. The committee passed an amendment, offered Sen. Dennis Frederickson (IR-New Ulm), that removes the 24 hour notice requirement from the bill. Members also adopted an amendment offered, by Sen. Douglas Johnson (DFL-Cook), that allows owners to hire caretakers before receiving criminal background data. Johnson told members that criminal background checks often take 4-8 weeks to process. If the owner finds that the applicant has a violent criminal record, immediate dismissal is required. S.F. 98 was approved and sent to the Senate floor.

S.F. 1231, authored by Sen. Ellen Anderson (DFL-St. Paul), provides protection for utilities customers whose monthly incomes fall below 180 percent of federal poverty guidelines. The bill states that utilities providers that supply heat to

residential homes may not disconnect low income customers between Oct. 15 and Apr. 15. Anderson told members that the current law governing utilities disconnection is too complex for most people to understand. As a result, relatively few individuals apply for protection.

Lennis Arndt, public utilities coordinator for the city of Luverne, and Sue Ganser, a customer operations analyst for NSP, spoke in opposition to the bill. Gossner told the panel that the bill "creates many more problems than it solves." She explained that most utilities companies provide a reasonable payment plans for customers. She reminded members that the current law requires customers to pay only 10 percent of their total bill in order to continue service. "This is a bill," Ganser said, "that removes any responsibility the customer has to pay the utilities company." The panel failed to approve S.F. 1231.

### Six bills heard

Members of the Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-Mpls.) heard six bills on Fri., Mar. 31. Action was taken on only one bill.

S.F. 334, authored by Sen. Randy Kelly (DFL-St. Paul), provides assistance to contract-for-deed homebuyers. It also requires a community impact statement before the construction of low-income rental housing in targeted areas. Kelly called the bill, "a comprehensive housing plan that directs how our money is spent rather than allowing individual agencies to choose."

S.F. 818, introduced by Sen. Ellen Anderson (DFL-St. Paul), requires a small appropriations increase for two programs funded under Minnesota Project Innovation (MPI). Randy Olsen, executive director of MPI, told members that the organization enables Minnesota companies to develop partnerships with high technology businesses.

S.F. 824, authored by Sen. Janet Johnson (DFL-North Branch), funds a microenterprise support group. The program provides loans to starting or expanding businesses in Minnesota. Johnson told members that an average loan would be approximately \$3,000. The Dept. of Trade and Economic Development is responsible for appointing the loans.

Members approved S.F. 875, introduced by Sen. Dennis Fredrickson (IR-New Ulm). The bill increases the bonding authority of the Public Facilities Authority from \$350,000 to \$450,000. The bill moves on to the full committee.

S.F. 1167, authored by Kroening, funds the Learn-to-Earn Program. The program employs about 150-200 at-risk youth each year. The agency provides support and supervision in order to create pride in a strong work ethic.

S.F. 931, introduced by Sen. Steven Morse (DFL-Dakota), creates a schedule by which the Department of Economic Security must complete its audits for extended employment programs. It institutes a penalty system if the audits are not completed by the scheduled date.

### Metro communication system okayed

The Jobs, Energy and Community Development Committee met Fri., Mar. 31., and heard numerous bills before the midnight deadline for approving Senate bills.

A bill creating a coordinated communication system for use by Metropolitan Area public safety agencies was approved and re-referred to the Taxes and Tax Laws Committee. S.F. 467, according to its sponsor, Sen. Ted Mondale

(DFL-St. Louis Park), provides a coordinated system that would result in a 5 to 1 cost savings over the many systems that are used now. The 800-megahertz system would be maintained by the Dept. of Transportation and paid for with a 4-cent increase in 911 assessments on each telephone line in Minnesota. Funding is also derived from user fees paid by the Dept. of Transportation, and other government units that use the system, and local users.

The committee, chaired by Sen. Steven Novak (DFL-New Brighton), heard S.F. 1000, a bill creating a revolving contaminated site cleanup loan program within the Metropolitan Council. Under the bill, the council may grant loans to local governments in the Metropolitan Area for funding cleanup efforts that have the approval of the Pollution Control Agency. The bill provides criteria for eligibility for the loans and gives the council the authority to prioritize loan application to provide the highest return in public benefits for the public costs incurred. The bill, authored by Sen. Carol Flynn (DFL-Mpls.), was approved and re-referred to the Taxes and Tax Laws Committee.

S.F. 801, a bill modifying provisions in the state's lead abatement law, also received the panel's approval. The bill, authored by Sen. Linda Berglin (DFL-Mpls.), directs the commissioner of economic security, with the commissioner of health, to collect data on the effectiveness of providing swab team services to reduce lead exposure in young children. The bill was sent to the Senate floor.

S.F. 903, sponsored by Sen. Phil Riveness (DFL-Bloomington), provides criteria for evaluating applications for economic recovery grants and loans now in use. The bill also prohibits making grants or loans solely on the criteria of attracting business from out of state or retaining businesses that are considering moving out of the state. The panel approved an amendment offered by Sen. Janet Johnson (DFL-North Branch) prohibiting use of economic recovery grants for projects related to sports facilities. The bill goes next to the Senate floor.

The committee also approved S.F. 870, moving the responsibility of elevator inspection from the Dept. of Labor and Industry to the Dept. of Administration and makes the statutory requirements for elevator safety statewide. The measure is sponsored by Sen. Paula Hanson (DFL-Ham Lake). The committee sent the bill to the full Senate.

S.F. 1207, sponsored by Sen. Jim Vickerman (DFL-Tracy), authorizes a \$1 million appropriation for the Prairieland Expo facility to be used for land acquisition. The bill was approved and sent to the Senate floor.

S.F. 1348, a bill appropriating \$1 million from the general fund to the Minnesota Finance Agency to remove blighted multi-unit residential rental property, also received approval. Under the measure, sponsored by Sen. Don Betzold (DFL-Fridley), grants may be used to acquire or demolish multi-unit residential rental properties. The grants may be used for households with incomes less than or equal to 125 percent of area median income. The bill was approved and sent to the Jobs, Energy and Community Development Finance Division.

S.F. 1133, also sponsored by Betzold, appropriates \$85,000 in FY 1996 and 1997 to the commissioner of trade and economic development for a grant to the North Metro Business Development Commission. The grant is to be used to expand the commission's business

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retention and expansion program. The bill was approved and sent to the committee's finance division.

S.F. 826, sponsored by Sen. Randy Kelly (DFL-St. Paul), appropriates \$15 million from the general fund to the commissioner of trade and economic development for contamination cleanup grants.

S.F. 1085, sponsored by Sen. Florian Chmielewski (DFL-Sturgeon Lake), provides and funds a grant program to regional development commissions to identify and support energy efficient projects. The program, to be administered by the commissioner of public service, limits grants to \$50,000. The bill was sent to the finance division.

S.F. 1076, a bill to regulate the placement of large wind energy conversion systems, also received the panel's approval. The bill, sponsored by Sen. Janet Johnson (DFL-North Branch), sets forth a policy that the state will site the systems in an orderly manner compatible with environmental preservation, sustainable development, and the efficient use of resources. The measure also requires a builder of a large wind system to obtain a site permit from the Environmental Quality Board.

S.F. 1140, sponsored by Sen. Arlene Lesewski (IR-Marshall), provides an extended employment program to maintain and advance the employment of persons with severe disabilities. The program includes providing technical assistance, innovation and expansion grants to rehabilitation facilities. The bill was approved and sent to the full Senate.

S.F. 1467, sponsored by Sen. Richard Cohen (DFL-St. Paul), directs the Dept. of Trade and Economic Development's tourism division to conduct a study assessing the benefits of publicly owned civic and convention centers to convention and tourism industry. The bill was referred to the committee's finance division.

S.F. 1334, also sponsored by Cohen, appropriates \$4 million for the 1996-97 biennium for the community resources program, which provides services relating to child care, housing, job-related programs and youth-related programs. The bill was sent to the finance division.

S.F. 1442, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), qualifies waste wood burning by the St. Paul Heating District as biomass-produced energy mandated in last year's Prairie Island Bill. The committee voted to approve the bill and send it to the Senate floor.

S.F. 1424 appropriates \$52,839 from the general fund to the Minnesota Historical Society for the purpose of operating the North West Company Fur Post Interpretive Center. The bill, sponsored by Sen. Janet Johnson, now goes to the finance division.

S.F. 935, sponsored by Kelly, appropriates \$500,000 to the Minnesota Job Skills Partnership Board for a program in St. Paul that connects the human resource needs of employers with the city's employment and job development programs.

S.F. 1244, also sponsored by Kelly, establishes a rental tax equity pilot program in Minneapolis, St. Paul, Duluth and South St. Paul. The program's aim is to help landlords provide safe, decent, and affordable housing through property tax reductions and to give incentives to other landlords to improve their properties. The bill sets the dollar limit for credits in Minneapolis and St. Paul at \$1.5 million in 1996 and 1997, and \$500,000 for Duluth and South St. Paul in 1996 and 1997.

S.F. 1381, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), appropriates \$70,000 from the general fund to the commissioner of economic security for the biennium ending June 1997, for employment support services for people with mental illness. It also appropriates \$50,000 to the commissioner for planning the statewide reimbursement system in current statute that reimburses providers for employment support services for persons with mental illness. The bill was approved and sent to the finance division.

## Children's Dept. bill advances

A bill creating a new state department aimed at improving the well-being of children gained the approval of the Jobs, Energy and Community Development Committee Tues., Apr. 4.

S.F. 1103, sponsored by Sen. Jane Ranum (DFL-Mpls.), creates the Dept. of Children, Families and Learning. Under the bill, seven agencies will transfer programs to the new department. The largest change is the transfer of all programs from the Dept. of Education. Ranum said the department is needed to facilitate cooperation and coordination among the many state agencies and programs that serve children.

The panel, chaired by Sen. Steven Novak (DFL-New Brighton), discussed at length an amendment offered by Sen. Carl Kroening (DFL-Mpls.) removing several functions now provided by the Dept. of Economic Security that the bill folds into the new department. The amendment was approved.

An amendment offered by Sen. Douglas Johnson (DFL-Cook) requires a 50 percent cut in managerial and administrative employees. The panel approved an amendment to the amendment offered by Sen. Dennis Frederickson (IR-New Ulm) changing the cut to 25 percent. The committee approved the change and adopted the amendment. The bill was referred to the Health Care Committee.

S.F. 347, authored by Sen. Ted Mondale (DFL-St. Louis Park), permits tenant screening services to report court record information concerning unlawful detainer filings. The committee approved a delete everything amendment offered by Sen. Ellen Anderson (DFL-St. Paul). The Anderson amendment specifies that landlords must notify rental applicants if the landlord will use a tenant screening service. The amendment also requires the court to maintain a summary list of completed unlawful detainer actions. It also specifies that a screening service may not report unlawful detainer actions more than four years old. The bill was approved and re-referred to the Judiciary Committee.

Last, the committee approved S.F. 777, sponsored by Sen. Jim Vickerman (DFL-Tracy), memorializing the President and Congress to abandon the proposed sale of the Western Area Power Administration. The bill now goes to the full Senate.

## Workers comp bill heard

Members of the Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton) heard testimony, Wed., April 5, on a bill designed to reduce costs associated with workers compensation litigation.

S.F. 1020, authored by Novak, provides small employers with an opportunity to lower their insurance costs by self-insuring with a mutual

group. The bill also mandates a 10 percent rate reduction for employers who have not had an accident in the last three years. The bill also contains a collective bargaining agreement, which allows major workers compensation procedures to be established.

Finally, the bill cuts and changes the benefit system associated with workers compensation claims. It eliminates the current two-tier system, and returns Minnesota to a single permanent partial reimbursement system. It also limits temporary total benefits to 100 weeks, and temporary partial benefits to 350 weeks. Novak described S.F. 1020 as a bi-partisan effort to create reasonable workers compensation rates. He told members that the bill reflects the concerns of workers as well as the insurance and legal communities.

Novak introduced an amendment, which was adopted, slightly altering the state's supplementary benefit system. The committee approved S.F. 1020 and re-referred the bill to the Commerce and Community Protection Committee.

## Judiciary

### Paternity bill advances

Members of the Judiciary Committee met Mon., Apr. 3, to consider a variety of bills. The panel, chaired by Sen. Carol Flynn (DFL-Mpls.), approved all the bills and sent the measures to the full Senate.

S.F. 1024, authored by Sen. Bob Lessard (DFL-Int'l. Falls), changes the time limitation for bringing a law suit to declare the nonexistence of the parent and child relationship in cases where the parents have executed a declaration or recognition of parentage. Under the bill, a person has six months from the time the person obtains the results of blood or genetic tests that indicate the nonexistence of a parent and child relationship in which to bring a lawsuit.

S.F. 864, authored by Sen. Sheila Kiscaden (IR-Rochester), streamlines the procedure for obtaining an ex parte order for protection in domestic abuse cases. The bill provides that a hearing is not required when there is an application for an ex parte order for protection unless there is a request for a hearing. However, the bill specifies that if the petitioner does not request a hearing, an order served on a respondent must be accompanied by a form that the respondent can use to request a hearing. The measure also specifies that if a hearing is requested, notice of the hearing would have to be served upon the petitioner not less than five days before the hearing. The measure specifies that if the respondent requests a hearing, the hearing must be held within 10 days of receipt by the court of the request.

H.F. 32, carried by Sen. Sam Solon (DFL-Duluth), authorizes retired court administrators, with the approval of the chief judge of the judicial district, to perform marriages. H.F. 323, authored by Sen. Janet Johnson (DFL-North Branch), specifies that the owner of a single-metered residential building is responsible for paying utility bills. Further, the measure specifies that a tenant may recover treble damages or \$500, whichever is greater, if the owner violates the provisions. H.F. 399, carried by Sen. Harold "Skip" Finn (DFL-Cass Lake), makes numerous changes in laws relating to filings with Secretary of State's Office. S.F. 565, authored by Sen. Don Betzold (DFL-Fridley), makes a number of

statutory changes necessary for the federal Lien Registration Act. H.F. 567, sponsored by Kiscaden, provides for disclosure of hospital and health care provider tax data to the commissioner of human services and the federal government. The bill was recommended for placement on the consent Calendar.

### Medical device warranties gain

Members of the Judiciary Committee met Weds., Mar. 5, and approved a bill requiring a manufacturer who sells or leases a new medical assistive device such as wheelchairs, assistive listening devices and communication boards to furnish the consumer with an express warranty. H.F. 990, sponsored by Sen. Ellen Anderson (DFL-St. Paul), also provides that a consumer may bring an action to recover damages and that a consumer who prevails in the action must be awarded any pecuniary loss, together with costs and reasonable attorney's fees. In addition, the bill requires the manufacturers to provide reimbursement for temporary replacement of assistive devices.

The bill was advanced to the full Senate.

In other action, the committee, chaired by Sen. Carol Flynn (DFL-Mpls.), approved three additional bills. S.F. 1152, also authored by Anderson, requires employers who recruit employees to relocate to Minnesota to work in meat or poultry processing plants to make a number of disclosures such as nature of the work, wages, workers compensation coverage, benefits, relocation arrangements, and the availability of housing. The bill originally specified criminal penalties for failure to make the disclosures. However, committee members adopted an amendment to delete the criminal penalties. The bill does, though, provide for a cause of action for violation of the disclosure provisions. The measure was approved and sent to the full Senate.

S.F. 462, carried by Sen. Janet Johnson (DFL-North Branch), makes numerous changes to the Waste Management Act. The bill was before the committee primarily because of provisions authorizing counties to issue administrative penalties for violations of solid and hazardous waste laws. In addition, the bill requires that documents submitted by attorneys be submitted on recycled paper. However, the bill specifies that a court may not refuse a document because it was not submitted on recycled paper.

The bill was approved and re-referred to the Governmental Operations and Veterans Committee.

S.F. 885, authored by Sen. Jane Ranum, modifies the grounds and procedure for proving a nuisance. According to Ranum, the bill was designed to give prosecutors better tools with which to shut down questionable businesses.

Originally, the bill removed the requirement that specified that a public nuisance exist only after three or more misdemeanor convictions or two or more convictions, of which at least one is a gross misdemeanor or felony. The bill provided that a public nuisance exists upon proof of two or more separate behavioral incidents of any one or more particular kinds of conduct such as prostitution or gambling-related activity. Members of the committee amended the bill to remove the new language and to reinstate the requirement for criminal convictions. In addition, members deleted sections of the bill providing for an order of abatement and specifying that money from the sale of moveable

property be used to fund community crime prevention programs. The bill was advanced to the full Senate.

## Metropolitan and Local Government

### Anti-poverty bill proceeds

The Metropolitan and Local Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy) approved a bill Thurs., Mar. 30, aimed at eradicating poverty. The author of S.F. 1482, Sen. Edward Oliver (IR-Deephaven), called for a shift in focus, toward an inter-related perspective aimed at the causes of poverty, not just the symptoms. "Concentrations of poverty are really concentrations of joblessness," Oliver said. "Housing choices result from having a job."

The measure, which Oliver referred to as the Metropolitan Anti-Poverty Plan, contains a metropolitan revitalization fund, a jobs opportunity program, and a housing section. This "incentive based approach" contains programs to bring jobs and job training to the city core, increase public transit between urban and suburban areas, and initiate affordable housing programs.

Specifically, the bill contains provisions for urban homesteading, contaminated site clean up for both industrial and commercial redevelopment, exemption of HRA building materials from sales tax, and affordable housing investment tax credits. Before re-referring the bill to the Jobs, Energy and Community Development Committee, members removed a controversial section that shifts some Local Government Aid from rural to urban areas.

Curt Johnson, chair of the Metropolitan Council, testified in support of the measure. "An integrated approach to integrated issues is a the best way to remedy this problem," Johnson said.

Bob Renner, from the Municipal Legislation Commission praised the bill for its financial ingenuity. "The bill contains many creative ways of obtaining funding, presenting carrots as incentives," said Renner.

Opposing the measure was Tim Flaherty of the Coalition of Greater Minnesota Cities. He told members that taking money from rural regions to finance development of inner cities is unfair.

Nancy Larson, from the Minnesota Association of Small Cities also spoke against the bill. "You always see city problems," she said, "the media's full of images of their troubles, but few see the problems of rural towns." Larson said that the difficulties that exist in city cores, are the same ones plaguing small rural towns—poverty, housing and joblessness.

S.F. 1233, a bill that establishes housing as a metropolitan system, was approved by the committee and sent to the floor. Carried by Sen. Sandra Pappas (DFL-St. Paul), S.F. 1233 "provides a moderate voice in the housing debate."

Pappas said that establishing housing as a system, one which demands consistent long term planning, will provide for regional stability.

Also sent to the full Senate was S.F. 1396, a measure that requires counties, cities, and towns to codify and place up-to-date copies of ordinances in corresponding law libraries. Authored by Sen. David Knutson (IR-Burnsville), the bill also provides that the library reimburse the entity for the costs incurred.

S.F. 563, a measure that requires the Met

Council to reimburse Dakota County for studies done related to proposed airport sites was approved and re-referred to the Finance Committee. Sen. Linda Runbeck (IR-Circle Pines) objected to the precedent being set by Sen. James Metzen's (IR-South St. Paul) bill. "If counties spend funds at their own discretion, I don't think they should then come to us for money," Runbeck said.

### Wind turbine bill approved

A measure that exempts wind energy conversion systems from the power plant siting act, S.F. 1076, was approved by the Metropolitan and Local Government Committee at its Mon., Apr. 24, meeting. The committee, chaired by Sen. Jim Vickerman (DFL-Tracy), re-referred the measure to the Governmental Operations and Reform Committee.

Sen. Janet Johnson (DFL-North Branch), the bill's author, said that the intent of the legislation is to make it easier to site wind turbines. "Our thinking is to exempt facilities that use clean energy resources," Johnson said. Exemption from the act would lessen the time required by the siting process, she explained.

Johnson said that because wind turbines are safe energy sources with no environmental impact on adjacent areas, and as part of an effort to encourage use of clean energy resources, the units should be allowed expeditious siting procedures.

The measure also gives siting authority, to be carried out in an orderly manner compatible with environmental preservation, to the state. Johnson said that in many cases, counties don't have zoning ordinances covering wind turbines. She added that she has encountered no opposition from the local units of government regarding wind turbine siting.

S.F. 1374, carried by Sen. John Marty (DFL-Roseville), gives cities an additional month to file a budget data summary with the state auditor. The measure also authorizes publication of a city's summary budget in a city newsletter, or other city mailing, sent to households.

Marty said that some of the newsletters have greater coverage than the official newspapers. Giving cities the newsletter option could result in greater coverage of important information, Marty said.

Vickerman offered an amendment that limits the newsletter option to cities in the Metro Area. Members adopted the amendment and referred the bill to the full Senate.

### Four bills advance

At its meeting Weds., Apr. 4, the Metropolitan and Local Government Committee advanced two bills directly to the Senate floor, while re-referring two others to the Taxes and Tax Law Committee.

S.F. 1451, authored by Sen. Linda Berglin (DFL-Mpls.), makes a correction to a street name, and authorizes the city of Minneapolis to establish three additional special service districts. The districts include parts of Nicollet Avenue, Cedar-Riverside, and Central Avenue Northeast.

Berglin said that area property owners asked for the legislation so that they can receive additional services for which they agree to be assessed charges. The bill was re-referred to the Taxes and Tax Laws Committee.

S.F. 1441, carried by Sen. Lawrence Pogemiller (DFL-Mpls.) was also re-referred to the Taxes and Tax Laws Committee. The bill

# Committee update

regulates the deposit and investments of public funds. Pogemiller said that the bill stems from the recent financial crisis experienced by Orange County, resulting from investments in certain derivative funds. "The bill is a recodification of statutes relating to investments of public funds," Pogemiller said. He added that most of the repealed language is reworked in S.F. 1441, with updated and clarified rules.

A bill sponsored by Sen. Edward Oliver (IR-Deephaven), authorizes the city of Chanhasseen to buy playground equipment from someone other than the lowest bidder. S.F. 1523 allows the city to prepare specifications that can be used to advertise for bids, and award contracts to the bidder of its choice.

Before sending the measure to the floor, members approved an amendment that requires the program to be reviewed by the legislature as of Feb. 1, 1997.

H.F. 1065, carried by Sen. Florian Chmielewski (DFL-Sturgeon Lake), was also referred to the floor and placed on the Consent Calendar. The bill amends St. Louis County rules and allows it to collect and expend road and bridge taxes of unorganized townships in a single fund.

## Rules and Administration

### Senate rules approved

The Senate Rules and Administration Committee, chaired by Sen. Roger D. Moe (DFL-Erskine), met Tues., Apr. 4, and adopted the permanent rules of the Senate for the 78th Legislative Session. The rules, which were developed by a Subcommittee on Permanent and Joint Rules, contain several new provisions. Sen. Ember Reichgott Junge (DFL-New Hope), chair of the subcommittee, explained each of the new provisions and the rationale behind making the changes.

The rules govern the operation of the Senate over the course of the legislative session. One of the more significant changes is a provision that requires rotation of committee chairs. The rule specifies that a member may not serve as the chair of a standing committee or a division, or a committee or division with substantially the same jurisdiction, for more than two consecutive terms. The limit does not apply to the chair of the Committee on Rules and Administration. The rule further specifies that the limit applies to time served as chair in the 80th Legislature and thereafter.

Sen. Lawrence Pogemiller (DFL-Mpls.) moved to delete the provision. Pogemiller said that the rule enables members to avoid the responsibility of acting to remove committee chairs. Sen. Allan Spear (DFL-Mpls.) said that the rule change would remove chairs with a great deal of experience and expertise in complex policy areas. However, Sen. Dean Johnson (IR-Willmar) countered that the rule is "healthy for the institution" and sends a very clear signal that we are interested in reforming ourselves." The Pogemiller motion failed on a voice vote.

Another new provision authorizing the chair of the Committee on Rules and Administration, after consultation and advice from the minority leader, to add members or delete members from the standing committees also sparked discussion. Some members said that the provision placed too much authority in one individual. Reichgott Junge countered that the provision allowed

members who were overburdened with committee assignments to have an easier method of changing assignments.

Other new provisions include a requirement that a bill prepared by a state department or agency be introduced three weeks before the first committee deadline in odd numbered years and two weeks before the first deadline in even numbered years. Another rule change specifies that an amendment to insert a constitutional amendment is not germane to a bill that does not already include a constitutional amendment. Another provision requires that all bills creating a new commission, council, task force, board or other body to which a member of the Legislature will be appointed must, before passage, be referred to both the Committee on Governmental Operations and Veterans and the Committee on Rules and Administration.

In addition, bills authorizing or increasing a sentence of imprisonment to a state correctional institution are to be referred to the Committee on Crime Prevention. Another change specifies that a resolution may not be changed to a bill, and a bill may not be changed to a resolution. Another change specifies that Senate committees, subcommittees and divisions must adjourn by 11 p.m. unless two-thirds of the members present vote to suspend the requirement. Finally, the rules clarify the procedures of the Subcommittee on Ethical Conduct.

## Taxes and Tax Laws

### Tobacco tax bill heard

The Taxes and Tax Laws Subcommittee on Income and Sales Tax met Thurs., Mar. 30, to consider several measures that may be included in the omnibus tax bill. Members discussed the measures and heard testimony but took no formal action.

The panel, chaired by Sen. Leonard Price (DFL-Woodbury), considered a measure increasing the tax on cigarettes and other tobacco products. S.F. 1080, carried by Price, provides that the revenue derived from the increase be earmarked for the health care access account and a tobacco use prevention account. The measure specifies a 40 cent per pack increase on cigarettes beginning July 1, 1995 and provides that the tax rates be indexed annually beginning in 1996. The tax on other tobacco products would rise from 35 percent to 64 percent under the bill.

In other action, members considered four additional bills. S.F. 17, authored by Sen. Joe Bertram, Sr. (DFL-Paynesville), increases funding for firefighters state aid. S.F. 367, authored by Sen. Carol Flynn (DFL-Mpls.), changes the dependent care credit by striking the limitation that made the credit available only to married couples. S.F. 754, carried by Sen. Sam Solon (DFL-Duluth), changes the gross premiums tax rate imposed on town and farmers mutual insurance companies and specific mutual property and casualty insurance companies. S.F. 896, sponsored by Sen. Harold "Skip" Finn (DFL-Cass Lake), increases the premium tax imposed on town and farmers mutual insurance companies and mutual property and casualty insurance companies.

### Property tax freeze okayed

A bill providing for a one year property tax freeze cleared the Taxes and Tax Laws Commit-

tee Tues., Apr. 4. S.F. 1570, sponsored by Majority Leader Roger D. Moe (DFL-Erskine), specifies that property taxes payable in 1996 remain at the 1995 level. In addition, the bill has a provision that prevents a "snapback" rise in 1997 property taxes. "This proposal is an attempt to keep \$220 million in property taxes in the taxpayers pocket. It's that simple," Moe said. We would have time to revamp the system and examine the funding of education systems in the state, Moe said.

The bill provides for three exceptions to the property tax freeze: new property, property that has been improved and property that has been devalued. In addition, the measure provides that school districts that lose property tax revenue under the bill will receive additional state aid to make up the difference. The measure also requires the Legislative Commission on Planning and Fiscal Policy to prepare a property tax and education aids reform package for the 1997 legislative session.

The committee, chaired by Sen. Douglas Johnson (DFL-Cook), adopted several amendments to the measure to take care of unique situations that would arise should the bill become law. In addition, members heard public testimony from a number of representatives of local government units. The measure was approved on a vote of 12-4 and sent to the Senate floor.

In other action, members also approved the MinnesotaCare bill, S.F. 845. The measure, sponsored by Sen. Linda Berglin (DFL-Mpls.), contains several tax related provisions. The bill clarifies that nonresident providers must pay the tax on revenues received for all services provided in Minnesota, adds the MinnesotaCare tax to the list of taxes where personal liability attaches to the officers and other employees who are responsible for filing, paying or withholding the tax on behalf of a health care entity, and removes the provision in the pharmacy laws which states that the issuance of a Minnesota license to an out-of-state wholesaler will not change or affect the tax liability imposed on the wholesaler. The bill was approved and re-referred to the Finance Committee.

### Bond allocation bill okayed

The Taxes and Tax Laws Subcommittee on Income and Sales Tax met Weds., Apr. 5, to consider several bills for inclusion in the omnibus tax bill and two bills dealing with public debt. Sen. Leonard Price (DFL-Woodbury), chair of the subcommittee, said that the panel would take no formal action on the bills being considered for the omnibus measure.

S.F. 1543, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), changes procedures for allocating bonding authority. The measure sets the annual volume cap under federal tax law and provides for pool allocations. In addition, the bill specifies deadlines and provides for transfer of any remaining balance of bonding authority in the small issue pool to the housing pool. The measure was advanced to the full committee. S.F. 1393, also carried by Pogemiller, provides the conditions and requirements for the issuance of debt and specifies the use of the proceeds. The bill also provides procedures for use of obligations to satisfy unfunded pension liabilities and authorizes the use of capital improvement bonds for indoor ice areas. The bill was laid over for further consideration.

S.F. 1502, authored by Sen. Sandra Pappas

(DFL-St. Paul), modifies the revenue recapture law to require annual notice to the debtor of the collection of a debt through revenue recapture. S.F. 1411, sponsored by Sen. Allan Spear (DFL-Mpls.), exempts an area in downtown Minneapolis from the local sales tax imposed to finance the city's convention center. Spear said that the measure allows the Minneapolis Women's Club, which is a 501(c)(3) organization, to be exempt from the sales tax on food and drink. S.F. 1029, authored by Sen. Jim Vickerman (DFL-Tracy), eliminates alternative fuel vehicle permits and provides for refunds of fees paid for unused portions of the permits. In addition, the bill replaces the annual permit fee schedule with a tax rate schedule for alternate fuels.

## Transportation and Public Transit

### Funding bills, others advance

A bill increasing the state's gas tax by 5 cents per gallon was approved by members of the Transportation and Public Transit Committee during a Fri., Mar. 31, meeting. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), also advanced three other bills.

S.F. 573, authored by Chmielewski, increases the gasoline excise tax from 20 cents to 25 cents from July 1, 1995 to March 31, 1996. Beginning April 1, 1996, the gasoline tax will be based on the rate of change in the consumer price index of the previous year.

The bill also establishes a state trunk highway safety program, and requires the transportation commissioner to consider the average condition of the pavement surface when allocating funds for construction.

The bill was re-referred to the Governmental Operations and Veterans Committee.

S.F. 832, carried by Sen. Carol Flynn (DFL-Mpls.), also establishes a 5-cent gas tax increase, generating approximately \$120 million in FY 96. In addition the bill authorizes the Metropolitan Council to impose an additional .5 percent sales tax on all applicable sales within the Metro Area.

The bill also removes references to the Met Council's limitations for issuing bonds for transit capital improvements; currently the council cannot issue bonds in excess of \$30.7 million. Sen. Terry Johnston (IR-Prior Lake) expressed concern about the provision, saying it was removing legislative oversight from the Met Council's bonding authority. The bill was approved on a 8-5 roll-call vote and advances to the Taxes and Tax Laws Committee.

The committee also advanced S.F. 995 to the floor. Authored by Sen. Jim Vickerman (DFL-Tracy), the bill relates to motor carrier services. A federal preemption of state intrastate economic regulation of trucking industries became effective Jan. 1, thereby requiring the state to deregulate and conform motor carrier laws to federal regulations. The state can no longer regulate rates, routes or service based on need; however the state is authorized to regulate carrier safety, household goods movers, and charter and regular-route passenger carriers.

Among the bill's provisions is a carrier registration requirement and \$20 fee for motor carriers of property and passengers, including farm vehicles, which is an expansion of current law. The bill also increases vehicle registration fees for trucks by 1.5 percent and eliminates several transportation activities from limited state regulation.

Finally the committee approved a bill, S.F. 1329, abolishing the Transportation Regulation Board (TRB). Sen. Steve Murphy (DFL-Red Wing) carried the bill, that also provides for a transition study conducted by the TRB and the commissioner of transportation to determine the most effective way to transfer the powers, duties and functions of the board to another agency. The bill advances to the Governmental Operations and Veterans Committee.

### DOT funding bill advanced

A bill appropriating \$2.53 billion for the biennium for transportation and transit purposes was approved by the Transportation and Public Transit Finance Division at a meeting held Tues., Apr. 4. Discussion centered on appropriations for several public safety initiatives.

Sen. Keith Langseth (DFL-Glyndon), chair of the division and author of the bill, said the bill did not deviate much from the governor's recommendation. Langseth said the bill is a "lean and mean" approach to both the highway and transit budgets, but that the Legislature should decide how to deal with the funding restrictions facing both programs. Legislators will have to decide if the state is going to maintain the status quo or try to solve the problems for both highways and transit, he said.

The largest portion of the budget is \$1.625 billion for the Trunk Highway Fund; other appropriations include the County State Aid Highway and the Municipal State Aid Streets Funds.

Some additions to the governor's proposal include initiatives in the general administration portion of the budget: \$100,000 each year for grants to encourage telecommuting; and, \$250,000 for researching and testing electric vehicle technology.

Members discussed for some time the \$275,000 a year appropriation for the Crime Fax Network. Another \$1.8 million is to be used for the statewide juvenile criminal history and misdemeanor system, tracking system for domestic abuse orders for protection, and implementing electronic fingerprint technology. According to Langseth, the appropriations from the Trunk Highway Fund are to be reimbursed for expenses not related to the fund.

Members also heard testimony from Ed Cohoon of the Dept. of Transportation who said the budget does not include inflationary increases for salaries. Up to 400 staff could be laid off depending upon the outcome of salary settlements this fall, he said.

### DOT funding bill approved

A bill appropriating \$2.5 billion for the next biennium for the Dept. of Transportation was approved by the Transportation and Public Transit Committee, Weds., Apr. 5. The committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), also advanced seven other bills.

Sen. Keith Langseth (DFL-Glyndon), author of the bill, said the omnibus bill was similar to the governor's recommendation. He also encouraged the committee to decide how to deal with the funding restrictions facing both the transportation and transit programs. Legislators will have to decide if the state is going to maintain the status quo or try to solve the problems for both highways and transit, he said.

The largest portion of the budget is \$1.625 billion for the Trunk Highway Fund; other major

appropriations include the County State Aid Highway and the Municipal State Aid Streets funds. The bill was re-referred to the Finance Committee.

The committee approved and advanced S.F. 1199, a bill authored by Sen. William Belanger (IR-Bloomington) requiring a vehicle buyer to notify the registrar of motor vehicles of the transfer within 10 days.

H.F. 901, carried by Sen. Linda Runbeck (IR-Circle Pines), requires driver education programs to include instruction on the effects of alcohol and drugs on driving.

Belanger offered another bill, S.F. 1163, authorizing the issuance of original license plates 20 or more years old. The bill advances to the Senate floor.

Sen. Gary Laidig (IR-Stillwater) presented S.F. 720, a bill adding the words "amateur radio" to amateur radio license plates. The committee also advanced S.F. 1011, authored by Sen. Thomas Neuville (IR-Northfield), prohibiting the sale, use and possession of radar-jamming devices.

S.F. 1171 expands statutes regarding traffic escort services to include guards, patrols and security personnel. The bill, carried by Sen. James Vickerman (DFL-Tracy), advances to the floor.

The committee re-referred S.F. 1091 to the Judiciary Committee. The bill, carried by Sen. Don Kramer (IR-Brooklyn Center), expands regulation of providers of special transportation services.

The committee also tabled two other bills. S.F. 1089, authored by Sen. Arlene Lesewski (IR-Marshall), dealt with a variety of traffic regulations, including allowing a turn on a red arrow traffic signal, and prohibiting local governments from lowering residential speed limits. And S.F. 1096, presented by Sen. Joe Bertram Sr. (DFL-Paynesville), directing the Dept. of Transportation to apply a firearms safety training symbol to Minnesota drivers licenses or identification cards.

### Legislative gopher

Now there is a new way to get information about the Minnesota Legislature. In a joint effort, the Legislative Reference Library, the Office of the Revisor of Statutes, the Senate and the House of Representatives have established a "gopher" information server.

Information about weekly meeting schedules, member biographies, the full text of bills, House Journals and information on the legislative process may all be found on the Legislative Gopher. The Legislative Gopher is a dynamic entity and more information items are being added. The Legislative Gopher makes an incredible amount of information instantly available to anyone who has computer on-line capabilities.

There are several ways to access the Legislative Gopher. For gopher administrators: Point your gopher to [URL:gopher://gopher.revisor.leg.state.mn.us](http://URL:gopher://gopher.revisor.leg.state.mn.us) (Port 70).

This is the root server for the House and Senate Legislative Gopher. For individuals or systems with gopher client software: Point your gopher client to [gopher.revisor.leg.state.mn.us](http://gopher.revisor.leg.state.mn.us) (Port 70). For users without gopher client software: Telnet to consultant.micro.umn.edu (the University of Minnesota Gopher), login: gopher. Or, via dial access, 612-626-2400 (also the U of M gopher), access>consultant.micro.umn.edu, login: gopher. Follow this path through the menus: Other Gopher and Information Servers/North America/ U.S./Minnesota/Minnesota Legislature.

# Floor action

## Bills granted final passage on the Senate Calendar, Apr. 3, 1995.

- S.F. 155-Stumpf: Authorizes poultry farmers to trap great horned owls. 41-24  
S.F. 204-Chandler: Requires reporting and analysis of federal mandates imposed on state agencies. 66-0  
S.F. 446-Solon: Repeals price markup provisions in the sales discrimination law. 66-0  
S.F. 687-Krentz: Requires minimum clearance when passing bicycles or individuals on roadways or bikeways and requires bicycle traffic laws to be included in the driver's manual and driver's license tests. 62-4  
S.F. 673-Vickerman: Provides for determination of base value of a motor vehicle for registration tax purposes. 66-0  
S.F. 16-Betzold: Modifies provisions relating to the administration and prescription of neuroleptic medications. 66-0  
S.F. 144-Hanson: Limits access to data on holders of disabled parking certificates 66-0  
S.F. 193-Bertram: Authorizes an annual expense allowance for the veterans homes board of directors. 66-0  
S.F. 380-Betzold: Clarifies language designating the rank of the adjutant general, clarifies language on the acceptance of money by the adjutant general on behalf of the state and clarifies the authority of the adjutant general to lease land. 65-0  
S.F. 381-Betzold: Provides greater flexibility in the appointment of members of the armory building commission, authorizes the commission to use funds for constructions, and clarifies which municipalities may provide sites for armories. 66-0  
S.F. 382-Betzold: Authorizes the adjutant general to assign retired officers to temporary active duty, changes eligibility for the state service medal, changes penalties for wrongful disposition of military property and eliminates obsolete language. 66-0  
S.F. 184-Murphy: Clarifies authority for the use of funds from surplus facilities of the veterans homes board. 66-0  
S.F. 290-Kelly: Provides that contamination cleanup grants cover the costs of developing a response action plan and cleanup costs incurred before the award of a grant. 65-0  
S.F. 445-Lesewski: Requires the Pollution Control Agency to permit the operation of waste combustors. 65-1  
S.F. 133-Johnson, D.J.: Authorizes the private sale of tax-forfeited lands in Cook County. 66-0  
S.F. 444-Lesewski: Adds territory to Split Rock Creek State Park. 66-0  
S.F. 1100-Bertram: Allow unlimited use of the proceeds of lawful gambling for payment of real estate taxes and assessments. 61-3  
S.F. 368-Lesewski: Clarifies the employment status of farm crisis assistance personnel. 65-0

## Bills granted final passage on the Consent Calendar, Apr. 3, 1995.

- S.F. 680-Pariseau: Authorizes the commissioner of natural resources to sell land in Scott County. 65-0

## Bills granted final passage on the Special Orders Calendar, Apr. 3, 1995.

- S.F. 121-Sams: Provides a remedy when an insurer refuses in bad faith to pay or to settle a claim. 35-30  
S.F. 1018-Knutson: Specifies the responsibilities of guardians ad litem in juvenile and family court. 61-3  
S.F. 299-Larson: Changes references to visually handicapped people and making changes of a technical and housekeeping nature. 62-0  
S.F. 364-Anderson: Authorizes rehabilitation counselors in the Dept. of Economic Security to communicate threats made against other persons by clients. 63-0  
S.F. 1440-Berglin: Adds to the definition of base level funding, adds provisions for local children's mental health collaborative, changes provisions for integrated fund task force and require approval for a collaborative's integrated service system. 63-0  
S.F. 373-Berglin: Creates a definition of subacute care and requires efforts to seek waivers. 52-12  
S.F. 239-Johnson, D.E.: Authorizes the sale of tax-forfeited land in Kandiyohi County. 63-0  
H.F. 282-Price: Permits state employees to donate vacation leave for the benefit of a specific state employee. 49-16  
S.F. 893-Price: Changes the date for the Minnesota Comprehensive health Association enrollment freeze. 64-0  
S.F. 447-Price: Recodifies and restructures the higher education statutes to facilitate the merger of the higher education systems. 49-14  
S.F. 172-Lessard: Authorizes the issuance of test license plates to automobile manufacturers for cold weather testing purposes. 62-3  
S.F. 830-Finn: Allows the sale of state forest lands and requires the conveyance of land to the city of Akeley for public purposes. 64-0  
S.F. 605-Vickerman: Requires minors under the age of 18 to wear a helmet when operating or riding snowmobiles on public property. 64-0  
S.F. 752-Novak: Allows for alternative regulation of telephone companies for a limited period and authorizes rulemaking to promote fair and reasonable competition for local exchange service. 64-0  
S.F. 759-Novak: Changes some Dept. of Economic Development operating procedures, clarifies the corporate structure of Advantage Minnesota, Inc., and clarifies economic development authority powers. 65-0  
S.F. 1200-Merriam: Requires county sheriffs to be licensed as peace officers before taking office. 63-0  
S.F. 644-Merriam: Modifies the provisions of a land sale to the city of Anoka. 62-0  
S.F. 320-Hottinger: Authorizes warrantless probable cause arrests for fifth degree assault committed on school property. 65-0  
S.F. 292-Knutson: Changes the name of the McGruff program. 61-3  
S.F. 577-Janezich: Allows two nursing homes to share an administrator under certain circumstances. 63-1  
S.F. 1060-Chandler: Modifies provisions relating to reemployment insurance. 55-10  
S.F. 793-Dille: Repeals the requirement for specific reports by the Dept. of Agriculture. 64-0  
S.F. 839-Dille: Changes pesticide dealer requirements, changes the expiration of pesticide applicator certifications, provides an exception for farmers hauling anhydrous ammonia, and requiring consideration of passive bioremediation in some cases. 53-12  
S.F. 1209-Betzold: Modifies provisions concerning the county medical examiners officers. 64-0  
S.F. 838-Solon: Exempts persons performing barbering services for charitable purposes from registration and other requirements. 66-0  
S.F. 1086-Johnson, D.J.: Prohibits lobbying by a principal campaign committee or political party committee that issues refund receipt forms. 45-20  
S.F. 474-Johnson, J.B.: Regulates insurance accident and sickness policy reinstatement. 64-0  
S.F. 873-Johnson, J.B.: Authorizes the sale of tax forfeited land in Isanti County. 64-0  
S.F. 965-Langseth: Authorizes the issuance of permits for 12-foot wide loads of baled straw. 66-0  
S.F. 386-Berglin: Modifies provisions relating to nursing home moratorium exceptions. 66-0  
S.F. 447-Cohen: Dept. of Commerce housekeeping bill, regulates service of orders and other papers, modifies enforcement powers and regulates notaries public. 63-3

- S.F. 615-Riveness: Establishes a high-speed bus service pilot project in the Metropolitan Area. 62-0  
 S.F. 1042-Reichgott Junge: Modifies provisions relating to limited liability organizations, modifies name requirements, eliminates a filing requirement, and clarifies when debts arise or accrue for limited liability partnerships. 67-0  
 S.F. 163-Piper: Changes the expiration date for the Crime Victim and Witness Advisory Council from June 30, 1995 to June 30, 1997. 64-0  
 S.F. 1055-Piper: Exempts certain social workers from the requirement to obtain home care provider license; exempts some social workers employed in a hospital or nursing home from examination and requires hospital and nursing home social workers to be licensed. 63-2.

**Bills granted final passage on the Consent Calendar, Apr. 6, 1995**

- S.F. 349-Lesewksi: Modifying the plain language requirement for the Dept. of Economic Security. 66-0  
 S.F. 118-Betzold: Revisor's bill correcting erroneous, ambiguous, and omitted text and obsolete references. 66-0  
 S.F. 171-Lessard: Requires the sale of specific school trust lands in St. Louis County. 64-0  
 S.F. 1023-Lessard: Provides notice requirements for sales of tax-forfeited lands. 64-0  
 S.F. 1280-Dille: Authorizes the sale of tax-forfeited land in Meeker County. 64-0  
 S.F. 1255-Limmer: Authorizes the use of force in defense of assault in correctional facilities under the control of or licensed by the commissioner. 64-0  
 H.F. 564-Riveness: Providing licensed peace officers with the powers of a notary public for administering oaths upon information submitted to establish probable cause. 64-0  
 H.F. 567-Kiscaden: Providing for the disclosure of specific hospital and health care provider tax data to the commissioner of human services and the U.S. Dept. of Health and Human Services. 62-3  
 S.F. 1520-Lessard: Extends the notification requirements for landfarming contaminated soil. 66-0

**Bills granted final passage on Special Orders, Apr. 6, 1995**

- S.F. 1570-Moe, R.D.: Freezing property tax values, levies and rates for taxes payable in 1996. 38-29

# Preview

*The Minnesota Senate Week at a Glance*

**Monday, April 10**

**Taxes and Tax Laws Subcommittee on Income and Sales Tax**  
 Chair: Sen. Len Price  
 8 a.m. Room 15 Capitol  
 Agenda: Income and sales tax articles of the Omnibus tax bill.

The Senate will meet at 10 a.m.

**Crime Prevention Finance Division**  
 Chair: Sen. Tracy Beckman  
 12 noon Room 15 Capitol  
 Agenda: To be announced.

**Environment and Natural Resources Finance Division**  
 Chair: Sen. Steven Morse  
 12 noon Room 107 Capitol  
 Agenda: Allocations.

**Education Funding Division**  
 Chair: Sen. Lawrence Pogemiller  
 2 p.m. Room 112 Capitol  
 Agenda: To be announced.

**Health Care and Family Services Finance Division**  
 Chair: Sen. Don Samuelson  
 2 p.m. Room 15 Capitol  
 Agenda: Allocations.

**Higher Education Division**  
 Chair: Sen. LeRoy Stumpf  
 2 p.m. Room 318 Capitol  
 Agenda: Higher education appropriations.

**Crime Prevention Finance Division**  
 Chair: Sen. Tracy Beckman  
 6 p.m. Room 15 Capitol  
 Agenda: To be announced.

**Environment and Natural Resources Finance Division**  
 Chair: Sen. Steven Morse  
 6 p.m. Room 107 Capitol  
 Agenda: Allocations.

**Education Funding Division**  
 Chair: Sen. Lawrence Pogemiller  
 8 p.m. Room 112 Capitol  
 Agenda: To be announced.

**Health Care and Family Services Finance Division**  
 Chair: Sen. Don Samuelson  
 8 p.m. Room 15 Capitol  
 Agenda: Allocations.

**Tuesday, April 11**

The Senate will meet at 9 a.m.

**Crime Prevention Finance Division**  
 Chair: Sen. Tracy Beckman  
 12 noon Room 15 Capitol  
 Agenda: To be announced.

**Environment and Natural Resources Finance Division**  
 Chair: Sen. Steven Morse  
 12 noon Room 107 Capitol  
 Agenda: Allocations.

**Legislative Commission on Pensions and Retirement**  
 Chair: Rep. Richard Jefferson  
 1 p.m. Basement Hearing Room SOB  
 Agenda: Consideration of the future provision of actuarial services to the commission after the June 30, 1995 expiration of the current contract with Milliman and Robertson, Inc.: appointment of Actuarial Services Subcommittee; consideration of a timeline for rebidding the actuarial services contract; review and authorization of the issuance of a request for proposal document.

**Education Funding Division**  
 Chair: Sen. Lawrence Pogemiller  
 2 p.m. Room 112 Capitol  
 Agenda: To be announced.

**Health Care and Family Services Finance Division**  
 Chair: Sen. Don Samuelson  
 2 p.m. Room 15 Capitol  
 Agenda: Allocations.

**Higher Education Division**  
 Chair: Sen. LeRoy Stumpf  
 2 p.m. Room 318 Capitol  
 Agenda: Higher education appropriations.

**Taxes and Tax Laws Committee**  
 Chair: Sen. Douglas Johnson  
 4 p.m. Room 15 Capitol  
 Agenda: Omnibus tax bill.

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### Crime Prevention Finance Division

Chair: *Sen. Tracy Beckman*  
6 p.m. Room 15 Capitol  
Agenda: To be announced.

### Environment and Natural Resources Finance Division

Chair: *Sen. Steven Morse*  
6 p.m. Room 107 Capitol  
Agenda: Allocations.

### Education Funding Division

Chair: *Sen. Lawrence Pogemiller*  
8 p.m. Room 112 Capitol  
Agenda: To be announced.

### Health Care and Family Services Finance Division

Chair: *Sen. Don Samuelson*  
8 p.m. Room 15 Capitol  
Agenda: Allocations.

## Wednesday, April 12

The Senate will meet at 9 a.m.

### Environment and Natural Resources Committee

Chair: *Sen. Bob Lessard*  
12 noon Room 107 Capitol  
Agenda: S.F. xxxx-Morse: Omnibus Environment appropriations bill.

### Rules and Administration Subcommittee on Ethical Conduct

Chair: *Sen. Ember Reichgott Junge*  
12 noon Room 125 Capitol  
Agenda: Johnson vs. Finn complaint.

### Education Funding Division

Chair: *Sen. Lawrence Pogemiller*  
2 p.m. Room 112 Capitol  
Agenda: To be announced.

### Health Care and Family Services Finance Division

Chair: *Sen. Don Samuelson*  
2 p.m. Room 15 Capitol  
Agenda: Budget allocations.

### Higher Education Division

Chair: *Sen. LeRoy Stumpf*  
2 p.m. Room 112 Capitol (or Room 318)  
Agenda: Higher education appropriations.

### Taxes and Tax Laws Committee

Chair: *Sen. Douglas Johnson*  
4 p.m. Room 15 Capitol  
Agenda: S.F. 845-Berglin: MinnesotaCare.

### Crime Prevention Committee

Chair: *Sen. Allan Spear*  
6 p.m. Room 15 Capitol  
Agenda: Confirmation of Frank Wood, Commissioner of Corrections. Confirmation of Michael Jordan, Commissioner of Public Safety.

### Environment and Natural Resources Committee

Chair: *Sen. Bob Lessard*  
6 p.m. Room 107 Capitol  
Agenda: S.F. xxxx-Morse: Omnibus Environment appropriations bill.

### Education Funding Division

Chair: *Sen. Lawrence Pogemiller*  
8 p.m. Room 112 Capitol  
Agenda: To be announced.

### Health Care and Family Services Finance Division

Chair: *Sen. Don Samuelson*  
8 p.m. Room 15 Capitol  
Agenda: Budget allocations.

## Thursday, April 13

The Senate will meet at 9 a.m.

### Crime Prevention Committee

Chair: *Sen. Allan Spear*  
12 noon Room 15 Capitol  
Agenda: Confirmation of Frank Wood, Commissioner of Corrections. Confirmation of Michael Jordan, Commissioner of Public Safety.

### Environment and Natural Resource Committee

Chair: *Sen. Bob Lessard*  
12 noon Room 107 Capitol  
Agenda: S.F. xxxx-Morse: Omnibus Environment appropriations bill.

### Education Committee

Chair: *Sen. LeRoy Stumpf*  
2 p.m. Room 112 Capitol  
Agenda: Higher education appropriations.

### Health Care and Family Services Finance Division

Chair: *Sen. Don Samuelson*  
2 p.m. Room 15 Capitol  
Agenda: Allocations.

### Health Care Committee

Chair: *Sen. Linda Berglin*  
3 p.m. Room 15 Capitol  
Agenda: S.F. 1110-Samuelson: Omnibus health and human services bill.

## Friday, April 14

No meetings scheduled.

# Briefly

The Minnesota Senate Week in Review

April 13, 1995

## Tax bill passed

The omnibus tax bill won the approval of the Senate, 44-17, on Weds., Apr. 12.

The Senate took up H.F. 602, amending it to incorporate the contents of the Senate's omnibus tax proposal. Sen. Douglas Johnson (DFL-Cook), the author of the Senate bill, said the proposal contains no increases in sales tax and freezes property taxes for 1996 at the 1995 levels. "This bill continues our efforts to not allow any sales tax increases this year," he said. "We're also telling the property owners of this state that they are not going to pay one dime more [in property taxes] in 1996 than they pay in 1995."

An amendment removing the property tax freeze provisions from the bill was offered by Sen. William Belanger (IR-Bloomington). "The public is not buying into this," he said. "They see this as just a gimmick." But the bill's author defended the freeze. "When we say we're not going to raise income taxes or sales taxes, people believe that's not a gimmick," Johnson said. "When we say we want to prevent \$270 million in property tax increases next year, that is no gimmick either." The Belanger amendment was defeated, 29-37.

Sen. Gen Olson (IR-Minnetrissa) presented an amendment to give each person a \$31 tax credit on their 1995 income tax return. The proposal provides a \$62 credit for married couples who file a joint tax return. Olson said the funding to support the tax credit would be provided by \$91 million in additional revenue the governor has announced was available. "This tax credit is a chance for us to put something back in the pockets of the taxpayers," she said.

Sen. Ember Reichgott Junge (DFL-New Hope) proposed an amendment to the Olson proposal, replacing it with language to set the property tax recognition shift applied to local school districts at 44 percent. Reichgott Junge said the additional \$91 million offers an opportunity for the Legislature to ease the impact of the shift on local school districts. Setting the recognition shift at 44 percent requires an additional \$66 million, she said. "This is a chance for us to give something back to our schools."

Olson opposed the change. She said the amendment was not inconsistent with other options intended to give taxpayer a break. "But there has been continuous movement, up and down, in the shift the last several years," she said. "All we are doing is putting that money back in the bank and use it again the next time we would raise (the shift percentage)."

Reichgott Junge's proposal to the Olson amendment was adopted, 54-8, and the provision was incorporated into the tax bill on a voice vote.

A number of other amendments were offered for the Senate's consideration. Sen. James Metzen (DFL-South St. Paul) proposed to reduce the property tax rate applied to seasonal and recreational properties with an assessed value of under \$72,000. Under the amendment the tax rate for assessed against those properties is reduced from 2.0 percent to 1.8 percent, effective for taxes payable in 1997.

The proposal lowers the amount of property tax revenue generated from seasonal properties by about \$9 million a year, Metzen said. The funds lost in the rate reduction will be made up by cuts in other areas, he said. "The effects of this reduction will not be shifted onto other property taxes," Metzen said.

Sen. Linda Runbeck (IR-Circle Pines), questioned the delay and offered an amendment calling for the reduction to take effect in 1996. Her proposal was narrowly rejected, 31-33. The Metzen amendment was then adopted on a 43-22 vote.

Members also rejected an amendment, offered by Sen. Sheila Kiscaden (IR-Rochester), to increase the cigarette tax by 25 cents per pack. The amendment also decreases the health care provider tax from two percent to one percent. The amendment was rejected 17-48.

Sen. Lawrence Pogemiller (DFL-Mpls.) successfully offered an amendment that shifted \$1 million from the Board of Government Innovation and Cooperation to put towards the statewide telecommunications system. The amendment passed on a voice vote.

Twelve other amendments were debated and rejected before the bill was given final passage.

## Workers comp bill advances

The Commerce and Consumer Protection Committee heard and approved S.F. 1020, a workers compensation bill, at the Thurs., Apr. 6, meeting.

The bill, authored by Sen. Steven Novak (DFL-New Brighton), permits small employers to form groups and self-insure with a mutual group. The measure also requires a 10 percent discount on workers compensation premiums for small employers who have not had an accident that resulted in a wage replacement benefit in the past three years. The bill allows for the creation of major workers' compensation procedures to be established through collective bargaining. It also changes workers comp benefits, replacing the current two-tier system with a single permanent partial reimbursements system. The bill limits temporary total benefits to 100 weeks, with a possible extension if the employee is medically disabled due to the injury. It also limits temporary partial benefits to 350 weeks. The measure also returns Minnesota to the prior-approval system of workers comp insurance rate regulation, providing that one

statewide rate schedule for each job classification replaces competitive rating, and requires that rates proposed by the rating association must be approved by the commissioner of commerce before they can be used.

The committee, chaired by Sen. Sam Solon (DFL-Duluth), approved S.F. 1020 and sent it to the Finance Committee.

## Transportation bill passed

On a 49-17 vote, the Senate passed a \$2.5 billion omnibus transportation funding package during the Weds., Apr. 12, floor session.

Authored by Sen. Keith Langseth (DFL-Glyndon), S.F. 1536 contains \$2.3 billion for the operations of the Dept. of Transportation (MnDOT) in FY 1996 and FY 1997. Of that appropriation, \$1.3 billion is designated for state road construction and \$754 million is earmarked for aid for county and municipal roads in the next biennium.

The measure also provides \$159 million to the Dept. of Public Safety for the next two fiscal years, and \$69 million in support of the transit operations of the Metropolitan Council.

Several members questioned the transit appropriations. Sen. Carol Flynn (DFL-Mpls.) said the Met Council faces a significant shortfall in the near future that is not addressed in the bill. Sen. Florian Chmielewski (DFL-Sturgeon Lake) said the amount of funding needed to maintain the state's highways is also lacking in the proposal.

Langseth said the bill attempts to balance both needs given the fiscal constraints. "There is nothing new in here for highways from what there was two years ago nor is there an increase in transit," he said.

Sen. Jane Ranum (DFL-Mpls.) proposed an amendment requiring MnDOT to submit its plans for a congestion pricing demonstration project to the Met Council once the plans are developed. The amendment also calls on the council to hold a public hearing on the plan and give its approval before the project can proceed. Sen. Terry Johnston (IR-Prior Lake) opposed the amendment, saying it gives more power to the Met Council and could delay the project. But Ranum said she was concerned about the power that has been given to MnDOT and that the council should be involved because the project would be conducted on interstates in the Metro Area.

The Ranum amendment was approved on a 41-20 vote.

The members also approved an amendment on a voice vote, offered by Sen. Dan Stevens (IR-Mora). The Stevens amendment calls on the Legislative Auditor to evaluate the cost-effectiveness of the standards, practices and procedures used by MnDOT in planning construction projects.

# Committee update

## Commerce and Consumer Protection

### Tobacco sales regulation heard

In addition to taking action on the workers comp bill, the Commerce and Consumer Protection Committee, chaired by Sen. Sam Solon (DFL-Duluth), also considered two bills aimed at strengthening enforcement of the state's law prohibiting the sale of tobacco to minors.

First, the Senators heard S.F. 558, sponsored by Sen. Dallas Sams (DFL-Staples). The bill provides that a town board or governing body of a city may license and regulate the retail sale of tobacco and establish a license fee. If the town or city does not regulate it, the county board must do so. The bill establishes a progressive system of fines for selling tobacco to minors, and discounts the fines for businesses that have an employee training program on not selling to minors. Under the bill, the penalty for a fourth offense is a 7-day suspension of authority to sell tobacco. The measure also imposes maximum fines of \$50 each for the employee who sells tobacco to a minor and the minor who purchases it. In addition, the bill requires the cities and counties to conduct annual, random, unannounced inspections to test dealer compliance.

The committee then heard S.F. 703, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope). The measure also gives local governments the authority to license tobacco sales. The inspection portion of the bill requires the local governments to conduct an unannounced compliance check of each location of a licensed tobacco dealer at least once yearly. The bill imposes a mandatory penalty of \$250 or a 7-day suspension of tobacco selling authority for the first offense by a retailer that sells tobacco to minors. The penalty for a second offense is a \$500 penalty or 7-day suspension, and for a third violation in a 24-month period, the bill requires a 3-month suspension of authority to sell tobacco. The bill also provides the opportunity for a hearing before a suspension is imposed. It also requires a mandatory \$50 fine for the individual who sells tobacco to a minor.

Sen. John Hottinger (DFL-Mankato), offered an amendment replacing the Sams bill with the language of Reichgott Junge's bill. The amendment failed on a 7-8 roll call vote.

The committee then turned back to S.F. 558 as drafted. Members adopted four amendments before approving the measure. The first, offered by Sen. Len Price (DFL-Woodbury), requires employers to maintain a written record of training for each employee and make it available to inspectors on demand. An amendment offered by Sen. Edward Oliver (IR-Deephaven), specifies that the bill does not preempt local ordinances that are more restrictive. An amendment offered by Sen. Kevin Chandler (DFL-White Bear Lake), prohibits tobacco companies from providing display allowances to retailers. Under the amendment, retailers may still display tobacco products, but tobacco companies cannot pay them to do so. An amendment offered by Sen. John Hottinger (DFL-Mankato), requires that

for a fourth offense, the penalty is a mandatory suspension of authority to sell tobacco, not to exceed 7 days. S.F. 558 now goes to the Senate floor.

The panel next heard S.F. 1590, sponsored by Sen. Pat Piper (DFL-Austin), requiring health plans to pay for treatment of breast cancer with high-dose chemotherapy and autologous bone marrow transplantation. Piper said that currently, women whose doctors prescribe the treatment must take their health insurer to court to argue for the coverage, and that most people who seek the treatment are so severely ill that they don't have time to wage a court battle. Members voted to approve S.F. 1590 and send it to the Senate floor.

The Senators also approved S.F. 1056, a bill allowing cities or towns to create trust or escrow accounts for proceeds from losses to insured real property occurring from fire or explosion. Under the measure, sponsored by Sen. Carl Kroening (DFL-Mpls.), the cities or towns may use escrowed funds to repair or demolish damaged or destroyed structures if the owners of the structures refuse to do so. When a loss occurs due to fire or explosion in a municipality that has elected to apply the act, the insurer must withhold 15 percent of the actual cash value of the insured real property or 15 percent of the final settlement, whichever is less, for deposit in the municipality's escrow account. The money is released to the property owner after the structure is repaired, replaced or removed, except to the extent that the escrowed amount is needed to complete the work. The money is also released if the property owner consents to payment of funds directly to the contractor doing the work. The bill was approved and sent to the full Senate.

S.F. 1337, sponsored by Hottinger, also received the panel's approval. The bill prohibits the sale of drugs, medical devices, cosmetics, and food for children under two years of age by transient sales people.

S.F. 1514, sponsored by Sen. Jerry Janezich (DFL-Chisholm), requires disclosures prior to the replacement of an existing annuity or life insurance contract. Under the bill, insurers must notify policyholders when a policy is to be replaced if the existing policy is to be lapsed, forfeited, surrendered, converted to reduced paid-up insurance, or reduced in value or benefits. The bill was approved and sent to the Senate floor.

S.F. 1647, sponsored by Solon, permits the sale of long term care policies that have longer waiting periods before benefits are paid. Under current law, the waiting period before benefits are paid is limited to 90 calendar days. The bill extends this time to 24 months. The bill was approved and sent to the Senate floor.

## Crime Prevention

### "Minibus" bills advance

The Crime Prevention Committee considered two bills made up of two larger bills and a number of "rider bills." Members discussed the provisions extensively at meetings held Thurs., Apr. 6. Chair Sen. Allan Spear (DFL-Mpls.) referred to the bills as "minibus" bills, as opposed to one large omnibus committee bill.

Sen. Ellen Anderson (DFL-St. Paul) offered a bill as the vehicle for the compilation of provisions. S.F. 1564 expands the definitions of first- and second-degree manslaughter to include causing the death of another while committing malicious punishment of a child, or neglect or endangerment of a child.

Six amendments, several of which were bills, were added to Anderson's bill. An author's amendment received considerable debate before being amended and approved by the committee. Anderson offered a provision that would have removed language exempting relatives or spouses from a felony offense for knowingly receiving profits from a prostitute. But some division members did not believe blood relatives or spouses should be included in the statute and rejected the amendment. Sen. Gene Merriam (DFL-Coon Rapids) then offered another amendment that clarifies the provision under certain circumstances.

Another author's amendment directs a peace officer to forward information to the Health Department upon receiving a report of a wound caused by a firearm. Anderson also successfully offered an amendment to allow the sale of electronic incapacitation devices under certain provisions; the amendment also incorporated penalties for illegal use of the devices.

The committee also adopted an amendment offered by Sen. Warren Limmer (IR-Maple Grove) providing monetary restitution to a victim's family or a victim assistance or community program.

The bill, as amended, was advanced to the full Senate.

Members also approved and advanced another bill with several attached amendments. S.F. 882, authored by Sen. Jane Ranum (DFL-Mpls.), makes several changes to laws dealing with patterned sex offenders. Among its provisions is a section allowing a maximum imprisonment penalty of 40 years if a jury or judge finds that a predatory offense was sexually motivated. The bill also requires an annual training course for prosecutors, public defenders and peace officers on the sentencing laws applicable to sex offenders.

Limmer successfully offered an amendment that increases the penalty for indecent exposure from a misdemeanor to a gross misdemeanor if the act was committed in the presence of a person under 16 years. Another Limmer amendment expands the crime prohibiting surreptitious intrusions into a hotel sleeping room or tanning booth.

Finally, the committee adopted an amendment, offered by Merriam, allowing persons who have served as a Minnesota peace officer, meet the current peace officer firearm training requirements and serve as an investigator in a felony prosecution office to carry a firearm. The amended bill advances to the Senate floor.

## Bills considered

Members of the Crime Prevention Finance Division met again Thurs., Apr. 6, to continue the process of considering bills for inclusion in the omnibus appropriations bill. The division, chaired by Sen. Tracy Beckman (DFL-Bricelyn), is hearing bills and testimony but not taking formal action on any of the measures.

S.F. 556, authored by Sen. Thomas Neuville (IR-Northfield), requires deductions from inmate wages paid by private industry to be the same as for deductions from inmate wages paid by the Dept. of Corrections. S.F. 1510, authored by Beckman, authorizes the commissioner of corrections to set about the process of establishing a minimum security correctional facility for men at Camp Ripley. S.F. 776, sponsored by Sen. Don Kramer (IR-Brooklyn Center), authorizes the commissioner of corrections to deduct room and board charges or other costs of confinement from inmates' salaries. Members amended the bill to reorder the priority of deductions made from inmates' wages.

S.F. 1341, authored by Sen. Linda Runbeck (IR-Circle Pines), provides for the expansion of intervention services provided through the Institute of Child and Adolescent Sexual Health. The services are aimed at early intervention with children who exhibit signs of sexually aggressive behavior and who do not currently receive services. S.F. 758, carried by Sen. Jane Ranum (DFL-Mpls.), authorizes the Bureau of Criminal Apprehension to charge and collect fees for background checks run for reasons other than criminal justice. The bill also specifies that the fees are to be used to maintain and improve the quality of the criminal record system. Members also heard a proposal, offered by Sen. Allan Spear (DFL-Mpls.), for an appropriation to the Illusion Theatre for the development of plays, workshops and educational resources promoting increased awareness and prevention of sexual abuse, violence and sexual harassment.

A proposal for privatizing the juvenile corrections system sparked considerable discussion. S.F. 1515, authored by Sen. Randy Kelly (DFL-St. Paul), calls for the transfer, by July 1, 1996, of all juveniles confined at Red Wing and Sauk Centre to either privately owned and operated residential facilities or, upon request of the county, back to the county originally having jurisdiction over the juvenile. Kelly said that the high recidivism rate of the most serious juvenile offenders has convinced him that the state must try a new approach to the problem of juvenile corrections.

## Privatization reviewed

The Crime Prevention Finance Division examined several measures intended for the omnibus crime prevention bill at a meeting Fri., Apr. 7. Among those reviewed was S.F. 1515, a bill to privatize juvenile correction systems. Carried by Sen. Randy Kelly (DFL-St. Paul), the measure requires that juveniles at Red Wing and Sauk Centre be transferred to private residential treatment centers, or returned to the counties originally having jurisdiction over them, by July 1, 1996.

Commissioner of Corrections Frank Wood opposed dismantling the two programs, calling the move "premature." Although acknowledging that privatization is an option, he called for thoughtful analysis of the situation. "We may end up closing Red Wing and Sauk Centre, and redirecting those resources," he said, "but a predisposition to privatization is wrong."

Members questioned the cost effectiveness of current programs. Sen. Gary Laidig (IR-Stillwater) asked, "but could we do something

different with less?"

Sen. Allen Spear (DFL-Mpls.) pointed to the high rate of recidivism, 69 percent, and said, "if we can't do any better than this, why are we spending so much money on it? Maybe we should deploy our resources in different areas?"

S.F. 1460, authored by Sen. Richard Cohen (DFL-St. Paul), establishes a Ramsey County program to identify and prosecute the most serious juvenile offenders. The one time appropriation is from the general fund and available until June 30, 1997.

John Wodele, a deputy attorney with Ramsey County, testified in support of the measure. "We have to target our resources," Wodele said. "We want to focus on the guns and the gangs. We know that just a few individuals commit most of the crimes."

Melinda Ellidge, a Ramsey County prosecutor, voiced strong support for the bill. "To have a specific unit track the most dangerous offenders would be extremely helpful," Ellidge said. She described the coordinated effort as a "preventative approach."

Chair of the division, Sen. Tracy Beckman (DFL-Bricelyn) raised concerns about flushing offenders out of the Metro Area and into the rural regions. Wodele said that the likelihood of that occurring is very slim. "Gangs need a city network to operate," he said.

Cohen told members that his bill is modeled after a Chicago program aimed at eradicating gangs. Local experts say Chicago's program has been highly effective, to the detriment of the Twin Cities, evidenced by growth of gang activity in the Metro Area.

S.F. 1286, sponsored by Kelly, appropriates \$4.3 million annually for peace officer standards and training. Besides changing the composition of the Peace Officer Standards and Training Board to include two members actively employed in peace officer education, the bill also requires Metropolitan State University and Minneapolis Community College to provide core law enforcement courses in an accelerated time period for Metro Area students.

A bill establishing a child abuse helpline and a training program for interviewers of abused children, S.F. 650, was also considered for the omnibus crime bill. Authored by Sen. Ember Reichgott Junge (DFL-New Hope), the measure mandates the commissioner of human services to oversee both programs.

Reichgott Junge said that there is no single source of information and advice for victims of child abuse. She pointed out that the designated person to handle such matters, particularly in rural regions, is frequently a source that victims or their families would hesitate to seek out.

The statewide, toll-free helpline would be staffed 24 hours by professionals able to answer questions concerning the physical and sexual abuse of children.

An amendment, offered by Sen. Roy Terwilliger (IR-Edina), concerning data access by law enforcement agencies, was adopted by the division. Under Terwilliger's amendment, the criminal justice policy group is responsible for developing the database plan, rather than the Bureau of Criminal Apprehension and the Dept. of Public Safety.

Two bills, both authored by Spear, were heard by the division. S.F. 1205 mandates the Nonfelony Enforcement Advisory Committee

to analyze penalty levels for low-level felony crimes, and makes a one-time appropriation for staffing the NEAC.

S.F. 1153 earmarks monies for four judgeships, vetoed by the governor last year, while creating and funding five new positions. The measure also authorizes conversion of a vacant referee position into a judgeship.

Members also considered a bill, S.F. 1054, authored by Sen. Jane Ranum (DFL-Mpls.), providing for year round school for juveniles in correctional facilities. The proposal, part of a comprehensive juvenile justice measure, sets forth the funding mechanism for the education component, requires the state to pay the costs of some of the educational programs, and establishes youth service centers and pilot projects. Members tried to get a handle on the actual cost of the proposal, but the bill did not come with a fiscal note, although Ranum said she had requested one. The measure was laid aside.

Senators also considered a proposal, sponsored by Sen. Arlene Lesewski (IR-Marshall), authorizing interactive video arraignments. The bill, S.F. 287, was laid over for consideration for the omnibus crime finance bill. S.F. 1315, authored by Beckman, was also considered. The measure establishes the Bureau of Criminal Apprehension as an independent agency of the executive branch. Currently, the BCA is part of the Dept. of Public Safety. The proposal also transfers the criminal justice information system unit to the BCA. S.F. 1613, sponsored by Sen. Thomas Neuville (IR-Northfield), authorizes the creation of a nonprofit corporation to manage correctional work programs. The measure outlines the organization, duties and authority of the corporation and authorizes the sale of corporation goods and services to governmental entities and private enterprises. S.F. 1650, sponsored by Beckman, suspends the implementation of the extended jurisdiction juvenile system for one year.

A proposal to revamp the sentencing guidelines was also considered. S.F. 470, authored by Sen. Gary Laidig (IR-Stillwater), implements the recommendations of the Sentencing Guidelines Commission for changes to the guidelines and the guidelines grid. Under the proposal, prison sentences are reduced for property and drug crimes while the sentences for selected crimes against persons are increased.

Members did not take any action to advance the bills, but rather will consider the measures for inclusion in the omnibus proposal.

## Allocation process starts

The Crime Prevention Finance Division began the process of making allocations at the Mon., Apr. 10, hearing. The panel, chaired by Sen. Tracy Beckman (DFL-Bricelyn), reviewed a spread sheet with preliminary budget allocations. Under the proposal, the appropriations for areas under the division's jurisdiction total \$855.9 million. The total is \$29.3 million under the governor's recommendation. The proposal provides funding for the courts, the Dept. of Public Safety, the Private Detective Board, the Peace Officer Standards and Training Board, public defenders, the Dept. of Corrections, the Corrections Ombudsman, and the Sentencing Guidelines Commission. The proposal also removes the Bureau of Criminal

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Apprehension from the Dept. of Public Safety and makes the BCA a separate agency.

In addition, the proposal provides funding for a number of bills that had been considered by the division. S.F. 624, authored by Sen. Don Betzold (DFL-Fridley), provides for an appropriation to the Northwest Community Law Enforcement Project at North Hennepin Community College. S.F. 413, sponsored by Sen. Janet Johnson (DFL-North Branch), establishes a pilot program to test the effectiveness of electronic alcohol monitoring of DWI offenders. S.F. 549, carried by Beckman, provides funding for Drug Abuse Resistance Education (DARE) programs. S.F. 911, authored by Sen. John Marty (DFL-Roseville), alters provisions dealing with DWI license plate revocation. S.F. 434, sponsored by Sen. Randy Kelly (DFL-St. Paul), clarifies the scope of the witness and victim protection fund. S.F. 946, carried by Sen. Ellen Anderson (DFL-St. Paul), provides for a study relating to youth centers. S.F. 778, carried by Kelly, changes provisions relating to reimbursement for bullet proof vests. S.F. 1341, authored by Sen. Linda Runbeck (IR-Circle Pines), provides for an appropriation for the Child Sexual Health Institute for early intervention services for children exhibiting sexually aggressive behavior. S.F. 1460, authored by Sen. Richard Cohen (DFL-St. Paul), authorizes Ramsey County to establish a juvenile violence prevention task force.

S.F. 1515, sponsored by Kelly, provides for a task force to study the privatization of the juvenile facilities at Red Wing and Sauk Centre. S.F. 1153, authored by Sen. Allan Spear (DFL-Mpls.), provides funding for seven new judgeships. S.F. 650, carried by Sen. Ember Reichgott Junge (DFL-New Hope), requires information to be gathered from crime victims for presentation at bail hearings and providing for a child abuse telephone helpline. S.F. 1205, carried by Spear, expands the duties of the Nonfelony Enforcement Advisory Committee. S.F. 435, authored by Kelly, expands the crime of witness tampering and provides for victim grants. S.F. 359, sponsored by Sen. James Metzen (DFL-St. Paul), provides for state reimbursement for bomb squads. S.F. 1286, carried by Kelly, makes changes in provisions relating to the Peace Office Standards and Training Board. S.F. 1054, sponsored by Sen. Jane Ranum (DFL-Mpls.), makes numerous changes in provisions relating to the juvenile justice system. S.F. 418, carried by Kelly, is the Safe Schools initiative and authorizes special projects and programs to combat truancy and provides for other crime prevention efforts in the schools. Finally, a proposal, sponsored by Spear, for an appropriation for the Illusion Theatre to develop anti-violence programs, is also included in the division's omnibus proposal. The total appropriation for the separate bills is \$9.45 million.

Several items in the proposal sparked division discussion. Sen. David Knutson (IR-Burnsville) questioned the separation of the BCA from the Dept. of Public Safety. Beckman said that the intention of the split is to increase productivity and improve morale in the agency. Kelly added that for all practical purposes the BCA has been functioning as a stand-alone agency for several years.

Spear said that he was concerned about

reductions in the increase for the public defenders. He pointed out that much of the increased burden placed upon the public defenders system is the result of legislation passed last year. "We need to fund last year's initiatives before taking on new ones," Spear said.

Members also discussed the appropriations earmarked for the Dept. of Corrections is some detail. Under the proposal, no appropriations are made available for expansion at the juvenile facilities at Red Wing and Sauk Centre, nor are other program increases funded to the full extent recommended by the governor.

## Funding revamped

Members of the Crime Prevention Finance Division met in the afternoon Tues., Apr. 11, to consider a revised funding proposal for the omnibus bill. The new proposal totals \$860.2 million and is \$25 million less than the governor's recommendations. The revised spread sheet restores funding for several programs. Under the revised proposal, an addition \$500,000 is earmarked for legal aid, three positions are provided to aid the transition of the Bureau of Criminal Apprehension into an independent agency, a \$4.6 million increase for public defenders recommended by the governor is restored, and a 3 percent cut to the base, annualization and jail rental categories of the Dept. of Corrections budget is implemented. The new proposal also decreases the funding for the Safe Schools initiative by \$1 million.

An earlier version of the proposal did not include the 3 percent base cut for the Dept. of Corrections and had, instead, decreased funding for facility caseload changes by \$6.5 million. The new version leaves the funding for the facility caseload changes and allows the department to make the necessary reductions. In addition, the previous version did not fund the increase for the public defenders. However, Sen. Allan Spear argued that the division needed to fund the increase because of the increased burden placed on public defenders as a result of last year's legislation.

Spear said that the new proposal does a good job of addressing the concerns of the committee members about various portions of the budget.

Discussion at the afternoon hearing centered primarily on the proposal to separate the Bureau of Criminal Apprehension from the Dept. of Public Safety. Commissioner Michael Jordan, of the Dept. of Public Safety, testified against the proposal to separate the BCA. Jordan said that the separation flies in the face of the move to consolidate and streamline state government in order to improve efficiency. Beckman countered that the initiative is an attempt to remove politics from the agency and allow the BCA to continue to provide quality services.

Sen. Gary Laidig (IR-Stillwater) questioned the lack of increased funding for BCA lab improvements. Laidig asked if perhaps some of the funding for the Safe School initiative couldn't be more properly located in the education funding budget. Spear responded that the division has traditionally taken a broad approach to crime prevention in funding programs such as Head Start and Success by Six. Spear said, "We have taken the position that getting a child started in life in a healthy way is

the most successful crime prevention effort we can make."

Members approved a motion to adopt the funding proposal outlined in the spreadsheet.

## Education

### Year-round school bills heard

Several bills requesting grants to support year-round school operations were considered by the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), on Thurs. evening, Apr. 6.

The division heard five proposals, each providing the means for school districts to operate throughout the year. Sen. Leonard Price (DFL-Woodbury) presented two bills offering revenue for year-round school programs. S.F. 1462 provides year-round school pilot program grants for both operations and facilities. S.F. 1375 establishes a flexible learning year revenue program and authorizes the sale of up to \$5 million in bonds to support the program.

S.F. 1483, authored by Sen. Janet Johnson (DFL-North Branch), provides an \$83,000 grant to the Cambridge School District for a pilot year-round school program. Another proposal, S.F. 1643 carried by Sen. Kevin Chandler (DFL-White Bear Lake), creates the pilot Extend Program and includes a \$750,000 appropriation for a grant to the White Bear Lake district under the program. All four proposals were discussed and then set aside for further consideration as part of the omnibus funding bill.

Other bills aimed at improving the educational performance of targeted groups were considered. S.F. 1595, presented by Sen. Sandra Pappas (DFL-St. Paul), offers grants to provide academic and culturally-related programs in districts with a student population of more than 10 percent Mexican-American. The division approved the proposal as part of the omnibus bill.

S.F. 924, also offered by Pappas, allows a \$500,000 appropriation designated in FY 1995 for the Teachers of Color program to carry forward into the next fiscal year. The measure was adopted and added to the omnibus bill. Also approved for further consideration in the omnibus package was S.F. 1203. The bill, sponsored by Sen. Jane Krentz (DFL-May Township), calls for appropriations to upgrade the skills of and certify school interpreters.

Pappas and Sen. Ellen Anderson (DFL-St. Paul) both offered bills calling for additional funds in support of the Adult Basic Education and Adult Graduation Aid programs. Pappas' bill, S.F. 1161, did not specify an appropriation for either program. Anderson's proposal designated a biennial appropriation of \$8.1 million in Adult Graduation Aid. The Pappas bill was accepted for further consideration.

Two bills clarifying the High School Graduation Incentives program were also processed by the division. Under the program, students, who are at least age 16, may transfer to a private school if a public district has a contract with the private school for educational services. S.F. 1612, authored by Sen. Jerry Janezich (DFL-Chisholm), allows students of all ages to transfer to a private school. The bill also requires that 88 percent of the general education

funding a district would receive for each student be given to the private school. The private school may also appeal to the State Board of education when a school district rejects a contract proposal.

S.F. 1294, offered by Pappas, transfers 88 percent of the education revenue to a private school that accepts students from a public system under the graduation incentives program. The division approved S.F. 1294, and adopted a portion of S.F. 1612, allowing schools to make an appeal to the State Board.

The division also set aside S.F. 1095 for further consideration. The bill, presented by Sen. Jane Ranum (DFL-Mpls.), provides funds for school breakfast and lunch programs.

## Appropriation bill considered

Sen. LeRoy Stumpf (DFL-Thief River Falls), chair of the Higher Education Funding Division, gave division and audience members a pep-talk recently regarding the division's task to develop an appropriation bill. At the Thurs., Apr. 6, meeting, Stumpf reiterated the grim realities and challenges facing higher education, but encouraged state leaders to work together to get through the coming bienna.

Wrapping up its week of meetings, the division heard presentations on two bills to be considered for inclusion in the division's omnibus bill. S.F. 1225, authored by Sen. Sam Solon (DFL-Duluth), establishes a new nursing grant program under the Higher Education Coordinating Board. The new program consolidates several small grants available now. According to Susan Stout of the Minnesota Nursing Association, the program provides a dollar-to-dollar match with \$50,000 in state funds. Currently, the state provides some \$120,000 in small nursing grants, she said.

Another bill, S.F. 1295, authorizes the Bureau of Mediation Services to transfer staff between bargaining units of the community colleges and the technical colleges. The bill, carried by Solon, stipulates a transfer can only occur if all parties agree to do so. Some Senators expressed concern about the cost implications of the provision, and representatives from Minnesota State Colleges and Universities said they needed more time to consider possible consequences.

Stumpf said the provision should be looked at closely and then, repeating a theme heard throughout the session, called for a cooperative effort among all groups within higher education. Because of the "dramatic" cuts facing all aspects of the state's budget, everything in the higher education program is up for discussion, he said. Leaders must consider changes in contract bargaining, find efficiencies in programs, and examine administration levels, all with the students in mind, Stumpf said.

"Keeping morale up out there is going to be difficult," he said. "We'll need very good cooperation among all parties to make it through the next couple years."

## Certificate program defeated

A bill to establish an educational certificate aid program was rejected by the members of the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Fri., Apr. 7.

S.F. 1377 creates the certificate program for students of parents or guardians whose income is at or below 185 percent of the federal poverty

guideline. Sponsored by Sen. Tom Neuville (IR-Northfield), the bill requires the Dept. of Education to provide qualifying parents or guardians with a certificate equal in amount to 80 percent of the general education formula allowance. Those certificates may then be applied toward a student's attendance at the public or private school of their choosing.

Supporters of the bill, including private school officials and parents, argued the proposal serves those students who have the greatest needs to be successful and who should be allowed to make choices they may otherwise not have. Representatives of the various public school groups opposed the bill, saying the program would divert funds from the system and that using public funds to support private schools raises a question of constitutionality.

The measure fell on a 3-10 roll call vote.

The members also reviewed a number of other bills and voted to include two directly into the omnibus funding bill. S.F. 1625, presented by Sen. Dallas Sams (DFL-Staples), allows the Detroit Lakes School District to make a fund transfer. S.F. 1581, offered by Neuville, modifies a 1994 law providing a land transfer to the Faribault School District for a new elementary school site.

S.F. 1047, carried by Sen. Ember Reichgott Junge (DFL-New Hope), creates an open and standing appropriation category to provide property tax abatement aid to school districts. The division, at the author's request, approved the measure as a grant program and added it to the omnibus bill.

Sen. Dallas Sams (DFL-Staples) presented S.F. 1172, calling for a biennial appropriation of \$23.3 million to support secondary vocational education programs. The members set the proposal aside for further consideration.

The division heard but chose not to include the provisions of six other bills in the omnibus bill. Among those bills was S.F. 1174, authored by Sen. Steven Novak (DFL-New Brighton), allowing districts to withhold the records of a transferring student until any school property is returned, and S.F. 1559, carried by Sen. Charles Berg (DFL-Chokio), providing a grant to reduce the Milan School District's operating debt.

Also, a proposal by Sen. David Knutson (IR-Burnsville), S.F. 712, to eliminate referendum levy equalization offset was not included. S.F. 1372, requesting funds for an asbestos sampling program in the West Central Cooperative Service Unit, was presented by Sen. Keith Langseth (DFL-Glyndon) but not included. Reichgott Junge's proposal, S.F. 1050, to increase the general education formula allowance was also not approved.

S.F. 1480, authored by Sen. Sandra Pappas (DFL-St. Paul), proposes using an excise sales tax revenue to reduce class sizes. The measure, calling for a two-year delay on the scheduled reduction in the sales tax percentages paid by businesses to replace their capital equipment, was not approved.

## Transition system bill heard

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), reviewed and approved a bill, Sat., Apr. 8, creating a system to help students make the transition from education to employment.

S.F. 1476, authored by Sen. Tracy Beckman

(DFL-Bricelyn), establishes a statewide education and employment transition system. The system is to include strategies to improve career counseling, to incorporate work-based programs into the school curriculum, and to develop private sector partnerships with the education system.

The bill creates the governor's Workforce Development Council and makes the council responsible for development and implementation of a transition system. The proposal also calls for grant programs for local education and employment transition partnerships and for the support of a youth employers grant program. The provisions of the bill were approved and added to the omnibus funding bill.

The division also approved and added to the omnibus bill a related proposal brought forward by Beckman, to encumber money for participants in Youth Community Service Programs. S.F. 1281 requires the Higher Education Coordinating Board to hold \$4,725 in a special account for each student who enrolls in the youth works service program. The measure allows students who have completed the program to draw the funds from the account and use it toward their post-secondary education costs.

In other business, the members reviewed several proposal to fund interactive television (ITV) and other information delivery systems in schools. Four of the six bills the division heard were presented by Sen. LeRoy Stumpf (DFL-Thief River Falls). S.F. 245 allows districts involved in the cooperation and combination program to receive ITV revenue if they enter into an ITV lease before combining. S.F. 289 allows districts to use capital expenditure and staff development revenue to train teachers in computer use. S.F. 892 provides grant programs that allow districts to gain access to information delivery technologies, and to fund the costs of connecting districts to the Internet. S.F. 567 provides a grant to the North Central Minnesota Educational Consortium to set up an ITV network.

Sen. Florian Chmielewski (DFL-Sturgeon Lake) presented S.F. 668, giving a grant to the Cromwell School District for ITV installation. S.F. 551, creating a technical support aid program and providing funds for schools to access the Internet, was offered by Sen. Jane Ranum (DFL-Mpls.). After reviewing all of the proposals, the division set the bills aside for further consideration as part of their funding decisions.

Two other bills were approved by the members and added to the omnibus bill. S.F. 1466, sponsored by Sen. Linda Runbeck (IR-Circle Pines), permits schools to charge fees to provide an elective course that would not otherwise be offered because of low enrollment. The bill also lets schools use unlicensed teachers in elementary classrooms when a licensed teacher is using their preparation time and allows districts to negotiate a payment schedule, other than provided in law, with the Dept. of Education. The portions of the bill allowing districts to charge fees, and to negotiate a payment schedule were approved.

S.F. 945, carried by Sen. Martha Robertson (IR-Minnetonka), appropriates funds for the Advanced Placement and International Baccalaureate programs. The measure was

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approved without a specific appropriation.

Several other bills were considered but the members voted that they not be included in the omnibus bill. Among those bills was S.F. 796, authored by Sen. David Knutson (IR-Burnsville), eliminating the State Board of Education, and S.F. 1466, offered by Sen. Mark Ourada (IR-Buffalo), requiring the state board to report the costs of implementing the graduation rule to the Legislature before the rule can take effect.

Robertson's bill, S.F. 788, allowing districts to levy for insurance costs was not approved, nor was S.F. 1580, presented by Sen. Cal Larson (IR-Fergus Falls), giving a levy to districts losing a technical college to the merging higher education system.

Also not included were S.F. 1580, sponsored by Larson, defining the effect of the debt service equalization aid has on district projects, and S.F. 1340, authored by Sen. Sandra Pappas (DFL-St. Paul), including provisions to fully fund special education, allow fund transfers and offset certain property tax aids.

## Special ed bills discussed

Several special education proposals were under consideration when the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Mon., Apr. 10.

The members took up S.F. 917, presented by Sen. Jerry Janeczich (DFL-Chisholm). The bill establishes the Options-Plus Pilot Program. The purpose of the program is to develop alternative ways to serve students with specific disabilities without formally enrolling them in a special education program. As part of the program, districts are to prepare a limited educational plan for participating students that identifies how their needs will be met. The division set the measure aside for further consideration.

A bill to establish a pilot program to provide early intervention services to children with emotional or behavioral disorders was also set aside for more consideration. S.F. 1610, authored by Sen. Kevin Chandler (DFL-White Bear Lake), provides a grant to the White Bear Lake School District for "Project Prevent," an early intervention program serving children with emotional or behavioral disorders.

Sen. Jane Krentz (DFL-May Township) presented S.F. 1400. The bill allows a county representative to participate in preparing the education plan for a child with a disability, if the parents and school district consent and it has been determined that interagency services are appropriate. The measure also requires the Dept. of Education and the Dept. of Human Services to evaluate their rules pertaining to special education, and calls on both departments to jointly develop a training program for school district staff who work with children with disabilities. The bill was approved and added to the omnibus bill, while the funding provisions of the proposal were set aside for future consideration.

S.F. 707, authored by Sen. Warren Limmer (IR-Maple Grove), was rejected by the division. The measure excludes students from enrolling in a school district if they had been previously expelled from another district for possession of a firearm. The bill also prevents students released from a correctional institution from returning to

their school district, diverting them instead into an alternative learning program.

Special education components of S.F. 817 were also added to the omnibus bill. The measure, authored by Sen. Kenric Scheevel (IR-Preston), gives the parties objecting to proposed changes to a child's special education plan 15 days to provide the other party with a statement identifying the specific remedies sought.

In other business, the members approved Pogemiller's bill, proposing funds in support of the artists in education residency project, and the Partners: Arts and School for Students (PASS) Program. Included as part of S.F. 1649 is a biennial appropriation of \$842,000, which the division set aside.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 1418, proposing changes to teacher compensation mechanisms. The bill changes current training and experience revenue provisions to a teacher compensation revenue program. The revenue is to be used to pay teachers who gain additional skills needed by their school district to increase student achievement. The measure was set aside until language changing it into a grant program could be developed.

## Higher ed allocations considered

Members of the Higher Education Funding Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), began discussing provisions to the division's appropriation bill at a Mon., Apr. 10, meeting.

The proposal includes three articles dealing with a new funding policy, reorganization of the Higher Education Coordinating Board, and changes to the financial aid policy. Several individual bills also may be added to the package.

Stumpf, as in previous meetings, emphasized the tough decisions the division must make regarding the ever-tightening budgets for higher education programs. "The budget proposal is by no means adequate," he said, but it does limit severely adverse impacts on all programs.

Stumpf presented another provision outlining changes and requirements for labor agreements and compensation planning. Most notably, the measure directs the Minnesota State Colleges and Universities (MnSCU) Board of Trustees and the University of Minnesota Board of Regents to increase the number of hours faculty spend on instructional activities when negotiating labor agreements. Another of the 10 measures calls for providing for the equivalent of at least a 40-hour work week for all full-time employees. The provision also allows immediate employee layoffs in a financial emergency situation, as declared by the respective board.

Stumpf said the basis of the proposals is to deal with the public's perception of how higher education systems are run. But representatives of the systems' faculty groups testified against the provisions, saying labor management should have the prerogative to manage collective bargaining. Discussion will continue.

The division also took testimony on Stumpf's alternative funding proposal introduced as S.F. 1234. The provision changes the way campuses are funded by basing funding on the number of diplomas, degrees or certificates handed out, instead of on how many students a campus has enrolled. The bill also offers a high school

diploma warranty requiring a high school to pay for remedial courses if a graduate scores below a 10th-grade level in a college assessment test.

Two provisions were added to provide for technical and policy task forces to implement the proposal and work out the details and concerns of the interested parties.

Members scheduled continuing discussions on the proposals.

## Environment and Natural Resources

### Petroleum tank cleanup changes

A bill relating to petroleum tank cleanup ate up more than four hours of discussion at Weds., Apr. 5, meetings of the Environment and Natural Resources Finance Division. The division, chaired by Sen. Steven Morse (DFL-Dakota), also considered seven other bills.

S.F. 507, carried by Sen. Steven Novak (DFL-New Brighton), deals with a variety of statutes related to petroleum tank cleanup funds, site assessments and tank monitoring.

Much of the division's debate focused on a section of the bill dealing with reimbursement costs. The provision, Novak explained, essentially singles out two contaminated sites, located in Ramsey County and the city of Minneapolis, to be eligible for state Petro Fund money for the cleanup of the land.

In both cases, the responsible parties are unable to cover the cleanup costs and the land would remain undeveloped unless the state funds are accessed, Novak said. Because of changes in laws since the land was purchased, the property owners got handed the cleanup bill, he said.

Sen. Janet Johnson (DFL-North Branch) successfully offered an amendment establishing an environmental lien on the property in the amount of the reimbursement, or the value of the property.

The amended bill was advanced to the full committee.

Another bill, S.F. 1253, was also advanced to the full committee. The bill, authored by Sen. Don Samuelson (DFL-Brainerd), also deals with the petroleum tank release cleanup program and establishes registration requirements for contractors and consultants. A provision establishing insurance coverage criteria was deleted.

The division also considered S.F. 693, a bill authored by Sen. Steve Dille (IR-Dassel) changing the limits for participation in rural finance authority loans. The goal of the bill is to improve the livestock industry in the state, Dille said. The bill also addresses development of best management practices for feedlots, changes permit requirements for feedlots, and appropriates funds. The bill was laid over for consideration with the division's appropriation bill.

Five other bills also were laid over for further consideration, including S.F. 1358 authored by Sen. Dan Stevens (IR-Mora). The bill appropriates \$25,000 to the Dept. of Natural Resources to establish a recreational shooting range within Sand Dunes State Forest.

S.F. 345, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), expands the wastewa-

ter infrastructure funding program to include basic assistance grants to municipalities. Stumpf also presented S.F. 1193, a bill appropriating funds to establish a task force to study interstate flood control projects.

Sen. Pat Pariseau (IR-Farmington) offered S.F. 671, a bill providing \$175,000 in emergency bonding to repair erosion damage to the Cannon Valley Trail near Cannon Falls.

Morse presented S.F. 1201, a bill specifying that money recovered in lawsuits for the destruction or loss of natural resources resulting from a hazardous waste release must be used for repairing or replacement of natural resources.

Finally, the division heard a presentation by Sen. Roger Moe (DFL-Erskine) regarding a tree plantation project overseen by the University of Minnesota-Crookston. The project includes study of a rapidly growing type of poplar tree. Moe requested the division consider an annual appropriation of \$200,000 to continue the project.

## Final bills advanced

In one of its last policy meetings of the session, the Environment and Natural Resources Committee processed some 14 bills at a Fri., Apr. 7, meeting.

S.F. 507, carried by Sen. Steven Novak (DFL-New Brighton), deals with a variety of statutes related to petroleum tank cleanup funds, site assessments, tank monitoring, and reimbursement requirements. Sen. Pat Pariseau (IR-Farmington) successfully offered an amendment specifying that costs of a corrective action performance audit also are reimbursable.

Another bill, S.F. 1253, also deals with the petroleum tank release cleanup program. The bill, authored by Sen. Don Samuelson (DFL-Brainerd), establishes registration requirements for contractors and consultants.

Sen. Gary Laidig (IR-Stillwater) presented H.F. 1018, a bill conforming state regulation of chlorofluorocarbons (CFCs) to federal law. The bill adds dehumidifiers, ice makers, water coolers, heat pumps and commercial refrigeration systems to the list of items from which CFCs must be removed and disposed. The bill also clarifies training and certification requirements.

Members discussed and advanced 11 other bills. Sen. Janet Johnson's (DFL-North Branch) bill, S.F. 1076, dealing with wind facilities, exempts large wind energy conversion systems from power plant siting requirements.

H.F. 1101, carried by Sen. Dennis Frederickson (IR-New Ulm), is a housekeeping bill and makes several technical corrections to laws related to shoreland ordinances, permitting, dam repair, and other federal, state, and local provisions.

Sen. Leonard Price (DFL-Woodbury) presented a bill, S.F. 897, related to surface and groundwater management in the Metro Area. The provisions of the bill include groundwater management planning provisions, standards and review. Price also carried H.F. 1055, a bill amending the Watershed Act. The measure contains a provision to raise the per diem for watershed district managers by \$5 a day. The bill also addresses changes in advisory committees, watershed district plans, and simplification of procedures to maintain and improve drainage ditches in the Metro Area.

Sen. Kevin Chandler (DFL-White Bear Lake) presented S.F. 1073, a bill specifying that a private property owner may recover costs associated with cleanup of a contaminated site if the person responsible for abandoning the hazardous waste did not do so.

Sen. Bob Lessard (DFL-Int'l. Falls), chair of the committee, presented a bill, S.F. 1250, modifying the terms of payment for certain tax-forfeited timber. The bill changes the required down payment of 25 percent of the appraised value, to "no less than 15 percent."

The committee also considered several bills providing for the sale of tax-forfeited lands, including S.F. 243, carried by Sen. Deanna Wiener (DFL-Eagan), authorizing the sale of land in Dakota County. S.F. 1444, authored by Sen. Samuel Solon (DFL-Duluth), authorizes the sale of tax-forfeited lands in St. Louis County. Sen. Mark Ourada (IR-Buffalo) presented S.F. 1112, a bill allowing the sale of county ditches from Sherburne County to the city of Elk River. S.F. 1583, authored by Sen. Roger Moe (DFL-Erskine), also allows the sale of acquired state land in Becker County to a private landowner.

Finally, the committee approved S.F. 867, carried by Sen. John Hottinger (DFL-Mankato), a bill allowing drivers license information to be included as required identification on fish houses.

## Budget proposal outlined

The Environment and Natural Resources Finance Division commenced its allocations hearings with an overview of all agency programs and budgets presented by Chair Steven Morse (DFL-Dakota).

Morse began the Mon., Apr. 10, meeting by pointing out the main "problem areas." The division faced a preliminary budget some \$800,000 over the targeted budget of \$347.2 million, Morse said. The division also has to make decisions regarding the governor's proposal to eliminate the payment in lieu of taxes or PILT program, and the proposed \$3 million reduction in the Conservation Fund, he said.

Morse highlighted the differences between the division's proposal and the governor's proposal. One of the most notable changes is in the budget allocation for the Legislative Commission on Minnesota Resources (LCMR). The governor had reduced the budget for several projects choosing instead to fund the projects with capital bonding; the division's initiatives, however, reinstate the original \$2.3 million in LCMR funding.

The division budget also proposes a \$1 million reduction in ethanol producer payments, directs the Dept. of Agriculture to cover indirect costs with fees, authorizes a Dept. of Natural Resources pilot project to study ecoregion management, and directs the Pollution Control Agency and the DNR to consolidate administration functions.

## Budget allocations continue

Members of the Environment and Natural Resources Finance Division continued their review of the division appropriation and omnibus bills at meetings held Tues., Apr. 11. Division Chair Steven Morse (DFL-Dakota) gave a section-by-section overview of the policy

document which contains a variety of Senate bills and agency biennial proposals.

Members briefly discussed several of the provisions. Some members expressed concern about one of the amendments to the Agriculture Best Management Practices Loan Program providing for liens against a loan-holder's property.

The bill also contains changes to statutes related to ethanol production. The proposal, introduced by Morse, sets a state production goal of 220 million gallons, establishes a producer payment program for credits up to a state limit of \$30 million a year, and repeals the credit program in 2010.

Another change outlined in the bill is related to permit fees, allowing the Pollution Control Agency to charge a fee based on the amount of pollutants in the discharge instead of based on the quantity of the discharge.

Members also heard a presentation from Paul Burns of the Dept. of Agriculture regarding the Agricultural Land Preservation Program. Morse explained that the governor is proposing to move \$3 million from the conservation fund to the general fund. Burns said the action could hurt the preservation program by discouraging counties from participating without state assistance.

Dale Heimerman, also of the Dept. of Agriculture, gave an overview of the changes made to the Grain Inspection Program since January to deal with an anticipated budget shortfall. Program officials have laid off 15 full-time employees and plan to seek recommendations on operation methods, billing and accounting practices, and develop better forecasting methods, he said.

The division will continue scrutiny of its budget proposal before advancing it to the full committee.

## Family Services

### Senior nutrition program approved

At the Thurs., Apr. 6 meeting of the Family Services Committee, chaired by Sen. Pat Pifer (DFL-Austin), two bills were forwarded. S.F. 576, authored by Sen. Janet Johnson (DFL-North Branch) was sent to the funding division. The bill appropriates \$1 million in additional funds to senior nutrition programs. Alice Davis, president of the Minnesota Nutrition Directors Association, said that the programs, which include home-delivered meals and congregate dining, are very effective in improving seniors' health and well-being. Nutritional intervention, Davis explained, can greatly reduce illness and disease in seniors.

Sen. Don Kramer (IR-Brooklyn Center) inquired whether private support by recipients can supplement the base amount, which totals \$2 million for both programs. Davis said that by law they cannot charge for the meals and that age and disability are the only eligibility factors.

Members also approved H.F. 694, carried by Sen. Sam Solon (DFL-Duluth). The bill amends the sliding fee child care program to allow a county to reduce its assistance allocations, provided the county continues service to families currently receiving assistance. The measure, which applies to St. Louis and Ramsey Counties, eliminates unfair maintenance of effort for counties, Solon said, and allows the

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counties to compete on a level playing field. An amendment was adopted that clarifies that the bill does not affect the local match required. The bill, as amended, goes to the floor.

## Finance

### Transportation funding okayed

A \$2.5 billion omnibus transportation funding package was approved, Tues., Apr. 11, and sent to the Senate floor by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids).

S.F. 1536 provides \$1.148 billion in FY 1996 and another \$1.157 billion in FY 1997 for the Dept. of Transportation (MnDOT). As part of the department's biennial budget, \$1.3 billion is earmarked for state road construction and another \$754 million is designated for distribution as aid to counties and municipalities.

The bill, authored by Sen. Keith Langseth (DFL-Glyndon), also provides \$165.5 million in the next biennium for the operations of the Dept. of Public Safety, and another \$69 million in FY 1996 and FY 1997 for the Metropolitan Council Transit Organization.

Langseth said about \$1.45 billion appropriated in the bill comes from the Trunk Highway Fund. Only about \$22 million of the amount provided will come from the state's general fund.

The committee approved two amendments that Langseth offered. One amendment makes technical corrections to the measure while the other eliminates \$2.8 million from the appropriation for the Dept. of Public Service and another \$1.6 million that had been provided to the Supreme Court in the bill. Both of those appropriations are to be included as part of a crime prevention omnibus bill now under consideration.

In reviewing S.F. 1536, the members discussed a provision allowing MnDOT to implement a congestion pricing project. The project is to determine the feasibility of charging fees for the use of an interstate. The bill provides the department with a waiver from rulemaking requirements as it prepares the guidelines for the project.

Sen. Jane Ranum (DFL-Mpls.) questioned how the funds generated by the fees would be used and expressed concerns that by giving the department a waiver from rulemaking, the project would proceed without public input. She offered an amendment requiring that any fee proceeds be placed in the general fund, so that they would be available to support transit operations. The amendment was adopted, but the committee defeated her second proposal to remove the rulemaking exemption and sunset the project on June 30, 1997.

Langseth then offered to amend the provision by setting June 30, 1997 as the sunset date of the project, and the members adopted the proposal before approving the bill.

### Budget bill presented

The Finance State Government Division began review of its omnibus bill at a meeting Tues., Apr. 11. The division, chaired by Sen. Richard Cohen (DFL-St. Paul), examined a spread sheet detailing budget items for legislative, judicial and administrative expenses of state government.

Cohen called members' attention to two Senate proposals that are significantly higher than the governor's recommendations. The first concerns the appropriation for the attorney general's office. The Senate total is \$44.4 million compared to the governor's figure of \$40.2 million. Cohen said that to remain even "slightly competitive" with private law firms, it is imperative to increase salary levels. The measure also includes a salary supplement for the secretary of state's office.

The second item, funding for the State Board of Arts, is set at \$15 million in the Senate proposal, compared to the governor's recommendation of \$12.5 million. Cohen said that the state of Minnesota provides very little funding for the arts. "Comparatively speaking, we're near the end of the pack," Cohen said.

Funding for several commissions is eliminated under the Senate proposal. Included in the cut are Legislative Commissions on the Economic Status of Women, Planning and Fiscal Policy, Waste Management, and the Water Commission.

Sen. Gene Merriam (DFL-Coon Rapids) raised concerns about the increase of fees for charitable gambling organizations. "I'm opposed to doing this," Merriam said. "The biggest check they write is to the state."

Cohen pointed out, however, that many organizations haven't incurred fee increases in several years. "You have to view this from a linear perspective," he said.

Sen. Roy Terwilliger (IR-Edina) also questioned fee increases. "Fees can be taxes in disguise," he said. In light of the goal to freeze taxes, Terwilliger said that imposition of extra fees is inappropriate.

Senate Counsel Peter Watson presented a quick preview of the bill, which members will take up at a later meeting.

## Governmental Operations and Veterans

### Pension bills approved

Modifications to individual, local and statewide pension plans were approved, Thurs. evening, Apr. 6, by the Governmental Operations and Veterans Committee.

The committee, chaired by Sen. James Metzen (DFL-South St. Paul), took up three omnibus pension bills that had been assembled and approved by the Legislative Commission on Pensions and Retirement.

H.F. 1040, authored by Sen. Steven Morse (DFL-Dakota), provides modifications to the statewide general employee pension plans, along with changes to the plans for public employees in Minneapolis, St. Paul and Duluth. The bill also contains changes to the benefits in the Public Safety Employee Plan and additional amortization aid for police and firefighter association programs.

The committee approved an amendment, offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), allowing the Minneapolis Employee Retirement Fund to be restructured if both the city council and school board agree. The amendment, Stumpf said, is offered as a way to begin addressing the shortfall in the fund. Another Stumpf amendment, to include individuals of the Higher Education Coordinat-

ing Board in the statewide plan for higher education, was also adopted. The bill was approved and re-referred to the Finance Committee.

The members also approved H.F. 617, providing changes to the Individual Retirement Account Plan (IRAP). The bill, presented by Stumpf, combines the individual account plans of the State University, Community College and Technical College Systems into one plan, effective with the merger of the systems on July 1, 1995. The measure also features provisions adjusting the plans of individuals and small groups of employees, and allows suspension and forfeiture of benefits to survivors in cases of felonious death. The bill was approved and sent to the Senate floor.

H.F. 493, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), was also approved. The bill contains adjustments to a number of local plans including consolidation of the Crystal and New Hope Volunteer Firefighter Relief Association, and amends the St. Paul Teacher Retirement Association's post-retirement adjustment mechanisms. The panel adopted an author's amendment, enabling the new Minneapolis police chief to enroll in the Public Employee Retirement Association. The measure was sent to the floor.

In other business, the members approved S.F. 1572 and sent it to the floor. Sen. Phil Riveness (DFL-Bloomington), the bill's author, said the proposal prohibits the State Board of Investment from investing public funds in certain assets. He said the bill formalizes the board's current practice, and will prevent the kind of speculation that caused the financial problems in Orange County, California.

The members also recommended the confirmation of Wayne Sletten to the Minnesota Veterans Homes' board of directors.

### Sprinkler bill advances

High-rise apartment buildings will be required to have automatic sprinkler systems under a bill approved, Fri., Apr. 7, by the Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul). The measure now goes to the Senate floor.

S.F. 529, authored by Sen. Carl Kroening (DFL-Mpls.), requires installation of automatic sprinklers in buildings where at least one floor used for habitation is more than 75 feet above the lowest level accessible by fire department vehicles. The bill gives owners until July 1, 1997 to prepare and submit a compliance schedule to the state fire marshal.

The committee adopted an amendment offered by Sen. Roy Terwilliger (IR-Edina) adding electric generation and distribution facilities to the buildings that are exempted from the requirement. Sen. John Hottinger (DFL-Mankato) presented an amendment, that was also adopted, allowing public housing agencies and owners of publicly-subsidized housing to receive an extension to the compliance schedule requirement.

At an earlier meeting, the members had narrowly adopted an amendment from Sen. Linda Runbeck (IR-Circle Pines) excluding residential high-rises from the sprinkler requirement. Sen. Dan Stevens (IR-Mora)

moved to reconsider the amendment and after some discussion, the committee voted to reject the Runbeck amendment and not exempt residential high-rises.

In other business, the committee amended and approved S.F. 166. The bill, authored by Metzen, limits the aggregate amount that state agencies may spend on professional and technical services contracts to 90 percent of what was spent in FY 1994 and FY 1995. The measure also requires that contracts be publicized before they are awarded and that state employees be given the first chance to perform the services required in the contract.

Metzen offered an amendment to exempt private collection agencies from the contracting requirements. The amendment was adopted and the bill was approved. The measure was referred to the Finance Committee.

S.F. 1034, sponsored by Sen. Deanna Wiener (DFL-Eagan), establishes a higher education consortium to develop courseware and identify new methods of delivery to make post-secondary education available using distance learning technologies.

The bill was approved and re-referred to the Finance Committee.

S.F. 1135, carried by Metzen, was also approved and re-referred to the Finance Committee. The measure gives the Minnesota Amateur Sports Commission the additional authority to promote construction of new ice arenas and allows counties to issue bonds to finance the construction of new arenas. The bill also appropriates \$2.9 million from the state bond fund for the commission to use as grants to build new arenas or renovate existing facilities.

Modifications to the Waste Management Act, contained in S.F. 462, were also approved. The bill, presented by Sen. Janet Johnson (DFL-North Branch), transfers the Metropolitan Council's solid waste management duties to the Office of Environmental Assistance. The bill also includes a process to revise the state's solid waste policy without the use of the state's rulemaking procedures.

The members approved two amendments offered by Stevens. The first requires the board and the commissioner of the Pollution Control Agency to report on the governing board's impact on the agency's actions. The second amendment eliminates the provision to ban corrugated cardboard from being mixed in a municipality's solid waste. The bill, as amended, was re-referred to the Finance Committee.

The members approved several other bills and sent them to the floor. S.F. 1402, authored by Sen. Ellen Anderson (DFL-St. Paul), allows state employees to submit suggestions to improve state government, using forms to be included in their pay envelopes.

S.F. 1075, sponsored by Sen. Pat Piper (DFL-Austin) calls for individuals who use medical x-ray equipment to pass an exam before being certified by the Dept. of Health to operate the equipment.

S.F. 1417 was amended and approved. The bill, presented by Sen. Jim Vickerman (DFL-Tracy), provides processes to license chemical dependency counselors and hearing instrument dispensers. The panel adopted amendments offered by Terwilliger and Hottinger to remove provisions allowing data exchanges and imposing penalties on actions taken by an

unlicensed mental health practitioner.

A bill, offered by Sen. Don Betzold (DFL-Fridley), modifying a number of programs operated by the Dept. of Health was also amended and approved. S.F. 425 allows the department to adopt rules governing the installation and maintenance of swimming pools and indoor arenas. The measure also allows the department to charge a permit fee for asbestos-related training courses. The members adopted Stevens' amendment requiring the department to establish a certification process for managers of food service operations.

The committee also recommended the full Senate confirm the appointments of Bernard Melter as commissioner of the Dept. of Veteran Affairs, James Main to the Veterans Homes Board, Elaine Hansen as commissioner of the Dept. of Administration, and Bruce Johnson as commissioner of Employee Relations.

## Health Care

### Children's Dept. changes made

Members of the Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), reconvened the evening of Thurs., Apr. 6, to approve several bills.

S.F. 1103, sponsored by Sen. Jane Ranum (DFL-Mpls.) was modified and sent to the Education Committee. The bill eliminates the Dept. of Education and replaces it with a Dept. of Children, Families and Learning to address the needs of children in a holistic and integrated way by bringing together a variety of services. Numerous departments affect children, Ranum explained, but the programs are not coordinated and therefore do not meet their potential in reaching kids most effectively. The coordination of adult services with the children's initiatives "looks at the whole child in the context of the family," said Ranum.

Members continued the debate that has followed the bill throughout several committees: what programs should be transferred to the new department. Sen. Don Samuelson (DFL-Brainerd) proposed the deletion of the child care programs from the list of transferred programs. "It's a good enough first step" to implement the other programs and evaluate its success, he said. Sen. Harold "Skip" Finn (DFL-Cass Lake) also moved to delete Head Start from the department. Its success has been due to local involvement and community action agencies, and the transfer seriously undermines the purpose of the program, explained Finn.

Sen. Pat Piper (DFL-Austin) encouraged the committee to reject both amendments, stating that a change in the direction of the education of children is desperately needed. The incorporation of varied programs focuses on the many aspects of learning, Piper said. The deletions were approved. Berglin offered an amendment that retains the authority to leverage federal funds with the Dept. of Human Services and gives the commissioner the authority to contract with the new department to obtain reimbursements. The amendment was approved.

S.F. 1188, authored by Sen. Arlene Lesewski (IR-Marshall), was amended and sent to the floor. The bill encourages breast feeding by listing the benefits to both mother and child, permits a mother to breast feed in any location

with impunity, and specifies recommendations relating to breast feeding for health care facilities to follow. "We need to send a message that this is a natural, healthy" act, said Lesewski. Sen. Sheila Kiscaden moved to delete the recommendations, stating that the legislature should steer clear of this type of directive. The deletion was approved.

The committee also sent two bills to the floor. S.F. 47, the omnibus health and human services policy bill, authored by Samuelson, and S.F. 770, sponsored by Finn, a bill that examines pesticide poisoning, advance.

## Omnibus bill constructed

Continuing development of the omnibus bill for Health Care and Family Services, the division met Thurs., Apr. 6. Chaired by Sen. Don Samuelson (DFL-Brainerd), the committee incorporated non-budgetary portions of two bills. S.F. 1535, authored by Sen. Edward Oliver (IR-Deephaven) makes changes to the TEFRA (Tax Equity and Fiscal Responsibility Act) program, and S.F. 1114, authored by Samuelson, modifies regional treatment centers and state-operated community services. The bill goes to the Health Care Committee.

The committee also approved S.F. 770, authored by Sen. Harold "Skip" Finn (DFL-Cass Lake). The bill originally required a study and report by the Department of Health, in collaboration with several other entities, to determine the effects on public health from the spraying of zinc cadmium sulfide. The chemical was sprayed by the United States Army in Minnesota in the 1950s and 1960s.

Finn offered an amendment, that was adopted, to simply require the department to review the National Academy of Science's report on adverse effects, instead of mandating another government study and report, he said. The bill also requires the attorney general to determine whether any recourse against the federal government exists. We were the federal government's guinea pigs, said Finn, and this bill will attempt to rectify past wrongs.

Another bill of Finn's, S.F. 854, was modified and added to S.F. 770 as an amendment. As approved, the measure requires the commissioner of health to determine the extent of pesticide poisoning in Minnesota and offer remedies to the problem. The poisoning, particularly acute in rural areas, adversely affects migrant workers, Finn explained. The bill advances to the Health Care Committee.

## Allocations discussed

At the Health Care and Family Services Funding Division meetings Tues., Apr. 11, chair Sen. Don Samuelson (DFL-Brainerd) and members reviewed proposed appropriations. The chair recommends a total FY 96-97 appropriation of \$5 billion, \$64 million less than the governor's proposal. Some of the differences between budgets include administrative cuts and no additional staffing in certain areas of the committee's plan, Samuelson explained. Limited funding of statewide systems also reduces the bottom line, he continued.

Several riders, policy specifications for budget allocations, were added to S.F. 1110, the omnibus funding bill. Sen. Sheila Kiscaden (IR-Rochester) offered a proposal relating to nursing

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home eligibility. It reinstates a service allowance for high functioning "Class A" persons and gives counties the option of providing services, cash allowances, or vouchers. The proposal was adopted.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment modifying nursing home rates. It permits a higher pay rate only if a nursing home and hospital facility are physically attached, sets up a voluntary alternative payment system, and limits private pay rates. The limit encourages facilities to garner Medicare reimbursement instead of using state funding, Berglin explained, and only places administrative - not service - limits on facilities. Samuelson said it was preferable to proceed with a pilot project to evaluate its effectiveness and offered a similar amendment for consideration. The proposals differed in the extent to which the alternative system would be implemented, Berglin favoring an unlimited number on a contract basis, and Samuelson advocating 10 facilities at a later date. Berglin's amendment decreases property-related payments and increases the reductions in the second year. Tom Moss, of the Dept. of Human Services, said that both rate proposals will effect the underlying inflation rate. Berglin's amendment was adopted.

Sen. Phil Riveness (DFL-Bloomington) questioned the savings of achieving managed care. "Why are we spending \$35 million and saving nothing?" he asked. He proposed a rider to delay managed care and evaluate whether managed care for GAMC and the prepaid medical assistance project can be effective. Helen Yates of the department said that managed care is less costly and provides better access. Stopping the progress already made will be problematic, she said. The proposal failed. As an alternative, Riveness offered a ratable reduction on all MA and GAMC fee-for-service and managed care payments of .9 percent. The measure, raising approximately \$20 million in state and federal funds, was adopted. Riveness also offered a rider to study pharmacy programs, including cost-effective intervention, a limit on prescriptions, pharmacy case management, and co-payments to reduce cost and misutilization. The measure was adopted.

Sen. Dallas Sams (DFL-Staples) offered an amendment in response to the large disparity between Metro Area and rural capitated payment rates. The difference is highly unfair to Greater Minnesota, he said. The proposal transfers a certain factor of Hennepin County rates to the non-Metro Area. Berglin countered that one statewide rate destroys the current system of rates and does not make good sense. The Hennepin County rates reflect the rate of fees that are currently found in the Metro Area market, she explained. The amendment failed to gain approval. Discussion of appropriations will continue.

## Jobs, Energy and Community Development

### TACIP bill heard

A bill that abolishes the board for Telecommunications Access for Communications

Impaired Persons (TACIP), was heard by the Jobs, Energy and Community Development Committee, Thurs., Apr. 6. Members of the committee, chaired by Sen. Steven Novak (DFL-New Brighton), heard testimony from members of the TACIP board, as well as representatives from the deaf community.

Sen. John Marty (DFL-Roseville), author of S.F. 910, explained the bill's intent. Marty stated that the current governance structure, which provides a telecommunications relay service for communications-impaired persons is bureaucratic and inefficient. The removal of the TACIP board, Marty suggested would create a more productive relay service and allow the deaf community more involvement in its management. The bill transfers the board's functions and duties to the Department of Public Service (DPS). The DPS must administer the program for communications-impaired persons and contract with a local consumer group to operate the state's telecommunications relay service.

Proponents of the bill included Doug Bahl, president of the Minnesota Assn. of Deaf Citizens, Randy Doane, chairperson of the Minnesota Commission Serving the Deaf/Hard of Hearing, and Steve Hunter, of AFSCME, the union representing the relay service. Proponents briefed members on the ways in which the TACIP board hinders quality communication service by ignoring the needs of the deaf community.

Opponents of the bill included, Bill Lamson, Linda Waslawski, and Jeremy Nyquist, of the TACIP board, and Mike Nowick of the Minnesota Telephone Assn. Opponents briefed members on the board's efforts to enforce federal service standards, minimize operating costs, and increase the performance of the relay service. The committee approved S.F. 910 for passage. The bill moves on to the funding division of the full committee.

Members also approved S.F. 1140, authored by Sen. Arlene Lesewski (IR-Marshall). The bill modifies provisions relating to rehabilitation programs and services. S.F. 1140 moves on to the funding division of the full committee.

### Ten bills heard

Members of the Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-Mpls), reviewed ten bills, Thurs., Apr. 6. No action was taken on any of the bills.

S.F. 826, authored by Sen. Randy Kelly (DFL-St. Paul), appropriates \$15 million to the Department of Trade and Economic Development for contaminated land cleanup programs. Kelly told members that contaminated land is one of the state's biggest impediments to economic development.

S.F. 935, also authored by Kelly, appropriates money to the Minnesota Job Skills Partnership Board to create a customized job training program. Kelly told members that the program links the needs of St. Paul manufacturers desiring skilled workers, and area residents in need of employment. The program targets high school graduates and dislocated workers. The state will contract with community colleges to provide educational services.

S.F. 1085, sponsored by Sen. Florian Chmielewski (DFL-Sturgeon Lake), appropriates money to regional development commissions to identify energy-efficient businesses. Chmielewski said the study of energy-efficient products and processes will result in economic growth and job creation for the state.

S.F. 1133, authored by Sen. Don Betzold (DFL-Fridley), provides funding to the North Metro Business Development Commission for the purpose of expanding the commission's business retention and expansion program. The program connects small businesses with the resources necessary to find skilled employees, Betzold said.

S.F. 1348, also authored by Betzold, provides grants to cities to remove multi-unit blighted rental property. Betzold told members that the bill allows cities to remove rundown apartments that are too costly to repair. The bill would ultimately allow cities to renovate communities with changing housing needs.

S.F. 1142, introduced by Sen. Janet Johnson (DFL-North Branch), provides additional funding to the North West Company Fur Post Interpretive Center. The center, located in Pine City, has the highest visitor satisfaction rating in the state, Johnson said. Johnson explained that additional funding is needed to keep the center open longer in F.Y. 95 and 96.

S.F. 1424, authored by Sen. Carl Kroening (DFL-Mpls.), funds the Minnesota Youthbuild program. The program provides youth with the opportunity to learn a trade or skill while still attending high school. Scott Furman, director of a Youthbuild initiative, told members that the strong work ethic most youth acquire while in the program has a positive effect on their attendance in school and on their attitude toward others.

S.F. 1467, introduced by Sen. Richard Cohen (DFL-St. Paul), appropriates money to the Department of Trade and Economic Development to study the advantages of convention centers throughout the state. Cohen said the data obtained through this study would help legislators prepare for the 1996 bonding session.

S.F. 1381, authored by Sen. Kevin Chandler (DFL-White Bear Lake), provides additional funding for vocational rehabilitation and employment support services for persons with mental illness.

### Numerous bills approved

The Jobs, Energy and Community Development Committee met Friday evening, Apr. 7, and approved numerous bills before the second legislative deadline.

The committee, chaired by Sen. Steven Novak (DFL-New Brighton), first heard S.F. 927, authored by Sen. Pat Piper (DFL-Austin). The bill provides additional funding to the Phoenix Group, a nonprofit community organization that provides business opportunities in poor communities. Piper introduced an amendment that requires the organization to focus its efforts in neighborhoods with high levels of poverty and a lack of affordable housing. The bill was approved by members and referred to the funding division of the full committee.

S.F. 255, sponsored by Sen. Paula Hanson

(DFL-Ham Lake), calls for the registration of elevator workers who install or repair passenger elevators. The bill requires the registration of all elevator mechanics unless under the direct on-site supervision of a registered elevator mechanic. The bill was approved by the committee and re-referred to the Finance Committee.

S.F. 375, authored by Sen. Bob Lessard (DFL-Intl. Falls), adds pumped hydropower to the list of alternative energy sources. The bill provides incentive payments to pumped hydropower facilities. The bill was approved by members and recommended for the Consent Calendar.

S.F. 629, sponsored by Sen. Don Betzold (DFL-Fridley), establishes a rental tax equity program in the city of Brooklyn Park. The program provides a tax credit to owners of old residential rental property who make needed repairs on their property. Betzold stated that the program will increase pride and reduce crime in blighted neighborhoods. The bill was approved by the committee and referred to the Committee on Taxes and Tax Laws.

S.F. 910, authored by Sen. John Marty (DFL-Roseville), abolishes the board for Telecommunications Access for Communications Impaired Persons (TACIP), and transfers the board's functions and duties to the Dept. of Public Service (DPS). The bill requires that DPS contract with a local consumer group to operate a telecommunications relay service for communications-impaired persons. The bill was approved and referred to the Senate floor.

H.F. 528, sponsored by Sen. Deanna Wiener (DFL-Eagan), restricts eligibility for a communication device for communication-impaired persons in a residential care facility. Wiener stated that it is the responsibility of the residential care facility to provide communication-impaired occupants with a functional communications device. If the residential care facility does not honor this obligation, it is no longer the state's responsibility to provide the equipment. The committee recommended the bill for passage. It advances to the Senate floor.

Sen. Janet Johnson (DFL-North Branch), presented a number of bills to the committee. S.F. 890 adopts federal energy standards for air conditioners, certain gas-burning equipment, and faucets. The bill was approved and it advances to the Senate floor. S.F. 790 allows exemption from regulation for small electric utility franchises serving fewer than 200 customers. S.F. 791 clarifies that the Public Utilities Commission (PUC) may extend the deadline for a rate suspension by 20 days when necessary. S.F. 792 allows a longer review time for granting a petition for a hearing by the PUC. Members rolled S.F. 790, 791, and 792 into H.F. 358. The committee recommended the bill for passage. It advances to the Senate floor.

S.F. 1186, authored by Novak, changes the age limitations under the family homeless prevention and assistance program. The bill allows the agency to make grants to develop family homeless prevention projects for persons under the age of 22. The bill was approved by members and referred to the funding division of the full committee.

S.F. 1482, sponsored by Sen. Edward Oliver (IR-Deephaven), establishes a Metropolitan Revitalization Fund designed to support housing and urban development in metro areas. The bill authorizes a Job Opportunity Program which provides AFDC recipients with an opportunity

to improve their job skills and obtain meaningful employment. The bill also provides for the removal of blighted housing and contaminated land cleanup in metro areas. Members recommended S.F. 1482 to pass. The bill advances to the Finance Committee.

S.F. 1125, sponsored by Sen. Sandra Pappas (DFL-St. Paul), is a Dept. of Labor and Industry housekeeping bill that clarifies the state's authority regarding the Labor Education Advancement Grant Program, a program to facilitate the participation of minorities and women in apprenticeships in trades and other occupations. The bill goes next to the Senate floor.

S.F. 705, sponsored by Sen. John Hottinger (DFL-Mankato), requires businesses that accept state aid to prove that they have created new, livable-wage or above jobs. Under the bill, large businesses that accept \$25,000 or more in economic development grants, loans or benefit from tax increment financing must demonstrate that they have produced a net job increase within two years of receiving the aid. The jobs created must pay wages equal to a poverty-level income for a family of four. Currently, this wage is \$7.28 per hour. Businesses that accept the aid but do not create any new jobs are disqualified from further assistance, and those that do not pay a livable wage must pay a local human service agency double the difference between the livable wage and the wage actually paid.

The committee adopted an amendment to S.F. 705 offered by Sen. Carl Kroening (DFL-Mpls.), that specifies that IRRRB grants are subject to the bill's provisions. S.F. 705 now goes to the Taxes and Tax Laws Committee.

S.F. 1303, allows non-profit corporations controlled by the Richfield Housing and Redevelopment Authority to sell non-subsidized revenue bonds to acquire and operate low- and moderate-cost housing projects. The measure, sponsored by Sen. Phil Riveness (DFL-Bloomington), goes next to the Taxes and Tax Laws Committee.

S.F. 262 also received the panel's approval. The bill, sponsored by Novak, makes permanent a pilot program enacted in the 1993 session. The program provides grants to certain businesses that provide high-quality jobs for handicapped workers in an integrated situation. The bill now goes to the Jobs, Energy and Community Development Finance Division.

S.F. 1051, authored by Sen. Dennis Frederickson (IR-New Ulm), requires cellular phone services to include a notice in each billing explaining to customers how to use 911 service from their cellular phones and informing them that if a call is placed to 911 from a cellular phone, 911 dispatchers cannot determine where the caller is located. After testimony from cellular phone services opposing the bill, the panel approved an author's amendment that requires the notice at the time of subscription and at least once annually thereafter. The bill was approved and sent to the Senate floor.

H.F. 733, sponsored by Sen. Arlene Lesewski (IR-Marshall), provides for an individual contracting pipefitter license. The bill also sets forth bonding and insurance requirements for licensees. The bill now goes to the Senate floor.

S.F. 1285, authored by Sen. Carl Kroening (DFL-Mpls.), appropriates \$500,000 from the general fund for a grant to Hennepin County for

the purpose of planning a multi-jurisdictional reinvestment program involving Hennepin County, the cities of Minneapolis, Brooklyn Center, and other interested local government jurisdictions. Participating entities are required to match the state's contribution. The program must include plans for housing rehabilitation and removal, industrial polluted land cleanup, environmental cleanup, community corridor connections, corridor planning, job creation, and creation of green space. Up to one-half of the appropriation may be used as a grant to the cities of Minneapolis and Brooklyn Center to provide capital for the construction of public infrastructure improvement to further economic development. Members voted to approve the bill and sent it to the Jobs, Energy and Community Development Finance Division.

The panel next approved S.F. 1173, a bill placing conditions on the sale of local telephone companies. Under the measure, sponsored by Sen. Kevin Chandler (DFL-White Bear Lake), the selling company must give at least 90 days notice to its customers, provide information on the proposed buyer, and provide its customers with an opportunity to comment on the quality of service provided by the local exchange. The bill also requires the Public Utilities Commission to hold a public hearing about the proposed sale. The Senators approved two amendments to the bill. The first, offered by Chandler, clarifies the definition of a Class A telephone company in the bill as having annual revenues from regulated telecommunication operations of \$100,000 or more. The second, offered by Sen. Steve Dille (IR-Dassel), changes the bill's effective date to assure that pending sales will not be affected. The bill was referred to the Senate floor.

H.F. 354, sponsored by Novak, exempts small gas utility franchises from rate regulation for incidental utility service. The bill was approved and sent to the Senate floor.

S.F. 1186, also sponsored by Novak, expands eligibility for the family rental housing assistance program to include families with up to 80 percent of state median income. It also authorizes the establishment of a rental housing assistance program for persons of low income or for persons with a mental illness. The measure also provides for accessibility rehabilitation loans for people who require hospital or skilled nursing care and who could live at home and use home care. The bill was approved and sent to the Senate floor.

S.F. 1273, sponsored by Sen. Ellen Anderson (DFL-St. Paul), establishes the affordable home ownership investment account as a separate account in the housing development fund. The purpose of the account is to encourage private investment in affordable housing and encourage collaboration of nonprofit organizations and political subdivisions with each other and private lenders in providing full cycle lending services for home buyers. The bill was approved and sent to the committee's finance division.

The Senators failed to approve S.F. 1588, sponsored by Sen. Linda Runbeck (IR-Circle Pines). The bill contains a resolution that acknowledges the importance of jobs, capital investment, legislation, and a healthy private business sector to the state's business development, and resolves that the legislature commits itself to strive for continuous improvement in the state's environment as a location for business

# Committee update

development.

## Allocations discussed

The Jobs, Energy and Community Development Finance Division met briefly following the full committee meeting Fri., Apr. 7 to discuss the allocations needs for this session.

Sen. Carl Kroening (DFL-Mpls.), chair of the division, outlined the division's tasks for the next two weeks. Kroening said the division may allocate \$311 million. The governor's recommendations total \$329 million, plus \$15 million for Dept. of Economic Security functions that the full committee removed from the Children's Dept. bill, and minus \$8 million for programs already funded. The resulting \$336 million must be cut by approximately \$25 million, Kroening said, if the division is going to fund a portion of the bills before it.

## Allocations talks continue

The Jobs, Energy and Community Development Finance Division, chaired by Sen. Carl Kroening (DFL-Mpls.), met Mon., Apr. 10, and reviewed the appropriations portions of several bills. Members took no formal action on the bills.

The division heard S.F. 262, sponsored by Sen. Steven Novak (DFL-New Brighton), a bill that makes permanent a pilot program that provides grants to businesses that provide high-quality jobs for handicapped persons.

S.F. 903, sponsored by Sen. Phil Riveness (DFL-Bloomington), modifies the economic recovery grant program. The measure also requires a legislative audit of the program.

S.F. 1273, sponsored by Sen. Ellen Anderson (DFL-St. Paul), establishes an affordable home ownership funding program to benefit people and families whose income is 50 percent of Metro Area median income or less. The bill contains blank appropriations for the housing trust fund, capacity building grants, lead abatement, mortgage foreclosure prevention, family homeless prevention and assistance, affordable rental investment, and transitional housing programs.

S.F. 255, sponsored by Sen. Paula Hanson (DFL-Ham Lake), changes requirements for elevator work. The bill specifies that the wiring, installation, alteration, modernization, removal and repair of elevators may only be performed or supervised by a registered elevator mechanic. Proceeds from a fee for the permit are designated for the Dept. of Labor and Industry. The amount of the fee has not been determined.

S.F. 1285, authored by Kroening, appropriates \$500,000 from the general fund for a grant to Hennepin county for the purpose of planning a reinvestment program involving the county, the cities of Minneapolis and Brooklyn Center, and other local jurisdictions.

S.F. 1482, sponsored by Sen. Edward Oliver (IR-Deephaven), establishes the metropolitan revitalization fund. The bill appropriates \$13 million from the general fund for an economic vitality and housing initiative to provide funds for affordable housing to ensure expansion and preservation of the economic base and to ensure employment opportunities. The bill also appropriates \$3 million from the general fund for the community rehabilitation fund account for the purpose of fixing up blighted areas in first

class cities in the Metropolitan Area.

S.F. 927, sponsored by Sen. Pat Piper (DFL-Austin), appropriates \$250,000 to provide low-cost housing to low-income families and individuals. It also appropriates \$250,000 to provide business opportunities in low-income areas of a first class city.

## Community reinvestment bill heard

Members of the Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-St. Paul) heard testimony on S.F. 1285, Tues, Apr. 11. The bill appropriates money for a multi-jurisdictional, collaborative reinvestment program involving the cities of Minneapolis and Brooklyn Center. The panel also heard testimony from the Defense Fund Conversion Program, the Minnesota Historical Society, and the University of Minnesota Biomedical Project.

Hennepin County Commissioner Mike Opat, stated that S.F. 1285 funds a program designed to remove blighted housing, assist with stormwater runoff, and clean up polluted land in Hennepin county. Alice Raineville, a Minneapolis city council member explained that the initiative provides stability to the corridor of neighborhoods that border both Minneapolis and Brooklyn Center. "By renovating the infrastructure that already exists," Raineville stated, "we can meet the needs of both communities." She said that planning efforts for the program will cost approximately \$500,000. No action was taken on the bill.

Members also heard testimony on the Defense Fund Conversion Program involving Hennepin and Ramsey Counties. The initiative provides loans to dislocated employees of the defense industry. The program provides dislocated workers with the capital needed to convert hi-tech military enterprises into businesses that benefit the private sector.

John Wood, of the Minnesota Historical Society, briefed members on the organization's need to reinvest in salaries paid to employees. Wood stated that the Historical Society has not accounted for inflationary increases in employee salaries in nearly eight years. He told members an early retirement program may be a solution to the organization's economic problems. By initiating an early retirement program, the society hopes to reduce salary expenses and preserve the careers of its long-term employees.

Rich Schliecher, Bill Hoffman and Aundrea Nelson, of the University of Minnesota Medical School, briefed members on the institution's desire to develop a first-rate biomedical facility.

## Judiciary

### Collection enterprise advanced

The Judiciary Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), wrapped up its hearing schedule for the session with an evening hearing Thurs., Apr. 6. Members took action on a number of bills to clear the agenda before the second committee deadline.

A bill setting up a separate unit to collect debt owed the state provided a focal point for committee discussion. S.F. 503, authored by Sen. Phil Riveness (DFL-Bloomington), establishes the Minnesota Collection Enterprise

to carry out debt collection provisions of the bill pursuant to the commissioner of finance's authority with the commissioner of revenue for collection services. The measure gives the commissioner of finance authority to use tax collection remedies, currently used by the Dept. of Revenue, to enforce debts owed to the state. The bill also provides for imposing a collection penalty on debts, however the measure also outlines conditions under which the penalty may be canceled.

Discussion on the bill centered on the amount of outstanding debt owed the state. Sen. Linda Berglin (DFL-Mpls.) and Sen. Sheila Kiscaden (IR-Rochester) both pointed out that other bills going through the Legislature, specifically the child support enforcement bill, also are designed to collect debt. In addition, Sen. Harold "Skip" Finn (DFL-Cass Lake), said that he was concerned about the penalty provisions in the measure. Riveness responded that he would gather more complete information about the amount of debt and that the provisions for cancellation of the penalty offered protections against placing an undue burden on individuals. The measure was approved and advanced to the Committee on Finance.

Members also advanced a number of other bills to the full Senate. S.F. 164, authored by Sen. John Hottinger (DFL-Mankato), prohibits provisions that grant a health carrier a subrogation right, except where the covered person has been fully compensated from another source. S.F. 1407, also sponsored by Hottinger, permits optional voting systems for cooperatives that have other cooperatives as members. Hottinger said that the measure applies to three cooperatives in the state.

A bill, authored by Sen. Sam Solon (DFL-Duluth), dealing with rent-to-own agreements also sparked considerable discussion. The measure, S.F. 836, was amended by Sen. Ember Reichgott Junge (DFL-New Hope), to further define "cash price" and regulate finance charges. Cash price is defined as the fair market value of the property and fair market value is the price at which retail sellers and retail buyers are buying the same or similar property for cash in the same area. Further the bill sets forth a number of provisions that are prohibited in rental agreements. In addition, the bill specifies that the finance charge on the cash price is not to exceed an annual percentage rate of 36 percent.

S.F. 347, carried by Sen. Ted Mondale (DFL-St. Louis Park), regulates tenant screening practices. The measure requires landlords to notify a rental applicant if the landlord will use a tenant screening service in determining whether to rent to the individual. In addition, the bill requires that when reporting information on tenants from court files, the outcome must be accurately reported. The measure also specifies that a screening service may not make a tenant screening report that contains information on an unlawful detainer action more than four years before the report. S.F. 732, authored by Sen. Don Betzold (DFL-Fridley), revises Article 8 of the Uniform Commercial Code as proposed by the National Conference of Commissioners on Uniform State Laws. S.F. 1091, authored by Sen. Don Kramer (IR-Brooklyn Center), expands the authority of the commissioner of transportation to regulate providers of special

transportation services. The bill also provides for administrative fees and penalties. S.F. 1204, authored by Betzold limits the vicarious liability of the owner of a rented vehicle to \$250,000 for bodily injury to one person in any one accident, to \$500,000 because of injury to two or more persons in any one accident, and \$20,000 because of injury to or destruction of property in any one accident.

## Taxes and Tax Laws

### Omnibus tax bill takes shape

Members of the Taxes and Tax Laws Subcommittee on Income and Sales Tax met Mon., Apr. 10, to assemble the parts of the omnibus tax bill that fall under the subcommittee's jurisdiction. Members, chaired by Sen. Len Price (DFL-Woodbury), reviewed the four articles of the omnibus tax bill and considered two amendments.

One of the amendments, offered by Sen. William Belanger (IR-Bloomington), sparked considerable discussion. The proposal calls for an increase of 40 cents per pack in the cigarette tax and a decrease from 2 percent to 1/2 percent of the health care provider tax. Belanger said the proposal had two aims; to reduce the burden on health care providers for funding MinnesotaCare and to channel the increased revenue from the tobacco tax into the health care access account. According to Belanger, the proposal is revenue neutral, yet assures a funding stream for MinnesotaCare.

Sen. Linda Berglin (DFL-Mpls.), said that the reduction in the health care provider tax was too steep and that the funding for MinnesotaCare would be jeopardized under the amendment. Accordingly, Berglin moved that the amendment be divided into two parts. Members voted first to adopt the portion of the amendment increasing the cigarette tax. Sen. Edward Oliver (IR-Deephaven) moved to amend the remaining portion of the amendment. Oliver's amendment substitutes a 1 percent provider tax instead of the 1/2 percent provider tax. The Oliver amendment was adopted on a voice vote. The portion of the amendment dealing with the provider tax was then adopted on an 8-3 roll call vote.

A second amendment, offered by Sen. Dick Day (IR-Owatonna) on behalf of Sen. Steve Dille (IR-Dassel), failed to gain approval. The amendment allowed the city of Hutchinson to hold a referendum for the imposition of sales, liquor and food taxes to be used for city improvements.

Provisions adopted by the subcommittee include language adapting Minnesota tax laws to newly enacted federal laws. In addition, the omnibus proposal includes several provisions changing the exemption of the excise tax on alternative fuels. The measure eliminates the exemption from gasoline tax for sales of compressed natural gas or propane used in vehicles and provides that the excise tax on gasoline also be imposed to gasoline blended with ethanol and agricultural alcohol gasoline. The measure also sets the tax rates for the special fuel excise tax. Under the proposal, rental cargo vans are exempted from the sales tax and 10 percent of the sales tax on construction materials for juvenile correctional facilities

is to be refunded. The farm machinery sales tax exemption is extended until June 30, 1996. In addition, the measure excludes the Minneapolis Women's Club from liquor, lodging and restaurant taxes imposed for the convention center and authorizes the city of Winona to use half of the proceeds for the 1 percent lodging tax for improvements to the Julius C. Wilke Steamboat Center. The proposal also repeals the tax on 900 number phone calls

Another article of the proposal deals with the Cambridge Bank settlement. The measure authorizes the commissioner of finance to issue up to \$400 million in state bonds to fund the judgment in the Cambridge Bank case. In addition, the proposal specifies that up to 60 percent of the net proceeds of the state lottery are credited to the debt service fund along with unrestricted reimbursements of health care costs from the federal government and nonstate sources. The proposal specifies that the bonds are not public debt, and the full faith, credit and taxing powers of the state are not pledged for their payment. The proposal also establishes a revolving account for regional treatment programs and requires that unrestricted money received from the federal government and other nonstate sources for health care costs incurred at regional treatment centers and other state facilities be credited to a separate fund for the debt service.

Finally, the proposal requires that if a debt subject to revenue recapture is based on an overpayment of assistance the claimant agency must notify the commissioner when the time period for collecting the debt has expired and must send annual notices to the debtor.

### Tax bill assembled

The Taxes and Tax Laws Subcommittee on Property Tax met Mon., Apr. 10, to assemble the remaining portions of the omnibus tax bill. Members, chaired by Sen. John Hottinger (DFL-Mankato), considered articles dealing with property taxes, the property tax freeze, economic development and tax increment financing, property tax refunds, taconite taxes, and miscellaneous tax provisions. The subcommittee adopted the articles for inclusion in the omnibus tax bill.

Debate centered primarily on the article dealing with property taxes. Sen. Steven Novak (DFL-New Brighton) offered an amendment to lower the tax rate for seasonal and recreational property. Novak said that the amendment was an attempt to address an inequity in that the tax rate for seasonal and recreational property was substantially higher than for nearby residential property. Sen. Douglas Johnson (DFL-Cook) argued against the amendment because the lowering of the rate for one classification would cause the burden to shift to another classification. Johnson said, "I am very sympathetic to the plight of seasonal and recreational property owners" but adoption of the amendment would make it harder to hold the line on tax increases. The amendment failed on a voice vote.

Sen. William Belanger (IR-Bloomington) offered two amendments to the property tax article. The first specifies that if more than 25 percent of an area's tax capacity is seasonal and recreational property, the board of equalization meeting must be held on a Saturday. The amendment was adopted. The second

amendment, lowering the penalty for delinquent taxes on seasonal and recreational property from 8 percent to 4 percent, failed to gain approval.

Members also considered a lengthy amendment to the property tax freeze article. The amendment, offered by Johnson, was drafted in response to suggestions made by representatives of county governments. The amendment makes changes, within the context of the property tax freeze, that will result in savings to county governments and the taxpayers without severely affecting services provided by the counties. The amendment changes the date by which specific reports are due, alters provisions dealing with maintenance of efforts for child care and chemical dependency, changes some publications requirements, suspends county attorney and sheriffs salary and budget appeal processes, eliminates truth in taxation hearings, freezes local match requirements and delays new unfunded mandates including increases in tort liability. The last provision dealing with tort liability limits was deleted after considerable discussion. The remainder of the amendment was adopted on a voice vote.

### Omnibus tax bill approved

Members of the Taxes and Tax Laws Committee, chaired by Sen. Douglas Johnson (DFL-Cook), devoted the Tues., Apr. 11, hearing to discussion of the omnibus tax bill. S.F. 1123, carried by Johnson, is the product of work by the committee's two subcommittees. The measure, which includes the property tax freeze approved by the Senate last week, emerged from the subcommittee process with an 40 cent per pack increase in the cigarette tax and a reduction in the health care provider tax earmarked for MinnesotaCare.

After hearing an explanation of the bill, members began the process of considering amendments to the measure. One of the first amendments, offered by Sen. Steven Novak (DFL-New Brighton), removes the provisions increasing the tobacco tax and reducing the health care provider tax. Johnson, who had opposed the tobacco tax increase, strongly supported the amendment. The amendment was adopted on a voice vote.

Novak also offered an amendment to reduce the tax rate on seasonal and recreational property. Johnson argued against the amendment saying that the reduction would cause a shift onto other property classifications. Novak countered that the reduction provides more equity in the property tax system. Members voted to adopt the amendment on a close voice vote. Later, Sen. Sandra Pappas (DFL-St. Paul), moved to reconsider the amendment. The motion was successful and the amendment was again before the panel. Johnson said that the amendment had severe financial implications for other classes of property and should not be adopted. A roll call vote was requested and the amendment failed to be adopted 5-10.

Members also approved an amendment reducing the penalty, from 8 to 4 percent, on delinquent taxes for seasonal and recreational property. The amendment was offered by Sen. William Belanger (IR-Bloomington). Members also adopted a portion of an amendment offered by Sen. Steve Dille (IR-Dassel). The amendment specifies that veterinarian supplies used to

treat agricultural production animals and horses are exempt from the sales tax.

Sen. Gen Olson (IR-Minnetrista) offered an amendment to provide for a "taxpayers filing credit." Under the amendment, married couples filing a tax return would receive a \$62 credit and a single person file a tax return would receive a \$31 credit. Olson said the amendment was an attempt to return \$91 million to the taxpayers. Olson said the funds were overlooked because of an accounting error and should be refunded to taxpayers. Johnson disputed the amount and said that at least \$25 million of the total has been described as the amount of interest on the \$220 million rainy day fund--that has not been established--available at the end of the biennium. The amendment failed on a 5-16 roll call vote.

An amendment, offered by Dille, to allow the city of Hutchinson to impose a sales, liquor and restaurant tax to be used for civic improvements, also failed to gain approval.

The bill was approved on a voice vote and sent to the full Senate.

## Transportation and Public Transit

### Final bills considered

Members of the Transportation and Public Transit Committee, chaired by Sen. Florian Chmielewski (DFL-Sturgeon Lake), considered two bills at its last policy meeting of the session held Fri., Apr. 7.

Members reconsidered and approved a bill that had been tabled in a previous meeting. The bill, authored by Sen. Arlene Lesewski (IR-Marshall), had contained several traffic provisions, but the author offered an amendment to delete most of the sections. The remaining provision, largely noncontroversial, removed a requirement for speed limit signs at the beginning and end of a highway construction zone.

Members spent considerable time discussing an amendment offered by Sen. Paula Hanson (DFL-Ham Lake) exempting new or existing freeways from noise barrier requirements. The provision also directs the Dept. of Transportation to implement a noise abatement study contingent on the availability of funding.

Sen. Jane Ranum (DFL-Mpls.) objected to the amendment, saying the provision was too vague and that the public was not notified. "This takes away the people's rights to participate in the hearing process," she said. "This is big government."

Merritt Linzie of the DOT said the state has "maybe been too aggressive" in its noise barrier requirements. The department most likely will continue noise abatement measures on the noisiest individual projects, he said. He added that most states do not have noise standards on traffic.

The committee approved the amendment and advanced the bill to the Senate floor.

Members rejected a bill prohibiting a person from operating a commercial vehicle on a limited drivers license after revocation or suspension. S.F. 35, authored by Sen. Gene Merriam (DFL-Coon Rapids), does not allow driving a commercial vehicle for various time periods depending upon the offense.

Most members agreed with the notion of

zero-tolerance for drinking and driving, however many believed the provision was too strong since it could result in the loss of a job for first-time DUI offenses. The bill failed on a 9-2 roll call vote.

## Monday, April 10

### Helmet proposal defeated

The floor session Mon., Apr. 10, was devoted to processing bills on the Special Orders Calendar. A bill designated a Special Order is explained by the author, amendments may be offered and the bill is given a third reading and placed on final passage. Bills on Special Orders speed up the process because they bypass the Committee of the Whole and do not have to be put on the Senate Calendar and lie over one day. The Senators granted final passage to 14 bills on Special Orders and one bill on the Consent Calendar.

A bill, H.F. 568, authored by Sen. Terry Johnston (IR-Prior Lake), requiring adult motorcycle riders to wear protective eyewear sparked considerable debate when an amendment was offered to require all motorcycle riders to wear helmets. Current law requires motorcycle riders under the age of 18 to wear helmets. The amendment, offered by Sen. Sandra Pappas (DFL-St. Paul), removes the age limitation so that all riders would be required to wear helmets. Pappas said she sponsored the amendment because of "the tremendous cost of caring for individuals who were not wearing helmets and who have been injured in motorcycle accidents."

Johnston argued against the amendment and said that "the [motorcycle] safety education efforts have eliminated more accidents and prevented more injuries than helmets ever did." In addition, Johnston said that the amendment derails the original bill and the eye safety issue would go unresolved.

Sen. Joe Bertram, Sr. (DFL-Paynesville) also argued against the bill. "I am concerned that a lot of the groups that would like to testify didn't have an opportunity to speak on this bill," Bertram said.

The amendment was defeated on a 9-55 roll call vote. The bill was then approved 66-0.

## Tuesday, April 11

### Manager check bill passed

Apartment building owners will be required to request criminal background checks on their managers and prospective managers under a bill passed Tues., Apr. 11, by the full Senate. A proposal to prevent health insurers from using genetic tests to make underwriting decisions was also granted final passage on Special Orders.

S.F. 98 requires owners of residential rental buildings to request criminal background checks on the managers of their buildings. The bill, sponsored by Sen. Gene Merriam (DFL-Coon Rapids), also specifies that if those background checks reveal the managers have been convicted of a number of felony-level crimes, they are to be released. Merriam said the bill will take effect on Aug. 1, 1995 and apartment building owners will have up to one year to conduct the checks on current managers. Provisions for notification of an individual's rights are also included in the bill.

Merriam said the proposal comes from a 1994 incident, where a New Brighton woman was killed by the manager of her apartment building. "We're talking about people who are given keys and access to people's homes," he said.

But several members raised concerns about the proposal. Sen. Sheila Kiscaden (IR-Rochester) said the bill takes a broad-brush approach by limiting employment opportunities of those who may have been convicted of a crime but are now rehabilitated.

"Do we, as a society, believe people can be rehabilitated, and if so, do we believe that they should be barred from opportunities for further employment?" she said.

Sen. Harold "Skip" Finn (DFL-Cass Lake) said instead of placing mandates on apartment owners, "we ought to approach it that landlords are going to be responsible." "We ought to open up the system and make [background checks] available to them," he said. Merriam said some apartment owners already conduct background checks. The bill, he added, attempts to strike a balance between the safety of tenants and placing a requirement on apartment owners.

The measure was passed by a 60-4 roll call vote.

S.F. 259, also sponsored by Merriam, regulates the use of genetic testing by insurers. The bill, he explained, provides that health insurers cannot require an individual to undergo genetic testing before being insured. The measure also requires life insurance companies to get written consent from an individual before the use of genetic testing can proceed as part of the underwriting process.

Sen. Kevin Chandler (DFL-White Bear Lake) offered an amendment to prohibit life insurance companies from using genetic testing as the basis for underwriting policies in amounts up to \$100,000. Chandler argued that companies could deny life insurance if the tests indicate the potential for a person to carry certain genetic diseases. "We shouldn't allow companies to deny insurance based on a probability," he said.

Sen. Cal Larson (IR-Fergus Falls) was among those who spoke against the amendment. Larson argued the proposal would have the effect of driving up the costs for all insurers. But Merriam said, the amendment limits the amount of insurance that is exempt. "This is drawn at such a basic level, what we're saying is that (life insurance) is a basic right," he said. The amendment was rejected, 15-50.

S.F. 259 was then passed, 62-2.

### New TV show to air

Senate Media Services, in cooperation with Greater Minnesota public broadcasting stations, is producing Capitol Report Live, a new interactive television program.

On the new program, state legislators from Greater Minnesota will answer questions concerning rural issues. The program will air live every Tuesday evening from 9 p.m. until 10 p.m. through the end of April. Capitol Report Live is carried on KWCM 10 (Appleton), KSMQ 15 (Austin), KAWE 9 (Bemidji), KAWB 22 (Brainerd), and WDSE 8 (Duluth).

Viewers may ask questions via fax, telephone and internet e-mail. The telephone number is 1-800-657-3635. The internet e-mail address is studio@lakes.senate.leg.state.mn.us and the fax number is 1-800-366-2588.

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# Floor action

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## Conference committee reports adopted and repassed, April 10, 1995

S.F. 335-Frederickson: Deficiency appropriations.

## Bills given final passage on Special Orders, April 10, 1995

S.F. 566-Vickerman: Allows the residential program operated by Independent School District No. 518 to remain open until June 1, 1996. 62-2

H.F. 1363-Vickerman: Modifies provisions relating to drug dispensing by allowing pharmacies to fill prescriptions from doctors in bordering states. 62-0

H.F. 568-Johnston: Requiring adult motorcycle riders to wear eye protection devices. 65-0

H.F. 670-Morse: Authorizes Winona County to negotiate and enter into a contract for deed with the Winona County Development Achievement Center. 64-0

H.F. 457-Solon: Department of Commerce omnibus banking bill. 65-0

H.F. 782-Solon: Providing for compliance with requirements of the Internal Revenue Code relating to the Western Lake Superior Sanitary District. 65-1

H.F. 150-Solon: Extends the maximum length of a temporary on-sale liquor license from three to four days and permits a municipality to issue three temporary on-sale licenses but places no limit on 3.2 beer licenses. 63-0

H.F. 228-Piper: Reinstates specific advisory councils. 58-5

H.F. 226-Piper: Requires the reports of malpractice insurance settlements made to the Board of Medical Practice to include the names of the provider against whom the claim was made and the circumstance of the settlement. 61-3

H.F. 715-Janezich: Provides for a damage award to an affected property owner when a town board adopts a recorded town road map. 63-0

H.F. 216-Janezich: Changes the definition of fleet, from 1,000 to 100, for vehicle registration purposes. 64-0

H.F. 612-Sams: Requires equal treatment of prescription drug prescribers. 63-0

S.F. 1088-Krentz: Limits frivolous lawsuits filed by inmates of correctional institutions. 64-0

H.F. 544-Krentz: Requires the state court administrator to prepare a guide to informal probate. 61-0

## Bills granted final passage on the Consent Calendar, April 10, 1995

H.F. 1065-Chmielewski: Modifies accounting and expenditure requirements for road and bridge fund tax money derived from unorganized townships in St. Louis County. 65-0

## Bills granted concurrence and repassage April 11, 1995

S.F. 204-Chandler: Requires reporting on and analysis of federal mandates imposed on state agencies. 56-0

## Bills granted final passage on the Consent Calendar April 11, 1995

S.F. 1112-Ourada: Authorizes Sherburne County to convey specific county ditches to the city of Elk River. 60-0

S.F. 375-Lessard: Adding pumped hydropower to the list of preferred alternative energy sources and provides for incentive payments to pumped hydropower facilities. 62-0

## Bills granted final passage on Special Orders April 11, 1995

H.F. 859-Flynn: Authorizes the city of Minneapolis to determine the method for the sale of unclaimed property. 63-0

S.F. 1144-Flynn: Authorizes the Minneapolis City Council to delegate to the city engineer authority over traffic and parking and authorizing the council to delegate authority to contract for professional services. 63-0

S.F. 98-Merriam: Requires owners of residential rental buildings to request criminal background checks of managers and prohibiting owners from hiring or continuing to employ certain individuals as managers. 60-4

H.F. 957-Vickerman: A resolution memorializing the President and Congress to abandon the proposed sale of the western Area Power Administration. 64-0

S.F. 259-Merriam: Regulates the use of genetic testing by insurers. 62-2

S.F. 1343-Merriam: Provides for biennial license renewal for individual certified and licensed public accountants. 65-0

H.F. 823-Mondale: Authorizes Hennepin County to lease hospital or nursing home facilities under certain conditions. 65-0

H.F. 413-Samuelson: Designates and renames three highways. 64-0

## Bills granted concurrence and repassage April 12, 1995

S.F. 1055-Piper: Exempts certain social workers from the requirement to obtain home care provider license and exempts some social workers employed in a hospital or nursing home from examination. 62-0

## Bills granted final passage on the Consent Calendar April 12, 1995

H.F. 1091-Hottinger: Prohibits the sales of cosmetics, baby formula and over the counter drugs at flea markets and prescribes penalties. 63-0

H.F. 1307-Hottinger: Permits use of drivers license numbers as identification required on ice fishing shelters. 64-0

## Bills granted final passage on Special Orders April 12, 1995

S.F. 1536-Langseth: Omnibus transportation and transit funding bill. 49-17

H.F. 602-Johnson: (amended to contain the provisions of S.F. 1123) Omnibus tax bill.

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# Preview

## The Minnesota Senate Week at a Glance

### Monday, April 17

No meetings scheduled.

### Tuesday, April 18

#### Crime Prevention Finance Division

Chair: Sen. Tracy Beckman

Time and place to be announced.

Agenda: S.F. 1653-Beckman: Crime prevention budget bill.

The Senate will meet at 12 noon.

### Wednesday, April 19

#### Commerce and Consumer Protection Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S.F. 410-Marty: Prescription Drug Fair Competition Act.

#### Joint House and Senate Subcommittee on Claims

Co-Chairs: Sen. Randy Kelly and Rep. Edgar Olson

6 p.m. Room 500S SOB

Agenda: Injury claims against the Dept. of Corrections. Discussion on

Dickman et. al. vs. Dept. of Corrections. Property claims against the Dept. of Corrections. Discussion on the MCF-Stillwater property room issue.

### Thursday, April 20

#### Rules and Administration Committee

Chair: Sen. Roger Moe

8 a.m. Room 15 Capitol

Agenda: H.F. 22-Stevens: Resolution for restoration of checks and balances between states and the federal government.

#### Tax and Tax Laws Committee

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: S.F. 1376-Reichgott Junge: Board of Government Innovation and Cooperation pilot project for aid distribution councils. S.F. 1392-Pappas: Property tax reform commission. S.F. 1505-Novak:

Adjusting property tax rates; limiting property tax rates to statutory rates. S.F. 1556-Hottinger: Constitutional amendment to dedicate sales tax for property tax relief; levy limits. S.F. 1557-Hottinger: Redirect state-paid property tax relief; reduce class rate

on agricultural property; industrial property tax credit. S.F. 1568-Novak: Tax and budget reform proposal.

### Friday, April 21

No meetings scheduled at press time.

**Editor's note:** Senate offices will be closed Fri., Apr. 14. Accordingly, this week's edition of Briefly is being published one day early. Next week's meeting schedules for many committees are still being determined at press time. For more up-to-date information about committee schedules, call the recorded Committee Hotline at 296-8088, or the Senate Information Office at 296-0504.

# Briefly

The Minnesota Senate Week in Review

April 21, 1995

## Budget bills advance

After returning from a four-day break, Senators began assembling the various omnibus appropriations bills. By week's end, most of the elements of the budget had been advanced to the full Senate.

Senators also began holding daily floor sessions to process bills on the various Calendars. Next week, April 24-28, the Senate will meet daily from 9 a.m. to 5 p.m. The Taxes and Tax Laws Committee and the Finance Committee will meet after the daily floor sessions. In addition, some conference committees may begin meeting during the week. Because schedules are in constant flux, this edition of *Briefly* does not contain a *Preview* section. To obtain current meeting schedules check the Legislative Gopher through the Internet or call the Senate Information Office at 296-0504.

## Committee denies confirmation

The Crime Prevention Committee voted against confirming the reappointment of Public Safety Commissioner Michael Jordan at a hearing held Thurs., Apr. 20, the second day of questioning. The recommendation now moves to the full Senate.

The vote to deny Jordan's confirmation came after an unprecedented vote to subpoena the St. Paul Police Department failed. Members wanted to subpoena the department for information regarding an alleged application for a firearm permit submitted to the department by Jordan.

The committee continued to question Jordan on a variety of subjects brought up at a Weds., Apr. 19, hearing. Jordan, who has headed the Public Safety Department for two years, is seeking confirmation for a four-year term.

After some initial questioning, discussion turned to Jordan's refusal at the previous hearing to answer questions regarding an application to the St. Paul Police Department for a permit to carry a firearm. Sen. John Marty (DFL-Roseville) had requested Jordan's response to allegations contained in an article of a local alternative weekly newspaper. Jordan had replied that information regarding his ownership of a firearm was private and covered under the Data Privacy Act. But Marty emphasized that the issue was not if Jordan carries a firearm but rather whether an illegal permit was issued by the St. Paul Police.

After Jordan refused again to disclose any information regarding the alleged permit application, Marty asked the committee to consider issuing a subpoena on the St. Paul Chief of Police and the custodians of firearm permits for any related documentation. Jordan

responded by saying he "had no problem with [the committee] embarking on [its] investigation."

Marty said that although he recognizes a public official's desire to carry a firearm, he is interested in whether any false information was used to obtain a permit. If Jordan wants to keep the information private, Marty said, the only way to do so is to use the subpoena process whereby the committee can examine any documents.

Sen. David Knutson (IR-Burnsville) asked how the allegations relate to the job performance of Jordan and why members did not pursue investigations of other commissioners during confirmation hearings. Marty said it was in the committee's interest to know the basis of the allegations before confirming Jordan to a high position in the state's law enforcement system.

After a brief break for the IR members to caucus, the committee returned to vote on the motion to subpoena; the motion, which required a two-thirds vote, failed 8-5.

Knutson then renewed his motion to recommend that the committee confirm Jordan. "I believe nothing has been stated here that should cause any member to vote against confirmation of Commissioner Jordan," he said.

A motion to table the motion, offered by Sen. Thomas Neuville (IR-Northfield), failed on a 6-7 roll-call vote, as did the Knutson motion to approve Jordan's confirmation.

Finally, the committee voted 7-6 to recommend that the full Senate deny Jordan's re-appointment as Public Safety Commissioner.

## Tribal compact bill tabled

A bill to require renegotiation of existing compacts between the state and Indian tribes was debated and tabled at the Weds., Apr. 19, floor session. Under Special Orders, the Senators debated S.F. 1044, sponsored by Sen. Charles Berg (DFL-Chokio), at length. Under the bill, all compacts negotiated by the state with Indian tribes under the Indian Gaming Regulatory Act are terminated on June 30, 1998. Berg said the bill is needed because compacts currently in existence do not have termination dates, and tribal leaders have refused to discuss the compacts' terms. Because times and circumstances change, Berg said, it is important that the state have the ability to renegotiate the compacts.

The debate became heated as Sen. Steve Murphy (DFL-Red Wing), said that the bill would open the door to taxing Indian tribes. Murphy said that it is not appropriate to tax a sovereign nation. Sen. Allan Spear (DFL-Mpls.), said that the bill would be another in

the series of broken treaties that has characterized the history of dealings with Indian people. Spear said that approving the measure "would be a terrible violation of the state's trust." Sen. Arlene Lesewski (IR-Marshall), countered, saying "If we are not able to go back in and talk about the compacts we have, there is no way we can get our arms around gambling in Minnesota."

After more than an hour of debate, Sen. Thomas Neuville (IR-Northfield), requested that the bill be temporarily tabled in order to allow time for drafting an amendment. Senators acceded to Neuville's request, and voted to table the bill.

The Senators granted final passage to two other bills on Special Orders. S.F. 1151, sponsored by Spear, directs the Peace Officer Standards and Training Board to review its minimum standards of conduct every three years. It provides for automatic license revocation for peace officers convicted of felonies, and requires the POST board to compile information about officers' convictions for domestic abuse. Spear said that the bill is a product of discussions with organizations that serve domestic abuse victims and groups concerned with fair treatment of minorities by police. He said that domestic abuse organizations have asked that a peace officer's license be automatically reviewed upon conviction on domestic abuse charges. That idea encountered opposition from the Peace Officers Association, he said, and evolved into the idea of keeping records of officers' domestic abuse convictions. The records will provide the Legislature with information needed to make decisions in the future about appropriate procedures for the officers, Spear said.

S.F. 1134, the omnibus banking bill, is sponsored by Sen. Sam Solon (DFL-Duluth). The bill makes numerous alterations to statutes governing financial institutions, including changes dealing with electronic financial terminals, bank mergers with subsidiaries, reporting and records requirements, lending powers, detached facilities and interstate banking. The bill also clarifies banking-related duties of the commissioner of commerce.

## Frequently called numbers

Senate Information	296-0504
TDD	296-0250
Committee hotline	296-8088

# Committee update

## Crime Prevention

### Budget bill debated, advanced

Members of the Crime Prevention Finance Division spent nearly seven hours on Tues., Apr. 18, amending the omnibus appropriations bill before advancing it to the policy committee. Some members of the policy committee sat in on most of the division meeting to listen to amendments and participate in debate to help speed up the hearing process.

Sen. Tracy Beckman (DFL-Bricelyn), division chair, presented an overview of the bill, which appropriates \$878 million for the biennium and contains a variety of criminal justice provisions. Among the bill's articles is one based on S.F. 1054, carried by Sen. Jane Ranum (DFL-Mpls.), a bill dealing with recommendations of the task force on juvenile programming, evaluation and planning. The provisions establish an orientation and educational program for juvenile offenders and their families, and directs the commissioners of corrections and human services to conduct a study on the use of secure treatment facilities for juveniles.

Another proposal is the establishment of the Bureau of Criminal Apprehension as an independent agency effective July 1; currently the BCA is a division of the Dept. of Public Safety.

Other bill proposals are provisions that prohibit the confinement of juveniles at Dept. of Corrections facilities at Red Wing and Sauk Centre after Jan. 1, 1997, require the Crime Victims Reparations Board to provide grants to local law enforcement agencies for emergency assistance to victims, and establish a pilot program to test the effectiveness of electronic alcohol monitoring for repeat DWI offenders. A provision requiring the Dept. of Human Services to develop an integrated statewide, toll-free, 24-hour telephone help line regarding the physical and sexual abuse of children also was included in the bill.

Members offered a variety of amendments to the bill. Sen. Thomas Neuville (R-Northfield) successfully offered a provision allowing reimbursement of state public defenders by defendants who have a means to pay. The proposal gives the courts the discretion to order a defendant to pay some amount for the public defender. The provision also allows income withholding if a court orders reimbursement. Neuville said the proposal is much like the state's child support provisions.

In a related matter, Neuville offered another amendment that specifies that reimbursement cannot be a condition of a criminal sentence. The division adopted the amendment.

Members also adopted an amendment, offered by Sen. Gene Merriam (DFL-Coon Rapids), appropriating some \$1.1 million to the Bureau of Criminal Apprehension for laboratory improvements and scientists. The \$1 million was removed from a safe-schools initiative carried by Sen. Randy Kelly (DFL-St. Paul).

The division did not adopt an amendment, offered by Ranum, that would have appropriated \$2.7 million for the biennium to the Minnesota Board of Government Innovation and Cooperation for grants to counties for innovative public safety and criminal justice programs. The amendment failed on a 3-5 roll-call vote.

### Crime bill approved, moves on

The Crime Prevention Committee met for a relatively brief session immediately after the

finance division adjourned from a seven-hour overview of the omnibus criminal justice bill. The committee, chaired by Sen. Allan Spear (DFL-Mpls.), advanced the bill to the Finance Committee.

The bill appropriates some \$878 million for the biennium and contains a variety of criminal justice provisions. Among the bill's articles is one dealing with recommendations of the task force on juvenile programming, evaluation and planning. The provisions establish an orientation and educational program for juvenile offenders and their families, and directs the commissioners of corrections and human services to conduct a study on the use of secure treatment facilities for juveniles.

Another proposal establishes the Bureau of Criminal Apprehension as an independent agency effective July 1; currently the BCA is a division of the Dept. of Public Safety.

Members offered some additional policy amendments, including one restoring some \$600,000 to a safe-schools initiative. The amendment, successfully offered by Sen. Randy Kelly (DFL-St. Paul), was in reaction to an amendment previously approved by the division that removed \$1 million from the safe-schools project and appropriated it to the Bureau of Criminal Apprehension for laboratory initiatives.

Sen. Tracy Beckman (DFL-Bricelyn) offered an amendment specifying that offenders who are assigned work with any state department or agency or local unit of government may not displace other state employees, full-time, seasonal or otherwise. The committee adopted the amendment.

Sen. Gene Merriam (DFL-Coon Rapids) also successfully offered an amendment requiring the costs for caring for an extended jurisdiction juvenile in a state juvenile facility be charged to the county of commitment.

Another amendment, offered by Sen. John Marty (DFL-Roseville), was rejected by the committee. The proposal called for the expansion of the state's zero-tolerance for violence to ensure victims of violence have access to 24-hour crisis services, shelter, counseling and peer services, and assistance in pursuing legal remedies. The proposal also called for statewide training of criminal justice system professionals, health care providers and educators in intervention and implementation of violence prevention efforts. The proposal failed after several committee members asked how the state could effectively ensure the provisions without knowing how the funding would be provided.

The committee advanced the amended bill to the full Finance Committee.

## Education

### Higher ed omnibus approved

The Higher Education Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), approved a \$2.18 billion post-secondary education budget package, Thurs., Apr. 13. The measure, S.F. 1234, authored by Stumpf, was referred to the full Education Committee.

The division approved a biennial base spending level of \$2.04 billion as the state's share of the operating costs for the University of Minnesota, the Minnesota State College and University System (MnSCUS), and in support the financial aid programs run by the Higher Education Coordinating Board (HECB).

The omnibus bill includes the first unified

budget for MnSCUS, the merging State University, Community College and Technical College Systems. The members approved a \$9 million operating base for the system and provided an additional \$33 million to support four of the system's initiatives.

The initiatives included \$19.25 million to restore the system's base above the enrollment limits required by law and \$9 million to adjust for the differences in the funding formulas used by the combining three systems. Another \$4.8 million is earmarked for merger initiatives, with \$3 million designated for instruction equipment, \$1.4 million to provide automated library access, and nearly \$400,000 infrastructure organization at co-located campuses.

Along with its biennial base appropriation of \$924 million, the University of Minnesota receive an additional \$16.2 million for restoration of its base above the statutory limits. That amount was a portion of the \$58 million in initiatives the division approved.

Another \$29 million towards the U2000 effort was adopted along with \$7.7 million to restore a 1994 allocation to the University that the governor had vetoed. In addition, \$1 million was appropriated for a wheat scab research program and \$750,000 was designated to assist in extending the University of Minnesota-Duluth's medical school program from two to four years.

As part of the HECB's budget, the division approved a base of just under \$240 million for FY 1996 and FY 1997. An additional \$10.2 million was appropriated to cover the impact of inflationary and tuition increases on the state's financial aid programs. Another \$910,000 was approved to support an initiative to coordinate library services, and \$50,000 was set aside for the nursing grant program. As part of the allocations, the omnibus bill calls for a \$3 million reduction in the Pell Grant program from the previous biennium to reflect changes in the program's qualifications. A re-estimation of needs for the state grant program also led to a \$146,000 reduction.

Another \$1.68 million was approved to support the Mayo Clinic post-graduate program.

The approved allocations varied by \$3 million from those initially proposed by Stumpf. Sen. Lawrence Pogemiller (DFL-Mpls.) proposed shifting about \$5 million from the MnSCUS total to the University of Minnesota to match the amount \$60.7 million the governor had recommended to support the U2000 effort. Pogemiller said the reallocation recognizes the university's efforts to reorganize in the face of difficult financial times.

Sen. Sam Solon (DFL-Duluth) offered to modify Pogemiller's proposal, reducing the reallocation to \$3 million. The altered motion was then approved.

Along with the allocations, a number of amendments were presented. The division approved an amendment offered by Sen. Roger Moe (DFL-Erskine), requiring all of the public post-secondary systems to convert their schedules to a semester system by the 1998-99 academic year.

Another Moe proposal was also approved, calling on the public higher education systems to prepare an annual report to the Dept. of Education on the developmental instruction being provided to the most recent high school graduates.

Also adopted was a proposal, presented by Sen. Leonard Price (DFL-Woodbury), allowing

HECB to assess any excess costs above the amount provided for the state grant program on the public post-secondary systems, if those systems increase their tuition and fees by more than 3 percent each year.

Sen. Deanna Wiener (DFL-Eagan) sponsored an amendment requiring the Board of Regents to report on the policies and practices that have been implemented in order for the University to be compliance with the federal Gender Equity and Equal Pay Acts. Stumpf offered a proposal prohibiting state funds from being used to pay for any out-of-court settlements made with current or former employees of the public systems. Both amendments were approved.

An amendment, proposing to alter the Public Employees Labor Ratification Act, offered by Sen. Cal Larson (IR-Fergus Falls), was rejected. The amendment proposed allowing higher education officials to meet with individual employees or groups beyond the involvement of exclusive bargaining representatives.

### Higher ed bill advances

The \$2.1 billion funding bill for higher education was amended and approved Tues., Apr. 18, by the Education Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Sen. LeRoy Stumpf (DFL-Thief River Falls). The bill, S.F. 1234 authored by Stumpf, was referred to the Finance Committee.

The omnibus bill includes FY 1996 and FY 1997 appropriations totaling \$966.2 million for the U of M, another \$927.7 million for the Minnesota State Colleges and Universities System (MnSCU), and \$243.7 million to the Higher Education Coordinating Board (HECB). An additional \$1.6 million is earmarked for the Mayo Medical Foundation's medical school and family practice residency program.

The proposal includes nearly \$90 million for initiatives put forward by the post-secondary systems, including \$58 million to support U2000, the University of Minnesota's reorganization effort. Another \$33 million is designated to assist MnSCU in moving ahead with the July 1 merger of the State University, Community College and Technical College Systems. An additional \$10.2 million is directed to the HECB to compensate for the impact of inflation and tuition increases on the state's financial aid programs.

Stumpf discussed several of the bill's highlights, including provisions establishing a new funding mechanism for higher education. He said the new funding will shift how appropriations from being based on the number of students enrolled to the number of graduates being produced. He said the new formula will be phased in over the next two years as the policy and technical concerns are resolved.

The author said the bill also provides a guarantee to students who graduate from an undergraduate post-secondary program. The guarantee gives a graduate up to 16 credit hours of course work directly related to the program they graduate from, at no cost. The graduate will receive that additional course work if their employer certifies that the graduate is not adequately trained for working in a field related to the degree or certificate that was awarded. Stumpf said the guarantee will be in effect for the two years after a student receives their degree.

Other provisions require all of Minnesota's public post-secondary institutions to be on a semester system starting in the 1998-99 school year, reorganize the HECB's responsibilities and functions, and modify several of the state-

operated financial aid programs.

Several amendments were adopted, including a proposal presented by Sen. Leonard Price (DFL-Woodbury) combining the laws that govern the three merging systems. The provisions of the amendment had been contained in Price's bill, S.F.477, which the committee had earlier approved.

The members adopted an amendment, offered by Sen. Cal Larson (IR-Fergus Falls), allowing higher education administrators and faculty to meet to discuss various issues outside of the collective bargaining process. Another Larson proposal, giving the HECB the authority to set the maximum amount that private college students may receive under the state grant program, was also accepted.

The members discussed a provision, included as part of the new funding formula mechanism, calling on the state to provide 67 percent of the instructional costs for post-secondary education. Stumpf said that requirement is now in law. He said the state appropriations anticipate what those costs will be, but the state contribution is often a lower percentage because of higher than expected tuition increases. Sen. Martha Robertson (IR-Minnetonka) moved to amend the provision clarifying that it is the Legislature's intent to fund two-thirds of instructional costs. Her amendment was approved.

### Omnibus bill amended

Working their way through a blizzard of amendments, the members of the Education Funding Division met Tues., Apr. 18, to begin assembling the components of S.F. 944, the education funding omnibus bill.

Sen. Lawrence Pogemiller (DFL-Mpls.), the division chair, presented the members with the draft of a seven-article omnibus package. Many of the provisions included in the proposal had been adopted by the division or were presented for consideration at prior meetings.

S.F. 944 creates two funding formulas to replace the current general education and categorical funding programs. Under the measure, school districts will receive funds through general education and targeted needs formulas to be phased in over a four-year period. The proposed general education formula combines the basic per-pupil revenue formula with the funding now given for transportation and capital expenditures. The targeted needs programs includes revenue designated for such programs as special education, desegregation, and compensatory aid.

The proposal also contains an array of education programs, including a first grade preparedness program, modifications to state law on charter schools, initiatives pertaining to the use of new technology in schools, and creation of a statewide education and employment transition.

More than 30 amendments, many of which made technical corrections or clarified previously-approved provisions, were adopted. Among those approved was an amendment, offered by Sen. Jerry Jancezich (DFL-Chisholm), applying the provisions of the property tax freeze adopted by the Senate to levies used by school districts. The amendment also allows the Dept. of Education to make some adjustments to levies while not exceeding 1995 amounts and permits districts to make fund transfers.

A provision in the omnibus bill, requiring students to enroll in advanced placement and international baccalaureate programs before they

may use the post-secondary enrollment options program, was removed on a motion made by Sen. Ember Reichgott Junge (DFL-New Hope). She presented an amendment, that was also approved, calling on the legislative auditor to study the post-secondary options program to determine how it is being used and managed.

Another part of the bill moves the teacher contract settlement deadline up to Sept. 1, allows educational policy to be a negotiable part of teacher contracts, and requires school boards to negotiate managerial policy as part of contract talks. Sen. Cal Larson (IR-Fergus Falls) moved to delete those provisions. After some discussion, he modified his motion to allow both education and managerial policy to be on the table for consideration in districts that receive a teacher compensation restructuring grant.

Sen. Martha Robertson (IR-Minnetonka) proposed removing the parts of the bill specifying how districts can use capital expenditure revenue. She argued that the provisions restrict the flexibility districts will have in using those funds. Her motion prevailed.

Sen. Jane Krentz (DFL-May Township) presented an amendment establishing a program aimed at preventing teenage pregnancies and promoting male responsibility. As part of the program, local communities may receive grants to participate. The amendment, which was approved, provides \$500,000 in both FY 1996 and FY 1997 toward those grants.

### Omnibus work continues

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), moved a step closer to completing its work on the K-12 omnibus funding bill, Weds., Apr. 19, by taking action on 30 separate amendments to the proposal.

S.F. 944, sponsored by the division chair, contains provisions to support the state's public K-12 education system in FY 1996 and FY 1997. The measure also contains dozens of initiatives approved in preceding meetings and most of the amendments considered by the division clarified components of those initiatives.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented an amendment requiring candidates for a superintendent position to disclose a previous contract buy-out before they can enter into a new superintendent contract. Based on a proposal considered earlier this session, the Stumpf amendment also makes those buy-out agreements between school boards and superintendents public data. The amendment, which the division adopted, makes all superintendent contracts reached after July 1, 1995 subject to the buy-out disclosure provisions.

Also approved was an amendment, offered by Sen. Paula Hanson (DFL-Ham Lake), to allow for the formation of school site mediation boards. The mediation boards, made up by students, parents, school faculty and staff, are to resolve student disciplinary matters. The proposal also allows each school site to identify and select a parent or teacher to serve as ombudsman, an advocate for enforcement of codes of conduct and to assist in resolving disputes.

Having heard several bills proposing changes to the definition for the use of staff development revenue, members adopted an amendment offered by Sen. Martha Robertson (IR-Minnetonka) that modifies the definition to provide more flexibility in how the funds are used.

Sen. Ember Reichgott Junge (DFL-New

# Committee update

Hope) placed an amendment, modifying some of the charter school provisions, before the panel. Under the amendment, charter schools are defined as public schools and the charter schools are eligible to receive Limited English Proficiency program funds. Another provision requires school boards to respond to a charter school request within 60 days of its submission. The members rejected the time requirement, but incorporated the other components of the amendment into the omnibus bill.

On a related issue, Stumpf presented an amendment to allow charter school staff to join or remain in the appropriate bargaining unit of the sponsoring school district. Reichgott Junge opposed the amendment, arguing that allowing the employees to join existing bargaining units may have an impact on the autonomy the charter school has apart from the sponsoring district. But Pogemiller disagreed and said charter school employees should not be prevented from the opportunity to join a bargaining group. The amendment was approved.

## K-12 omnibus awaits approval

A \$5.8 billion state biennial budget for K-12 education awaits the approval of the Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.). The division reviewed the assembled package, Thurs. morning, Apr. 20.

In S.F. 944, the omnibus funding bill authored by Pogemiller, \$4.4 billion is provided to school districts in general education aid for FY 1996 and FY 1997. Along with the aid allocation, another \$170 million earmarked for school transportation programs and \$165 million is allocated for capital expenditures. Starting in FY 1997, those three funding categories will be combined and distributed through a single formula.

Also in the general education program is a \$33 million aid program over the biennium to help offset the impact of property tax abatements on school district funding. A total of \$31.7 million is designated as non-public school aid.

Included as part of the education aid package is a proposal adding \$162 million to continue a class-size reduction efforts in kindergarten through grade six. The per-pupil general education formula amount is maintained at \$3,150 for FY 1996, and increases to \$3,441 per pupil in FY 1997 by combining the general education, transportation and capital expenditure funding programs.

Under the measure, a targeted needs formula is created. Through that formula, funding for special education, integration grants, and the Limited English Proficiency (LEP) program is combined and distributed. More than \$387 million is proposed for the formula when it takes effect in FY 1997.

For the biennium, \$298.5 million is allocated for special education programs in addition to amounts included as part of Targeted Needs aid. For FY 1996, \$18.8 million is provided for integration grants, and \$8.2 million was made available for the LEP program.

Other appropriations under consideration include \$27.7 million for Early Childhood Family Education, \$22.9 million for the Assurance of Mastery program, and \$19 million in the Learning Readiness program. In addition, \$25 million in technology initiatives are before the members.

Final division action on the omnibus bill is expected by the end of the week.

## Environment and Natural Resources

### Appropriations bill advanced

Members of the Environment and Natural Resources Finance Division discussed and amended the environment omnibus bill before advancing the policy and appropriations document to the full policy committee.

Chair Steven Morse (DFL-Dakota) presented the policy document containing a variety of Senate bills and agency biennial proposals. At the Weds., Apr. 12 meeting, Morse presented an amendment adding five additional proposals to the bill.

The amendment adds a provision for establishment of the Passing on the Farm Center at Southwest Technical College in Granite Falls. The center will assist individuals beginning farming and facilitate the transition of farming operations by providing coordination of education and estate planning, and other services.

The Morse amendment also authorizes the Dept. of Natural Resources to establish a recreational shooting area in the Sand Dunes State Forest, clarifies disclosure requirements for shipping oxygenated fuel, abolishes the Harmful Substance Compensation Board, and makes additional technical changes.

Another Morse amendment provides appropriations for various projects. Among its provisions is \$450,000 for costs related to motor vehicle salvage facilities, including \$189,000 for disposal of vehicle electrical switches containing mercury. Other provisions are \$25,000 for the Sand Dunes State Forest recreational shooting area, \$50,000 for the Passing on the Farm Center in Granite Falls, and a transfer of funds from the Harmful Substance Compensation account to the general fund.

The amendment also appropriates funds for several grants projects; \$350,000 is for Minnesota State Colleges and Universities to provide new technologies to farmers to enhance the management of dairy farms. Another \$150,000 will go to the University of Minnesota in grants for research on odor control at feedlots.

Morse also included in his amendment a reduction of \$200,000 in deficiency appropriations to the Dept. of Agriculture's Grain Inspection Program. The amendment was adopted.

Members spent considerable time discussing several amendments that were eventually withdrawn.

### Environment omnibus bill approved

The Environment and Natural Resources Committee wrapped up its work before the Spring break by amending and approving its omnibus bill at a Thurs., Apr. 13, meeting. The committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), advanced the bill to the Finance Committee.

Sen. Steven Morse (DFL-Dakota) gave an overview of the final document, which the finance division had spent several hours revising. The bill appropriates approximately \$534.5 million for the biennium to a variety of environment-related programs. The committee's budget proposal is nearly \$1 million less than the governor's proposal.

Calling it a "formidable task," Morse outlined some of the major changes from the governor's

recommendation. Some of the more significant changes are reductions to the operational support of the Pollution Control Agency (PCA) and the Dept. of Natural Resources (DNR) totalling \$4.2 million for both agencies in FY 97. The cuts require consolidation of administrative functions between the two agencies, Morse said.

Changes in the Dept. of Agriculture's Plant Protection Program captures some \$1.2 million in revenue, according to Morse. The department had been charging fees incorrectly and not covering all costs associated with several programs, he said. The bill directs the department to correct the practice.

The omnibus bill also reduces ethanol producer payments by \$2.5 million and increases some PCA fees.

Committee members spent much of their time discussing amendments. Several members objected to changes related to agricultural loans for best management practices. The provision specifies that the loan becomes a lien on the property, superior to all other liens against the property. Sen. Harold "Skip" Finn (DFL-Cass Lake) repeated his concern that the lien from the BMP loans should supersede all other liens. Morse explained that the loans are to improve water quality and address non-point source pollution problems. Finn eventually successfully offered an amendment deleting the provision that specifies the liens are "first and prior to all other liens against the property."

Another Finn amendment repeals a statute related to the state oversight of tax-forfeited land adjacent to public waters. Currently, the DNR must approve any sale or conveyance of tax-forfeited land bordering public water. Finn offered the amendment in response to another bill provision that terminates state payments in lieu of taxes to the counties for tax-forfeited lands.

The bill advances to the Finance Committee.

### Noise reduction bill heard

After spending some time fine-tuning an amendment, the Environment and Natural Resources Committee approved a bill exempting some highways from noise abatement standards at a Weds., Apr. 19, meeting.

Sen. Bob Lessard (DFL-Int'l. Falls), chair of the committee, explained that the bill relating to traffic regulations was sent to committee under the Rule 35 provision. Rule 35 allows any Senator to challenge the reference of a bill or a committee report. The bill is sent to the Rules and Administration Committee which determines whether to let the initial reference stand or send the bill to another committee.

S.F. 1089, carried by Sen. Arlene Lesewski (IR-Marshall), exempted freeways, expressways, and all highways from noise abatement standards, and required the Dept. of Transportation to conduct a noise abatement study contingent on the availability of funding.

Merritt Linzie of the DOT testified in favor of the provision saying that Minnesota's noise standards for transportation were much stricter than federal standards. He said that many times noise abatement measures were impractical on existing roadways and that noise walls on roads with entrances and exits were ineffective. Linzie said the department, in conjunction with the Pollution Control Agency, planned to deal with the noisiest parts of highways but eliminate the noise standards.

Linzie added that the strict standards poten-

tially could lead to more citizen objections to local road construction projects. There is potential for local lawsuits where no practical noise abatement exists, he said.

Joe Kelly, a resident of the city of Shakopee, opposed the provision, asking Senators to find a compromise. The bill would allow the state and local governments to ignore the impact of traffic noise, he said. He suggested the PCA look at revising, through a public hearing process, the current rules regarding noise standards. "S.F. 1089 has the potential of hurting many of your constituents in the future," he told the panel.

Members spent considerable time fine-tuning and eventually approved an amendment to meet the concerns of residents and allow counties some discretion over local road construction projects. The provision specifies that existing or newly-constructed highways are exempted from state noise standards "provided all reasonably available noise mitigation measures are employed to abate noise."

The bill advances to the Finance Committee.

## Finance

### Omnibus bill testimony heard

Members of the Finance State Government Division listened to several witnesses voice concerns about the omnibus bill Weds. evening, Apr. 12. Committee chair, Sen. Richard Cohen (DFL-St. Paul) opened the meeting with comments regarding the decrease in funding to the Dept. of Administration for the statewide systems project. The Senate recommendation of \$37.7 million is \$4.2 million less than the governor's suggested figure of \$42 million.

"This is not an attempt to end the program," Cohen said. Pointing out that the measure continues funding through 1995, Cohen explained that the division's action is in response to the pace of the program's implementation. "It's been on a fast track," Cohen said, and we think there's a need to go a bit slower." He added that in light of the upcoming auditor's study, it makes sense to slow the program's pace.

Laura King, commissioner of finance, objected to the move. "We are not at a stage where we can go slow." She told members that the nature of the program--accounting and payroll functions--does not permit implementation on a part-time basis. "Come July 1, there is no turning back," King added. "I find it baffling that we're at the line, and folks want us to stop and think about it."

Secretary of State Joan Grove testified in favor of the salary supplement of \$300,000 for additional staffing. She said that the office totals just 61 employees, and that the seven additional positions are critical to the office's efficient operation.

The Dept. of Human Rights was represented by Deputy Commissioner Dolores Fridge. With her was Katie MCWatt, from the National Association for the Advancement of Colored People.

MCWatt expressed concerns about the proposed reduction for the contract compliance program. "The NAACP has always looked at this department as a master piece--historically, it has been one of the first to deal with civil rights," she said. "It gives us a place to turn to," she said.

John Morley, a member of the Solid Waste Management Advisory Council, testified against the elimination of the Legislative Water Commission. "These are extremely complex issues," he said, and presented the division with a council resolution opposing the cut.

## Omnibus bill reviewed

The Finance State Government Division continued review of its omnibus funding bill Thurs., Apr. 13. Sen. Richard Cohen (DFL-St. Paul), chair of the division, presented members with a spreadsheet showing adjustments made to figures outlined at earlier meetings.

Included in the changes are appropriations for several legislative commissions that had been previously eliminated. Funding for the Legislative Commissions on the Economic Status of Women; Planning and Fiscal Policy; Waste Management; the Legislative Commission to Review Administration Rules; and the Water Commission is reinstated in the revised spreadsheet.

An amendment that replaces individual appropriations of the legislative commissions with one appropriation to the Legislative Coordinating Commission, offered by Steven Morse (DFL-Dakota), was approved by the division. "We're returning to the LCC the responsibility of allocating the resources with which we provide them," Morse said. The single appropriation to the LCC is \$600,000 less than the governor's total.

Another change highlighted by Cohen was the reduction in funding to the state auditor. The governor's recommendation is \$14.2 million, compared to the Senate proposal of \$14 million.

Sen. Terry Johnston (IR-Prior Lake) raised concerns about distribution of arts funding. She questioned the balance of monies earmarked for Metro Area projects and those appropriated for projects in smaller, rural areas.

"These are statewide resources," Johnston said. "I wonder if we should be putting this money out into the smaller communities, rather than keeping it in areas where the arts are well established?" she asked.

### Omnibus bill moves out

The Finance State Government Division completed work on its omnibus appropriation bill Weds., Apr. 18.

Before re-referring the measure to the full Finance Committee, Sen. Richard Cohen (DFL-St. Paul), division chair, highlighted the bill's major changes. "In trying to reconcile the governor's budget with the Senate's proposal, we made certain shifts to the last spread sheet," Cohen said, "which now brings in the Senate total \$700,000 under the governor's recommendation."

Biennium adjustments include reductions of \$50,000 to Public Broadcasting, \$20,000 to the Children's Museum, \$300,000 to the Dept. of Employee Relations, and \$26,000 to the Attorney General's Office. An increase of \$100,000 was allocated to the Amateur Sports Commission to encourage development of girls hockey, along with \$14.2 million to the State Auditor's Office. Additionally, specific dollar amounts were reinstated for the Offices of the Revisor of Statutes, \$8.2 million, and the Legislative Auditor, \$8.3 million.

Controversy surrounded a provision to prohibit two related organizations, such as related subdivisions under the United Way umbrella, from participating in the state's employee combined charitable campaign.

Sue Robertson, a representative of the charitable federations, spoke in favor of the provision saying that to allow an organization to have more than one listing on the form will overwhelm the donor and result in diminished

contributions. Additionally, she said that such a move will increase the cost of the pledge forms, double paperwork, and give United Way an unfair advantage. "We think it's unfair for United Way to have additional shots at a donor's dollar--there's nothing new in terms of choice, just more attractive packaging," Robertson added.

Byron Lahr, public affairs director of United Way, testified against the provision. He said that increased listings give the donor more choices for discretionary charitable contributions. Responding to the claim that such action will result in decreased donor participation Lahr answered, "it certainly hasn't in the case of Hennepin County."

After lengthy debate, members finally deleted the provision from the bill.

An amendment, offered by Sen. Gene Merriam (DFL-Coon Rapids), for an appropriation to the Attorney General's Office for expenses needed for the Mille Lacs and Fond du Lac treaty litigation, prompted questions from members. The deficiency appropriation of \$790,000 for 1995, was adopted by the division.

Another amendment, offered by Merriam, for a \$13 million appropriation to the Dept. of Revenue to process the Cambridge Bank refund claims, was also approved by members.

### Omnibus bills moved on

Two omnibus bills, one featuring funding for housing, summer jobs and landfill clean-up, and another containing environmental and natural resources program appropriations were both approved, Weds. evening, Apr. 18, by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids). Both bills were referred to the Senate floor.

S.F. 1670, the Jobs, Energy and Community Development funding bill, appropriates more than \$364 million in FY 1996 and FY 1997 primarily for those state agencies with economic development responsibilities. Of that amount, about \$322 million is from the general fund.

As part of the appropriations total, \$102.4 million is designated for the Dept. of Economic Security, \$30.5 million is given to the Dept. of Commerce, and the Dept. of Trade and Economic Development received \$49.6 million. In addition, \$47.7 million was earmarked for the Housing Finance Agency and \$36.8 million is provided to the Minnesota Historical Society. The Dept. of Labor and Industry received a \$43.3 million allocation, much of which comes from a special workers compensation fund used to support related services.

Sen. Carl Kroening (DFL-Mpls.), sponsor of the bill, said the funding provided in the bill is below the amounts the governor had recommended. He said that through reallocations, more than \$14 million was appropriated to support housing initiatives and nearly \$7 million is given to support youth employment programs.

The committee approved an amendment, offered by Kroening, reducing the FY 1996 appropriations for a contaminated land clean-up program from \$7 million to \$6.6 million, and adjusting appropriations made to the Housing Finance Authority. A proposal, offered by Sen. Steven Morse (DFL-Dakota), to provide \$965,000 from a fee account for the programs of the Public Housing Authority, was also adopted before the bill was approved.

S.F. 106, the environment and natural resources funding bill sponsored by Morse, was presented to committee members. The measure contains just more than \$570 million in appropriations for the next biennium, with

# Committee update

\$312.7 million of the total coming from the general fund. The additional allocations are taken from other revenue accounts.

Among the components of the bill, Morse said, is a \$4.2 million reduction in the administrative costs of both the Pollution Control Agency (PCA) and the Dept. of Natural Resources (DNR) in FY 1997. Another \$2.5 million reduction is made in the Ethanol Producer payment program, he said.

The bill provides DNR with a total appropriation of \$397 million for the biennium, and \$196 million to the PCA. In addition, the bill contains a \$49 million allocation for the Dept. of Agriculture, \$33.6 million to the Minnesota Zoological Garden, \$8.5 million to the Agriculture Utilization Research Institute, and nearly \$3 million for the Science Museum of Minnesota.

Morse offered an amendment to appropriate \$140,000 to the DNR in the current fiscal year to replace the equipment that was lost in an arson fire at William O'Brien State Park earlier this year. The amendment was adopted and the bill was approved.

## Health and human services bill

The Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), devoted the entire evening meeting Weds., Apr. 19, to a review of the omnibus health and human services appropriations bill. S.F. 1110, specifying the actual appropriations, was considered along with S.F. 47, a bill providing the policy provisions for the appropriations. Both measures are carried by Sen. Don Samuelson (DFL-Brainerd).

The omnibus appropriations bill provides \$5.46 billion for health and human services programs. Samuelson said the division, which developed the bill, "was faced with very difficult, very tough decisions" throughout the budget setting process. "Just looking at the numbers, you would think making cuts shouldn't be hard but there are real people behind the numbers," Samuelson said. He also said that it was important to remember that most of the cuts came from proposed increases in funding.

The governor proposed increases of \$697 million, while the Senate proposal cuts the increase to \$634 million, Samuelson said.

The measure provides \$4.89 billion for human services, \$75.9 million for health, \$37.3 million for veterans homes, \$2.2 million for mr/th ombudsman, \$1.2 million for the council on disability and \$270,000 for the ombudsperson for families. The measure also contains provisions altering funding for personal care attendants and TEFRA.

During the course of the evening hearing, members adopted two technical amendments. In addition, members adopted an amendment removing funding for children's safety centers.

## Health Care

### Modifications to omnibus bill

Members of the Health Care and Family Service Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd) made changes to the omnibus appropriations bill at the meeting Weds., Apr. 12.

The bill includes changes to the personal care attendant (PCA) and TEFRA (Tax Equity and Fiscal Responsibility Act) programs.

Sen. Sheila Kiscaden (IR-Rochester) offered an amendment to modify the fee structure for

parents of PCA and TEFRA recipients. The amendment also institutes an annual screening program for recipients. After much discussion about the logistics and the expected savings, George Hoffman of the Dept. of Human Services stated that the amendment would save \$500,000 annually and reduce the number of recipients by 40 percent. Sen. Linda Berglin offered an additional provision, which was incorporated into Kiscaden's amendment, that establishes a task force of recipients, providers and others to recommend changes to medical assistance home care services. The amendment was adopted.

An amendment providing for a program implementing school-based and summer PCA services, also offered by Berglin, was approved. The shared services will save approximately \$1 million, Berglin said. Berglin presented another amendment requiring a request for proposal regarding TEFRA service criteria. The department must provide statistical information and licensure effects on PCAs under the amendment. The measure was adopted.

Kiscaden offered a proposal that modifies the alternative payment system for nursing homes and rate reimbursements. These measures, suggested by Berglin and Samuelson, were adopted by the division in the previous meeting. Kiscaden proposed a delay of the payment system by one year to phase in the changes. The rate differential is also delayed by one year and contracts may be established in 1996, not in 1995 as suggested by Berglin. The amendment allows for a "more orderly transition" to develop criteria for nursing homes, Kiscaden said.

Berglin opposed the amendment, stating that the measure makes cuts in the base amounts, not in future revenues. The original proposal decreases the negative incentives currently in the system, explained Berglin.

Kiscaden's amendment failed to gain approval.

Sen. Sam Solon (DFL-Duluth) presented an amendment that allows the licensure and certification of layaway nursing home beds near a Duluth teaching hospital. A shortage exists in rural areas, Solon said, particularly in Northeast Minnesota. Kiscaden countered that the additional cost - \$3 million in the second year - and expansion is inappropriate at a time when the state is trying to reduce costs and nursing home beds. The amendment was adopted.

Sen. Phil Riveness (DFL-Bloomington) offered an amendment, that was adopted, to modify the dispensing fee that was approved in a previous division meeting. The fee is changed to \$3.60 until June 1996, and decreases to \$2.95 on June 30, 1996. The amendment deletes provisions relating to the prepaid medical assistance program and ratable reductions.

Berglin offered an amendment that ratably reduces GAMC payments for hospital outpatient mental health services by two percent. Outpatient services are essential, Berglin explained, and if unavailable, will force persons to use inpatient services. The amendment was adopted.

Members also approved an amendment, by Sen. Don Kramer (IR-Brooklyn Center), that reinstates developmental disabilities pilot projects. The projects, locally managed and integrated, increase consumer choice and streamline access to services, Kramer said. The measure requires no additional funds.

## Omnibus appropriations bill advanced

The Health Care and Family Services Funding Division, chaired by Sen. Don Samuelson (DFL-Brainerd) met briefly on Thurs., Apr. 13, to approve the omnibus appropriations bill and send it to the full committee. The bill appropriates a total of \$5 billion for the biennium to over 30 various initiatives. Provisions include changes to the personal care attendant program, nursing home reimbursements, self-sufficiency program improvements and local developmental disability projects.

Sen. Dallas Sams (DFL-Staples) offered an amendment to alter the services to be ratably reduced. Managed care and fee-for service is no longer ratably reduced, while Medical Assistance and GAMC payments for all non-inpatient services are included in the reductions. Jim Koppel of the Metropolitan Health Care Council opposed the ratable reductions, but stated that the changes are the most equitable way to enact the reductions. The amendment was adopted.

The Health Care Committee, chaired by Sen. Linda Berglin (DFL-Mpls.) convened after the division meeting to process the appropriations bill, S.F. 1110. Several amendments were added to the bill, mostly clarifying language. Berglin offered an amendment stating that the new pharmacy dispensing fee does not apply to MinnesotaCare. Sen. Harold "Skip" Finn (DFL-Cass Lake) presented an amendment similar to a bill he authored that studies the effect of chemical spraying in Minnesota in the 1950s and 1960s. Finn offered another amendment to permit the Ah Gwah Ching facilities to contract for shared services. The amendments were adopted.

The bill now goes to the Finance Committee.

## Jobs, Energy and Community Development

### Omnibus bill approved

The Jobs, Energy and Community Development Funding Division, chaired by Sen. Carl Kroening (DFL-Mpls.), met Thurs., Apr. 13, to review the committee's omnibus bill.

The bill appropriates \$50.2 million for the biennium to the Department of Trade and Economic Development (DTEd). Approximately \$49 million of DTEd's budget is taken from the general fund. The affirmative enterprise program receives \$200,000 for the biennium. Under the bill, \$200,000 is appropriated to Advantage Minnesota Inc. but is available only with a one to one match. The bill provides the Job Skills Partnership Program \$3.7 million for the biennium and provides \$200,000 for Job Skills Partnership Board for the purpose of funding the Employment Connection Program. This initiative links the economic development activities of the St. Paul Port Authority with the city of St. Paul's employment and job development programs. The bill provides a \$100,000 grant to the Phoenix Group, Inc. to provide assistance to residents in neighborhoods with high levels of poverty. A \$100,000 grant is appropriated to Hennepin County for the purpose of planning a multi-jurisdictional reinvestment program involving the cities of Minneapolis and Brooklyn Center. The program must include plans for housing removal and rehabilitation, polluted land cleanup and job creation.

The bill appropriates \$4.2 million to the Minnesota Trade Office. The Office of Tourism receives \$14.8 million for the biennium.

Under the bill, \$37.4 million is earmarked for the Minnesota Historical Society. Approximately \$17.6 million is allocated for History Center operations. Nearly \$5.9 million is appropriated to the society for historic site operations. Approximately \$96,000 of this funding is available for local historic preservation projects. The bill specifies \$40,000 for the St. Anthony Falls Heritage Board to provide grants for public improvement. A \$176,000 appropriation is provided for the operation and maintenance of the Sibley house and related buildings owned by the Sibley House Assn. \$100,000 is allotted to the Minnesota International Center. \$180,000 is appropriated to the Institute for Learning and Teaching.

The bill appropriates \$36.3 million for the Department of Economic Security. In addition, the measure includes \$23 million for the Head Start Program and \$140,000 for mentally ill employment services.

An amendment, introduced by Sen. Steve Dille (IR-Dassel), privatizes the Radio Talking Book Program. Dille stated that the amendment would allow the program to raise much needed money for staff and materials. The amendment was approved by the panel.

The bill provides approximately \$1 million for the biennium to the foodshelf program. Sen. Steven Novak (DFL-New Brighton), introduced an amendment to add \$177,000 to the Minnesota Foodshelf budget. The panel approved Novak's amendment.

In addition, \$6 million is appropriated to the Summer Youth Employment Program.

The bill appropriates \$28.2 million to the Department of Commerce. The bill grants the Board of Accountancy, the Board of Architecture, the Barber Board, and the Boxing Board approximately the same level of funding for the biennium as the boards received last biennium.

Approximately \$53 million is available for the biennium to the Department of Labor and Industry. The measure provides \$21 million for workers comp initiatives. The bill specifies funding of \$200,000 for the Vineland Center for Rehabilitation Services. The measure also contains a \$90,000 appropriation to provide information to employers regarding the prevention of violence in the workplace.

Approximately \$35 million is appropriated to the Minnesota Housing Finance Agency. The bill appropriates \$4 million for the Homeownership Assistance Fund, \$3 million for the Community Rehabilitation Fund and \$7.8 million for the Affordable Housing Rental Investment Fund.

Members approved the omnibus bill and referred it to the full committee.

The full committee met and approved the bill adopted by the funding division. The bill moves on to the Finance Committee.

## Judiciary

### Appointments approved

Members of the Judiciary Committee met Weds., Apr. 19, to consider a number of gubernatorial appointments. The panel, chaired by Sen. Carol Flynn (DFL-Mpls.), recommended confirmation of all the appointments. Commissioner David Beaulieu, of the Dept. of Human Rights, came before the committee and spoke on

the various departmental initiatives begun since his first appointment in 1991. Beaulieu said that the agency has been restructured to focus on enforcement efforts. In addition, the agency has developed a policy and procedure manual to guide investigations. "We tried to make a strong, effective agency in a climate of declining resources," Beaulieu said.

The committee recommended confirmation for Beaulieu's appointment as commissioner. In other action, members also approved the appointments of Robert Johnson and Verna Kelly to the Board of Judicial Standards and the appointments of Bob Deem and Debra McBride to the Harmful Substance Compensation Board.

## Rules and Administration

### Convention resolution fails

A resolution calling for a convention of states to address the checks and balances between state and federal governments failed to gain the approval of the Rules and Administration Committee. The committee, chaired by Sen. Roger D. Moe (DFL-Erskine), met Thurs., Apr. 20, to hear testimony on H.F. 22. The resolution, sponsored in the Senate by Sen. Dan Stevens (IR-Mora), requires the state to send a delegation to a Conference of the States to propose, debate, and vote on elements of an action plan to restore checks and balances between states and the national government. Stevens said "the federal government has exceeded its constitutional limits and must be restrained." Stevens said that the conference could make fundamental changes in the federal-state relationship and restore states to their original role.

Opponents to the resolution testified that the resolution opens the way to a wholesale re-writing of the constitution. John R. Shoemaker delivered statements from Gary Sudduth of the Minneapolis Urban League and Matthew Little of the NAACP in opposition to the resolution. The statements expressed concern that a conference of the states could undermine civil liberties. Dean Barkley of the Independence Party also spoke against the proposal.

Stevens said, "We want to address the state-federal relationship--we do not want to rewrite the constitution." However, Moe said that a meeting of the Council of State Government's Executive Committee held earlier, he had cast the sole no vote against a similar resolution and he urged members to vote against a motion to send the resolution to the full Senate. Members failed to approve the motion on a voice vote.

## Taxes and Tax Laws

### MinnesotaCare bill advances

A bill making changes to the laws governing MinnesotaCare topped the agenda at the Tues., Apr. 18, meeting of the Taxes and Tax Laws Committee. S.F. 845, authored by Sen. Linda Berglin (DFL-Mpls.), makes numerous changes including establishing requirements for integrated service networks, modifying requirements for health plan companies, establishing the standard health coverage and repealing the regulated all-payer option. The committee, chaired by Sen. Douglas Johnson (DFL-Cook), examined the bill in terms of the relevant tax provisions.

A number of technical amendments were offered by Berglin and subsequently adopted.

However, debate centered on one amendment altering a provision in the bill that establishes a penalty for persons, above a specific income level, who do not have health insurance. The amendment eases the penalty amount and makes the provision less complicated to administer. Under the amendment, a penalty of \$100 is imposed on all household units with income greater than 275 percent of the federal poverty guideline for a family of that size, for which one or more members of the household are uninsured. The penalty increases to \$200 the next year and, after December 31, 1998, the penalty is set at \$400.

The debate, though, centered on the concept of penalizing individuals for not having health insurance. Berglin said that the aim of the penalty, which is a recommendation of the Health Care Commission, is to encourage healthy people to obtain health insurance and thus lower the cost of insurance for everyone.

Sen. Pat Parisseau (IR-Farmington) disagreed with the concept and said, "If we are trying to get people to change behavior we should use incentives rather than punishment." Members of the Health Care Commission testified in support of the provision. Jeff Bangsberg, a member of the commission, said, "The penalty encourages people to take the steps necessary to buy health care insurance so that they don't use taxpayer dollars in the event of a catastrophic illness or accident."

Members voted to adopt the amendment. Sen. Leonard Price (DFL-Woodbury), offered an amendment to delete the provisions relating to the penalty for being uninsured. The amendment was defeated on a voice vote. The bill was then approved and re-referred to the Committee on Finance.

## Transportation and Public Transit

### Bonding projects advanced

The Transportation and Public Transit Finance Division met briefly Weds., Apr. 19, to discuss and advance four bonding requests.

Sen. Keith Langseth (DFL-Glyndon) gave a brief overview of the four projects and the estimated costs. Among the proposals are two bills for bridges. S.F. 966, carried by Langseth, is a comprehensive bill for \$5 million in general obligation bonds for bridge construction throughout the state. S.F. 500, carried by Sen. Sandra Pappas (DFL-St. Paul), is a bill requesting \$3 million in bonds for the Wabasha Street Bridge reconstruction. The division agreed to combine the bills into one \$8 million request.

Also included in the bonding proposals is a \$9 million request for the purchase of a building located in Roseville to be used for the Minnesota Dept. of Transportation (MnDOT) Metro Division headquarters. The request is an emergency, Langseth said, because the building is up for sale now. Purchasing the building will save money for MnDOT, he said.

Sen. Steven Morse (DFL-Dakota) offered as a bonding request, S.F. 696, a bill providing \$630,000 for a second-phase study of high-speed rail service in southeastern Minnesota, Wisconsin and Illinois.

The final bonding proposal is \$194,000 for the first-phase design of a Metro Public Safety Radio System. The division advanced all of the proposals to the Finance Committee.

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# Floor action

## *The Minnesota Senate Week at a Glance*

### **Bills granted concurrence and repassage April 13, 1995**

S.F. 474-Johnson, J.B.: Regulating insurance policy reinstatement. 58-0

S.F. 566-Vickerman: Allows the residential program operated by Independent School District No. 518 to remain open until July 1, 1996. 56-2

S.F. 133-Johnson, D.J.: Authorizes the private sale of tax-forfeited lands in Cook County and authorizes the public auction of land near Chisholm. 57-0

### **Bills granted final passage on Special Orders April 13, 1995**

S.F. 58-Solon: Extends eligibility for certain elective individual paid insurance and benefits. 56-0

H.F. 1063-Solon: Makes statutory provisions concerning public utilities applicable to the city of Duluth and authorizes a demonstration project to develop methods to prevent the infiltration and inflow of storm water into the city's sanitary sewer system. 59-0

S.F. 317-Betzold: Permits cities to close unlawful businesses. 60-0

H.F. 843-Anderson: Requires coverage for hospitalization and anesthesia coverage for dental procedures and requires coverage for general anesthetics and treatment for covered medical conditions rendered by a dentist. 59-1

S.F. 1022-Lessard: Authorizes the public sale of tax-forfeited land in Koochiching County. 59-0

H.F. 344-Finn: Provides for the form and record of assignments; revises the common interest ownership act and changes the application of the curative and validating law for mortgage foreclosures. 58-0

S.F. 704-Belanger: Prohibits zip code rating in homeowner's and automobile insurance. 57-0

### **Bills granted concurrence and repassage April 18, 1995**

S.F. 91-Finn: Provides eligibility for participation as a provider in the state compulsive gambling program. 57-0

S.F. 445-Lesewski: Requires the PCA to permit the operation of a specific waste combustor. 64-2.

### **Bills granted final passage on the Consent Calendar April 18, 1995**

H.F. 1457-Moe, R.D.: Authorizes the commissioner of natural resources to sell acquired state lands located in Becker County. 64-0

### **Bills granted concurrence and repassage April 19, 1995**

S.F. 1209-Betzold: Modifies provisions relating to the Hennepin County medical examiners office. 55-0

### **Bills granted final passage on Special Orders April 18, 1995**

S.F. 1134-Solon: Omnibus financial institutions bill; regulates notices, electronic financial terminals mergers with subsidiaries, the powers and duties of the commissioner of commerce, the powers and duties of institutions, detached facilities and interstate banking. 62-0

S.F. 1151-Spear: Directs the Peace Officer Standards and Training Board to review its minimum standards of conduct every three years, provides for automatic license revocation for peace officers convicted of felonies; requires a model policy regarding professional conduct to be developed. 66-0

S.F. 1044-Berg: Terminates existing tribal-state gaming compacts effective June 30, 1998. Progressed.

# Briefly

The Minnesota Senate Week in Review

April 28, 1995

## K-12 funding bill passed

By a 51-16 margin, the Senate passed a \$5.9 billion K-12 education funding package, Tues. afternoon, Apr. 25.

Deliberations began when the Senate education funding omnibus bill, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), was amended onto H.F. 1000. Pogemiller, while presenting the bill, called it "a major reform bill." Highlighting the changes to the education funding mechanisms, the technology initiatives, and a number of grant programs, Pogemiller said the bill gives school districts more flexibility in the decisions they make.

He said the measure also maintains a commitment to the development of higher educational standards "that are fair and understandable," and continues to support school districts' efforts to reduce class sizes.

Final approval of the omnibus bill did not come easily. After the author presented the bill, more than 20 amendments were offered during more than four hours of deliberations.

## Environment omnibus bill okayed

After several hours of debate, amendments and amendment attempts, the omnibus environment bill was granted final passage by the Senate Fri., Apr. 21.

S.F. 106, sponsored by Sen. Steven Morse (DFL-Dakota), appropriates \$313.9 million to the Dept. of Natural Resources and \$79 million to the Pollution Control Agency (PUC) for the 1996-97 biennium. It includes \$40.9 million for the Office of Environmental Assistance; \$10.3 million for the Minnesota Zoological Board; \$28 million for the Board of Water and Soil Resources; and \$48.5 million to the Dept. of Agriculture. It also appropriates \$32.7 million for Minnesota resources projects; \$85.6 million to the Agricultural Utilization Research Institute; \$332,000 for the Minnesota-Wisconsin Boundary Area Commission; \$120,000 to the Citizen's Council on Voyageurs National Park; \$2.2 million for the Science Museum of Minnesota; \$72,000 for the Minnesota Academy of Science; and \$144,000 for the Minnesota Horticultural Society. S.F. 106 was passed on a 60-5 vote.

## Human services bill passed

With scant discussion and few amendments, the Senate passed the health and human services omnibus appropriations bill, S.F. 1110, Fri., Apr. 21. Chief author, Sen. Don Samuelson (DFL-Brainerd) told members that the Senate increase totals \$63 million less than the governor's proposed increase. "There were hard choices to make, but many of the cuts are actually reductions

to proposed increases, rather than cuts from the budget," he said. The \$5 billion total "is still a 14.5 percent increase," above the previous biennium's budget, Samuelson pointed out. The bill was given final passage, 63-2.

## Jobs omnibus bill approved

The Senate approved its version of the jobs, energy and community development omnibus funding bill during a floor session Thurs., Apr. 20.

S.F. 1670, carried by Sen. Carl Kroening (DFL-Mpls.), appropriates \$365 million for various agencies related to jobs, housing and community development.

Kroening explained the various budgets, including \$51 million in funding for the Dept. of Trade and Economic Development (DTED). The DTED budget covers a \$28.8 million appropriation for business and community development, of which \$6.6 million is designated for contaminated land cleanup, \$4 million for economic recovery grants, and \$2 million for the community resources program. Also included in the DTED budget is \$4.2 million for the Trade Office, and \$16 million for the Tourism Office.

The bill appropriates more than \$102.4 million for the Dept. of Economic Security's Rehabilitation Services, State Services for the Blind, and Community-Based Services. The Housing Finance Agency is allocated over \$68 million for housing rehabilitation, community rehabilitation, affordable rental investment, the tribal Indian housing program, and various other initiatives.

Other major appropriations include \$28 million for the Dept. of Commerce, \$17.8 million to the Dept. of Public Service, and \$37.4 million for the Minnesota Historical Society.

## Higher ed omnibus debated

A bill that changes the funding formula for higher education to be based on outcomes rather than the number of students enrolled at an institution was approved by the full Senate during floor session Mon., Apr. 24.

S.F. 1234, the omnibus higher education funding bill, appropriates \$2.14 billion for the biennium for the state's four higher education systems. The total budget is \$20 million higher than the governor's proposal.

The University of Minnesota was granted the highest appropriation of \$966 million. The Minnesota State Colleges and Universities (MnSCU), made up of nearly 60 campuses of technical colleges, community colleges and state universities, was appropriated almost \$928 million. The Higher Education Coordinating Board

received \$243.7 million and the Mayo Medical Foundation received \$1.65 million.

Sen. LeRoy Stumpf (DFL-Thief River Falls), chief author of the omnibus bill, explained many of the bill's provisions, including the proposal to change the basic higher education funding mechanism. The proposal bases state payment to colleges and universities on the number of degrees, diplomas or certificates handed out to students instead of on student enrollment. The changes, which go into effect in FY 97, force campuses to focus on student preparation and achievement, Stumpf said. The proposal includes a provision that allows students to obtain additional training in their career area at no cost if their employer determines they do not have adequate job skills.

## Crime bill approved

With almost unanimous support, the omnibus crime bill was passed out of the Senate Tues., Apr. 25. Just six members voted against S.F. 1653. Included in the bill are provisions that close two violent juvenile detention centers, establish the Bureau of Criminal Apprehension as a free-standing agency, and decrease funding to the liquor control board.

Chief author Tracy Beckman (DFL-Bricelyn) waved the 105 page measure in front of members and said, "this is an invoice of what's due." The total appropriation of \$865 million is the result of last year's tough crime legislation, he said, "and it is still \$25 million dollars less than the governor's recommendation."

Beckman explained the major changes saying, "we put more money into prevention, and took it out of the institutions." Acknowledging that certain provisions are controversial, Beckman said, "we have to put preventative programs in place if we're ever going to stop the out of control crime spiral we're seeing in Minnesota." He added that funding for crime control is the fastest growing budget in the Legislature.

## State government bill passes

In a move to "get a real handle on state government and what it's doing", Sen. Richard Cohen (DFL-St. Paul) sponsored the state government appropriations bill, S.F. 1678. The bill gained final passage on the floor Mon., Apr. 24. Over \$553 million is appropriated for the operation of administrative state departments, constitutional officers and the Legislature.

The amount appropriated from the general fund, almost \$529 million, is \$15.7 million less than recommended by the governor.

# Committee update

## Education

### Omnibus bill approved

The Education Funding Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) approved an omnibus funding bill on Thurs. afternoon, Apr. 20, that allocates just more than \$5.9 billion in FY 1996 and FY 1997 for K-12 education. The measure, S.F. 944 authored by Pogemiller, was referred to the full Education Committee.

The omnibus funding bill appropriates \$4.4 billion in general education aid for the next biennium. In addition to the aid allocation, another \$171 million is set aside for school transportation programs and \$165 million is allocated for capital expenditures categories. Starting in FY 1997, those three funding categories will be combined and distributed through a single formula.

Also included in the general education program is a \$57.4 million in debt service equalization aid, \$33 million over the next two years to lessen the impact of property tax abatements on districts, and another \$31.7 million for non-public school aid.

An additional \$162 million is wrapped into the general education package to continue to reduce class sizes in grades K-6. The measure maintains the per-pupil general education formula amount at \$3,150 for FY 1996, and increases it to \$3,441 for FY 1997 as a result of combining the general education, transportation and capital expenditure funding programs.

The omnibus bill creates a targeted needs formula by linking the appropriations for special education, integration grants, and the Limited English Proficiency (LEP) program. More than \$387 million is to be allocated through the formula when it takes effect in FY 1997. For the biennium, \$298.6 million is allocated for special education in addition to the appropriations for targeted needs aid. For FY 1996, \$18.8 million is provided for integration grants, and \$8.2 million for the LEP program.

The other appropriations approved by the division include \$27.7 million for Early Childhood Family Education, \$26.3 million for the Assurance of Mastery program, and \$19 million in the Learning Readiness program. Another \$16.7 million is budgeted for Adult Basic Education and \$5.6 million is for Adult Graduation Aid. Another \$13 million is provided to support the school lunch program in the next biennium.

The members approved more than \$35 million in spending for a number of technology initiatives. A \$16.5 appro-

priation is designated to develop regional telecommunications linkages and \$8.1 million is earmarked for technology grants. Another \$6.4 million will be distributed to districts as interactive television levy equalization aid and \$3 million is awarded for the Minnesota Science and Mathematics Foundation to distribute as grants to school districts.

The omnibus bill also includes \$15.6 million for basic grants to libraries. The division approved appropriations of \$44.3 million for the operations of Dept. of Education, \$16.2 million to the Faribault residential academies, and another \$10.5 million to the Center for Arts Education.

### K-12 funding bill advances

The \$5.9 billion education funding omnibus bill was amended and approved, Thurs. evening, Apr. 20, by the Education Committee, co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Sen. Lawrence Pogemiller (DFL-Mpls.). The measure, S.F. 944 sponsored by Pogemiller, was re-referred to the Taxes and Tax Laws Committee.

The lion's share of the funding provided in the bill, \$4.4 billion, is allocated to school districts as general education aid. The aid is distributed using a per-pupil formula and the bill sets the formula allowance at \$3,150 per pupil for FY 1996.

The bill changes the general education funding mechanism for FY 1997, increasing the formula to \$3,440 per pupil by combining and distributing the allocations for general education, transportation and capital expenditures through a single formula. For the biennium, the bill provides \$171 million for school transportation and \$165 million for capital expenditures.

As part of the bill, more than \$398 million is provided for special education programs, \$379 million in FY 1997 for distribution through a new targeted needs formula, and \$123 million for community and family education programs.

The measure also includes \$35.6 million for a number of technology-related initiatives, and \$71 million for education administration costs, including \$44 million to support the Dept. of Education.

The committee approved an amendment offered by Sen. Jane Ranum (DFL-Mpls.), preventing no single school district from receiving more than one-third of the funds under the First Grade Preparedness Grant program. Under the program, Metro-Area school districts will receive funds from taxes assessed on businesses at the International Airport.

The funding is to be used to set up programs that will enable kindergarten students to be prepared for first grade.

Sen. Cal Larson (IR-Fergus Falls) presented an amendment raising the amount a district may receive per teacher under a Teacher Compensation Restructuring Grant program. Under the program, districts may apply for grants if the school board and the teacher's bargaining unit agrees to develop a compensation plan based on performance or non-performance, responsibilities, and other factors including student performance. The amendment, allowing participating districts to receive up to \$800 per teacher as an incentive to participate in the program, was approved.

The members also approved an amendment proposed by Sen. Thomas Neville (IR-Northfield), allowing the New Prague School District to transfer funds from the general fund to the capital expenditure account in FY 1996.

## Family Services

### Commissioner recommended

The appointment of Maria Gomez, commissioner of the Dept. of Human Services, received approval by the Family Services Committee at a hearing Weds., Apr. 26. Chaired by Sen. Pat Piper (DFL-Austin), the committee heard Gomez's initiatives for the department. Gomez outlined the programs, which include improving family support and the health of children, encouraging self-sufficiency for the elderly and disabled, and increasing economic self-sufficiency. The initiatives offer support for Minnesotans to help improve their social and economic conditions, Gomez explained.

Sen. Don Betzold (DFL-Fridley) asked the commissioner whether the publication of names of deadbeat dads, an initiative that met with difficulties earlier in the year, would be better executed in the future. The inattentiveness caused harm to several people, he noted. Gomez explained that human error occurred due to the extremely complicated, fragmented system in the state, and that the department will improve the centralization and evaluation of the program.

## Environment and Natural Resources

### Environment bonding bill okayed

Members of the Environment and Natural Resources Finance Division approved a \$15 million emergency bonding package during a meeting Weds., Apr. 25. Of the total, \$6.47 million was

funding for new initiatives; other proposals had been authorized in previous sessions.

Sen. Steven Morse (DFL-Dakota), division chair, reviewed the eight bonding requests, including a request for \$9.4 million to purchase land surrounding Eagle Creek in Scott County. The proposal, carried in a bill authored by Sen. Terry Johnston (IR-Prior Lake), authorizes the Dept. of Natural Resources to acquire more than 300 acres of property that is targeted for commercial/industrial development.

Several environmental groups requested the state acquisition to protect the trout stream and other unique geological features in the area. According to Johnston, the stream and wetlands areas would be at risk if the land was allowed to be developed. Because the property values have increased in recent years, Johnston said, many of the owners are looking to sell their land.

The division heard testimony from Steve King, the city administrator for the city of Savage, who opposes the proposal. He said the city has been working with a variety of interested parties to come up with an environmental protection plan. State acquisition, King said, would undermine the local plan and greatly limit the city's commercial development, which would bring in \$2.5 million a year in property taxes. He added that he believed there were better uses for the money.

The division eventually agreed to appropriate \$5.25 million for the acquisition of the land within the watershed area.

Other new bonding initiatives are \$1 million for the DNR to development and improvement of fisheries habitat and hatchery rehabilitation, \$103,000 for completion of a seed potato inspection facility in East Grand Forks, \$175,000 for repair of erosion damage to the Cannon Valley Trail, \$750,000 for the city of Red Wing's combined sewer overflow project, and \$200,000 to the DNR for a dam safety and improvement program.

The division approved \$8.5 million that was authorized in 1994 for construction of several environmental learning centers. The division removed \$3 million that was targeted for a non-residential environmental learning center proposed to be built in Fergus Falls.

The division also spent considerable time discussing a request by the Minnesota Science Museum for \$200,000 that was authorized in 1992. The museum was seeking authority to spend the money on plans for the proposed riverfront museum. Sen. Gene Merriam (DFL-Coon Rapids) opposed the request, pointing out that the

museum received \$1 million in 1994 for plans for the new riverfront building. Merriam proposed an amendment to remove the funding but the amendment failed. The division approved the request, contingent upon the 1994 laws regarding the museum project. The bonding package advances to the Finance Committee for further consideration.

## Finance

### Health and Human Services bill

Members of the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), made some changes to the health and human services omnibus bill before sending it to the floor Thurs., Apr. 20. The bill, S.F. 1110, is sponsored by Sen. Don Samuelson (DFL-Brainerd) and includes over 30 initiatives. Changes made under the bill affect the personal care attendant program, the TEFRA (Tax Equity and Fiscal Responsibility Act) program, nursing home reimbursement rates and efficiency incentives, and alternative care services.

The bill appropriates \$76 million to the Dept. of Health for systems development, health protection and management and support services. The bulk of the bill, \$4.8 billion, is allocated to the Dept. of Human Services. The greatest portion of this funding, over \$3.6 billion, is devoted to the health care programs. The programs include long term care facilities and alternative care grants, home care adjustments (PCA), managed care and GJMC grants. Additional allocations include the economic self-sufficiency programs, which include STRIDE, AFDC, work readiness and the child care fund, totaling \$647 million. Other self-sufficiency programs, such as developmental disabilities family support grants and administration, total \$185 million for the biennium.

Committee members reviewed TEFRA program changes. Helen Yates, of the Dept. of Human Services, explained that the program will still serve disabled children at risk of institutionalization, while some others will go into waived services. Yates said that of children not served, 93 percent are covered by private insurance. Samuelson noted that the bill takes a slower approach to study TEFRA issues and evaluate the effect on services.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented an amendment to limit the Dept. of Human Services' general fund appropriations increase to no more than \$500 million from one biennium to another. The cap applies to the 1998-99 biennium budget. The amendment was adopted.

Sen. Richard Cohen (DFL-St. Paul) presented an amendment that increases the license fee for child safety centers to fund the establishment of additional safety centers. The original bill, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), increases the marriage license fee to fund the centers. Cohen said that increasing the marriage license fee is out of context and inappropriate. The amendment failed to gain approval.

### Compensation bill approved

The Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), amended and approved a proposal, Thurs. evening, Apr. 20, ratifying the contracts for state university faculty and other groups of higher education employees.

S.F. 577, sponsored by Sen. Carol Flynn (DFL-Mpls.), ratifies a contract settlement, providing a 2.4 percent salary and benefit increase for about 2,500 faculty members of the State University System. The settlement, which is in effect for FY 1994 and FY 1995, was reached last year. The measure also ratifies contracts reached with groups representing state university and community college administrators, and employees of the State Board of Technical Colleges. Each of the agreements were given interim approval by the members of the Legislative Commission on Employee Relations.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment, freezing the salary levels of those administrators from the State University, Community College and Technical College Systems who are appointed to positions in the Minnesota State College and University System (MnSCU). His amendment also requires those salaries to be frozen until the system's board of trustees assigns the positions to a salary range plan. The amendment was adopted.

An amendment setting the contribution rate for dependents of some technical college employees was presented by Sen. Gary Laidig (IR-Stillwater) and adopted. Sen. Randy Kelly (DFL-St. Paul) sponsored an amendment allowing the Board of Mediation Services to maintain a list of qualified arbitrators. The amendment, which also prevents an arbitrator from requesting that the parties involved in a dispute waive their right for a decision to be reached within 30 days, was adopted. The bill was sent to the Senate floor.

In other business, the committee also approved S.F. 47. Authored by Sen. Don Samuelson (DFL-Brainerd), the bill clarifies state policy on programs administered by the Dept. of Health and the Dept. of Human Services (DHS). Samuelson offered an amendment

# Committee update

eliminating a reimbursement to counties for costs associated with the STRIDE program. The amendment also removes a provision allowing DHS to charge a fee for users of an assistance transaction card. The amendment was adopted. The bill was then approved and sent to the floor.

The higher education omnibus funding bill was also presented. S.F. 1234, authored by Stumpf, allocates more than \$2.1 billion in support of higher education over the next biennium. The measure provides \$966 million for the University of Minnesota, \$927.7 million to the newly-forming MnSCU, and \$243.7 million to the Higher Education Coordinating Board. The bill, Stumpf said, also establishes a new funding mechanism for higher education and requires all public post-secondary institutions to implement a semester scheduling system by the 1998-99 school year. The measure was set aside for continued discussion.

## Funding bills approved

A bill providing funding for higher education and another measure containing allocations for state government were approved, Fri., Apr. 21, by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids). Both bills were sent to the Senate floor.

S.F. 1234, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), appropriates more than \$2.1 billion in support of post-secondary education for the next biennium. The bill provides \$966 million to the University of Minnesota and \$927.7 million to the Minnesota State College and University System (MnSCU), the combined State University, Community College and Technical College Systems.

Another \$243.7 million is appropriated to the Higher Education Coordinating Board (HECB) largely to support state-operated financial aid programs. The bill also establishes a new higher education funding mechanism and requires all public post-secondary institutions to implement a semester scheduling system by the 1998-99 school year.

After some discussion on the role of HECB after the merger occurs, Sen. Steven Morse (DFL-Dakota) moved to shift \$1 million from HECB to MnSCU as part of the new system's instructional costs. The motion was approved, but Sen. Thomas Neville (IR-Northfield) would later move to reconsider the reallocation. Neville's motion was approved. On the second attempt, Morse' motion failed on a 9-9 voted.

Several other amendments were offered. Three amendments presented by Stumpf

were adopted. The first makes a technical correction to the bill and the second amendment requires designates \$50,000 a year from the MnSCU appropriations for the Fond du Lac Community College Center. The third amendment allows the Board of Regents and the MnSCU Board of Trustees to declare a financial emergency if the systems receive less than 95 percent of their anticipated revenues.

An amendment offered by Sen. Randy Kelly (DFL-St. Paul), designating \$500,000 of the biennial appropriations to MnSCU for Metropolitan State University, was not adopted. Another amendment, from Sen. Don Samuelson (DFL-Brainerd), was approved. The Samuelson amendment requires MnSCU to prepare a plan to limit their budget increase requests for FY 1998 and FY 1999 to 90 percent of any forecasted increase.

Sen. Cal Larson (IR-Fergus Falls) also offered an amendment, allowing college and university administrators to meet with faculty outside of the meet and confer process contained in the state's collective bargaining laws. The amendment was approved on a 10-6 vote.

The committee also approved the State Government Omnibus Funding bill. The measure, authored by Sen. Richard Cohen (DFL-St. Paul), appropriates more than \$553 million to several state agencies.

Detailing the allocations, Cohen said the bill provides \$150.3 million in FY 1996 and FY 1997 for the Dept. of Revenue. The department's allocation includes \$1.3 million to finance the sale of revenue bonds that will be used to pay the settlement for the Cambridge bank case.

The bill also includes \$57.5 million for the Dept. of Administration and \$37.7 million for the Dept. of Finance. Another \$97.3 million is appropriated for both bodies of the Legislature and its associated offices. The appropriation for the Office of the Attorney General totals \$46.4 million for the biennium, another \$15.5 million is allocated to the Dept. of Employee Relations, and \$18.8 million is earmarked for the Dept. of Military Affairs. The bill provides more than \$9 million to support public broadcasting and \$14.1 million to the State Arts Board.

Cohen offered an amendment clarifying a reporting provision of the Capitol Area Architectural and Planning Board. The amendment was adopted and the bill was approved.

The members also began consideration of S.F. 1653, the crime prevention omnibus package. The bill, presented by Sen. Tracy Beckman (DFL-Bricelyn), contains \$878.3 million in appropriations

for the operations of the state's correctional institutions, court system and law enforcement agencies.

Beckman said the bill provides \$540.6 million to the Dept. of Corrections for FY 1996 and FY 1997, and of that total, more than \$340 million will support the state's correctional institutions. Another \$188.7 million is appropriated to the state court system in the bill, and a \$28.2 million allocations is given to the Dept. of Public Safety (DPS). Beckman said the measure also separates the Bureau of Criminal Apprehension from the DPS and provides the bureau with a biennial appropriation of \$33.9 million.

The bill provides \$10.6 million to the Dept. of Corrections to reduce the caseload of probation officers. Beckman offered and the committee approved an amendment specifying those funds are to be distributed according to the department's plan. Several other technical amendments were also approved.

An additional amendment, presented by Sen. Jane Ranum (DFL-Mpls.) and adopted, corrects the appropriated amounts for the Dept. of Corrections. The measure was then set aside for further discussion.

## Crime, K-12 bills gain

The crime prevention omnibus bill and the K-12 funding proposal both gained the approval of the Finance Committee, Sat. Apr. 22.

The committee, chaired by Sen. Gene Merriam, approved S.F. 1653, the crime prevention omnibus funding package, and sent it to the Senate floor. Authored by Sen. Tracy Beckman (DFL-Bricelyn), the bill provides \$878.3 million to operate the state's judicial and law enforcement systems in the next biennium.

The bill includes FY 1996 and FY 1997 allocations of \$540.6 million for the Dept. of Corrections, \$188.7 million to the state court system and \$28.2 million for the Dept. of Public Safety (DPS). The measure also separates the Bureau of Criminal Apprehension from the DPS, and provides the bureau with a biennial appropriation of \$33.9 million.

The members adopted an amendment, presented by Sen. Randy Kelly (DFL-St. Paul), containing provisions aimed at combating truancy and creating a safe school environment. The amendment, containing the components of Kelly's bill, S.F. 418, requires that schools notify parents of a child's continuing truant. The proposal also allows the courts to suspend a habitual truant's driving privileges or prevent a truant, under age 16, from receiving a license.

The Kelly amendment also permits districts to adopt a school uniform policy and requires school districts to run criminal background checks on new employees. Another provision requires the Board of Teaching to run background checks before issuing teaching licenses.

The committee also amended and approved S.F. 944, a \$5.9 billion education funding omnibus bill authored by Sen. Lawrence Pogemiller (DFL-Mpls.).

Pogemiller said the measure contains \$4.4 billion in general education aid for FY 1996 and FY 1997. He also discussed the changes in the general education funding mechanism for FY 1997 contained in the bill. Under the proposal, the allocations for general education, transportation and capital expenditures are distributed through a single formula starting in FY 1997. By combining the categories of funding, he said the per-pupil formula will increase to \$3,440. The bill also provides \$171 million for school transportation and \$165 million for capital expenditures over the next biennium.

Pogemiller also presented the targeted needs formula and said more than \$379 million will be distributed through the formula when it takes effect in FY 1997. The measure also provides \$398 million for special education programs and \$123 million for community and family education programs.

S.F. 944 also includes \$35.6 million for a number of technology-related initiatives, and \$71 million for education administration costs, including \$44 million to support the Dept. of Education.

The members adopted an amendment offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), clarifying the membership and duties of the Minnesota Education Telecommunications Council, which is established in the bill. The Stumpf amendment requires the council's membership to include an equal number of representatives from both K-12 and post-secondary education and that the council recommend which groups will receive regional coordination grants.

The committee also discussed the teen pregnancy prevention and male responsibility program included in the bill. Kelly proposed to add another \$500,000 to the \$1 million allocated for the program in the bill. After some discussion, the amendment was adopted. S.F. 944 was approved and sent to the floor.

### **MCTO bonding bill advances**

A measure increasing the Metropolitan Council's bonding authority by \$50 million was amended and approved, Mon. evening, Apr. 24, by the Finance Com-

mittee, chaired by Sen. Gene Merriam (DFL-Coon Rapids).

S.F. 835, sponsored by Sen. Sandra Pappas (DFL-St. Paul), allows the Metropolitan Council to issue up to \$50 million in bonds, in addition to the \$32 million in authority the council now has, to use in replacing transit and paratransit vehicles, facilities and capital equipment. The measure also permits the council to use the bond proceeds for metro mobility capital costs above any other limitations on funding that may be placed in law.

Sen. Terry Johnston (IR-Prior Lake) offered two amendments limiting the council's use of any proceeds from the bond sale. The first amendment prevents the council from using the funds to purchase uniforms and the second amendment prohibits the use of the proceeds for planning, designing or building any phase of the light rail transit project. Both amendments were adopted.

A third amendment presented by Johnston requires 20 percent of the bond proceeds be used to support the transit programs in communities that have opted out of the Met Council's transit operation. Johnston said those communities receive no state or federal funds to support their transit programs and that the amendment would make sure funds for those programs "don't get lost." Pappas argued against the amendment and said the opt out communities currently represent only three percent of the ridership in the Metro Area. The amendment was not adopted.

The measure was approved and referred to the Taxes and Tax Laws Committee.

A number of other bills were also approved by the committee and sent to the Senate floor. S.F. 1078, sponsored by Sen. Dennis Frederickson (IR-New Ulm), changes several of the accounting procedures used by the Dept. of Finance. The bill allows the state treasurer to determine whether to accept gifts to the state that are valued less than \$10,000. The measure also allows agencies to cancel encumbrances for the last fiscal year on Oct. 15, gives agencies the authority to charge interest on past-due accounts, and requires the commissioner of Finance to set the rate of interest to be used. Frederickson offered an amendment making technical corrections to the bill and allowing appropriations for permanent improvements to be used for all or part of a land acquisition or construction project. The amendment was adopted and the bill was approved.

Frederickson also presented S.F. 1310, providing for the development of long-range state spending plans. The measure

requires the Dept. of Finance to annually prepare a four-year plan that specifies expenditure targets for the major areas of the state budget. Under the proposal, the first plan is to be presented to the Legislature by Feb. 16, 1996. The bill was approved.

Members also approved was S.F. 1120, authored by Sen. Charles Berg (DFL-Chokio), creating a special account for Gambling Control Board funds used as reimbursements for testing pull-tab dispensers, and S.F. 1395, introduced by Sen. Roy Terwilliger (IR-Edina), allowing the Dept. of Finance to list state bonds on a stock exchange to facilitate the sale of those bonds on a secondary market.

The members approved H.F. 1008, sponsored by Sen. Sheila Kiscaden. The bill allows the court to require parties seeking a divorce involving children to participate in an orientation program on the proceedings. The measure allows the court to charge participants a fee for the costs of the program.

H.F. 1194 requires a portion of the appropriations to the State Arts Board be distributed through the Regional Arts Council. The bill, carried by Sen. Jane Krentz (DFL-May Township), was approved.

Other bills approved included S.F. 1037, authored by Sen. Florian Chmielewski (DFL-Sturgeon Lake). The measure allows a loggers' workers compensation program to continue after June 30, 1995. S.F. 1127, sponsored by Sen. Gen Olson (IR-Minnetrista) authorizing the sale of state land on Lake Minnetonka for development of lake access was approved.

Sen. Sam Solon (DFL-Duluth) presented H.F. 217, regulating living benefit settlements, was amended and approved. The bill requires brokers of viatical settlement contracts to be licensed. Sen. Gary Laidig (IR-Stillwater) offered an amendment to create a special fund in the Dept. of Commerce for the fees generated by the licensing provisions. The amendment was adopted and the bill was approved.

### **Confirmation reconsidered**

A lengthy and, at times, heated debate occurred, Tues. evening, Apr. 25 when the Finance Committee reconsidered an earlier recommendation that the Senate confirm Laura King as commissioner of finance.

The committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), had recommended King's confirmation to the full Senate earlier this session. The recommendation was returned to the committee, at Merriam's request, to allow the members to discuss the confirmation

# Committee update

in light of recently-announced error in the budget forecasts.

King said revised projections indicate an additional \$91 million in revenue is available for the next biennium. She said the error in the forecast was the result of miscalculations in the state's interest earnings for the next two fiscal years, and that steps are being taken to prevent the error from recurring.

The governor was informed of the error and forecast adjustment, she explained, because "it is attributable to the budget." King said that she felt her responsibilities required she present the information to the governor as an adjustment to the supplemental budget. That adjustment was then announced by the governor on Apr. 11.

Merriam said he did not learn of the adjustment until just before it was announced to the media and expressed concerns on how the information was being used. "I have never had a commissioner pull a stunt like this," he said, "Other commissioners come to me and tell me of problems immediately after they have talked to the governor."

"It wasn't just the fact that a mistake was made," he added. "It would seem the release of this information was done in a way to best suit the governor and least suit the Legislature."

Sen. Phil Riveness (DFL-Bloomington) said, "If there is a point to be made, it's that we have just as much right to be informed simultaneously as the governor."

Sen. Dean Johnson (IR-Willmar) made a motion that the committee recommend King's confirmation. "She has demonstrated much willingness to work with the Legislature," he said. "We have been able to make tough choices with her advice." The motion was set aside for further consideration.

In other business, the committee amended and approved a measure reducing state agency allocations for FY 1995 by \$10.8 million. S.F. 1079, authored by Sen. Dennis Frederickson (IR-New Ulm), was sent to the Senate floor.

The bill reduces the budget for the Dept. of Human Services by \$2 million and the allocations to the Dept. of Corrections by \$2.5 million. The bill also includes an \$820,000 reduction in the Dept. of Natural Resources, \$665,000 from the Legislature, and \$600,000 in reductions by both the Dept. of Revenue and the Dept. of Employee Relations.

Frederickson offered an amendment to provide \$835,000 for FY 1995 to cover legal fees incurred by the Ethical Practices Board, the Board of Architecture, and the

Dept. of Labor and Industry. The amendment was adopted.

S.F. 399, presented by Sen. David Knutson (IR-Burnsville), was also approved and sent to the floor. Under the bill, individuals convicted of driving a snowmobile, all-terrain vehicle or a motorboat while intoxicated may forfeit those vehicles. Knutson said the funds generated from the sale of the vehicles will be deposited into special accounts. Sen. Pat Pier (DFL-Austin) offered an amendment specifying the sale proceeds be placed into Dept. of Natural Resources accounts. The amendment was approved.

A proposal creating a fireworks display operators certification process was also amended and approved. S.F. 1503, sponsored by Sen. Dan Stevens (IR-Mora), requires fireworks display operators to be certified by the State Fire Marshall every four years. An amendment, offered by Sen. Roy Terwilliger (IR-Edina) and adopted by the members, sets a \$100 license fee and appropriates \$14,000 to the Dept. of Public Safety to begin the program.

Sen. Leonard Price (DFL-Woodbury) presented S.F. 273. The bill allows the Dept. of Health and the Pollution Control Agency to license operators of water supply systems and wastewater treatment facilities. Under the proposal, the fees generated by the licenses will be placed in a special account. The bill was approved and sent to the floor.

S.F. 677, authored by Sen. John Marty (DFL-Roseville), was also amended and approved. The bill authorizes the suspension of vehicle registrations in certain circumstances. Under the bill, the Dept. of Public Safety is to attach a card to a vehicle title that may be sent to the department when that title is transferred to another individual. The members adopted Piper's amendment to appropriate \$343,000 to the department for the program.

## Taxes and Tax Laws

### Ed funding bill advances

The Taxes and Tax Laws Committee met Fri., Apr. 21, to consider the tax provisions contained in S.F. 944, the omnibus K-12 education funding bill. The committee, chaired by Sen. Douglas Johnson (DFL-Cook), heard an explanation of the measure and considered several amendments.

Sen. Lawrence Pogemiller (DFL-Mpls.) said that the bill reorganizes the heavily categorical formulas and collapses the many formulas into just three formulas. The general formula contains general

education aid, transportation aid, equalization aid, training and experience aid, secondary vocational education aid, capital and facilities aid and equipment aid. The targeted needs formula, based on the cohort of children, contains special education aid, compensatory aid and desegregation aid. The community and family support formula, based on per pupil, contains community education aid, early childhood and family education aid, learning readiness aid, part H aid and school-to-work aid.

Pogemiller also provided members with computer runs indicating the revenue each district in the state will receive under the bill.

Sen. Linda Runbeck (IR-Circle Pines) offered an amendment to require school district employees to contribute at least ten percent of the premium for individual or dependent hospital, medical or dental insurance coverage. The amendment failed to gain adoption. An amendment, offered by Sen. Gen Olson (IR-Minnestrta), providing grants for four school districts with declining general education revenue also failed to gain approval. An amendment, offered by Sen. Linda Berglin (DFL-Mpls.), requiring training to enable instructors to identify and refer for services children with attention deficit or attention deficit hyperactivity disorders, was adopted. The bill was approved and re-referred to the Committee on Finance.

## Reform proposals heard

Reforming Minnesota's property taxation and education funding systems topped the agenda of the Weds., Apr. 26, meeting of the Taxes and Tax Laws Committee. The committee, chaired by Sen. Douglas Johnson (DFL-Cook), discussed three bills containing three different approaches to systemic change in the current property tax system.

S.F. 1568, authored by Sen. Steven Novak (DFL-New Brighton), cuts major tax rates--income, sales, and property--and provides increased education funding through expansion of the sales tax base. Novak said that the proposal provides for correcting past budget shifts and reestablishes education as the primary budget focus. Under the bill, the sales tax base is expanded to include most consumer services but the sales tax rate is reduced, over time, to 5.5 percent. In addition, the income tax system is modified to require universal filing and greater progressivity. Novak said that the changes to the income tax system provide for credits for low income individuals and keeps the top rate at the current 8.5 percent. The

biggest reforms are in the property tax system, according to Novak. The measure eliminates the current property classification system and establishes a new full market value tax base structure. The bill provides for a freeze or cut in property taxes on homes and farms and specifies that homeowners pay the lesser of the 1995 tax or 1.5 percent of the pay 1996 value. Under the measure, local property taxes would no longer be relied upon for funding K-12 education except for referendum levies and capital levies. The measure also cuts the rate for commercial industrial property taxes.

S.F. 1556 and S.F. 1557, authored by Sen. John Hottinger (DFL-Mankato), also provide for major property tax reform. Under the Hottinger measures, citizens would vote on a constitutional amendment to establish a permanent property taxpayers' trust fund in the state treasury. Under the bill, the fund is to be used solely for property tax relief and would consist of revenues from a sales and use tax of 1.25 percent of the sales tax on all taxable sales. The proposed constitutional amendment would also include a provision authorizing a state tax on property, not to exceed .75 percent, to provide funding for K-12 education. Under the measure, local property taxes would be eliminated. In addition, the measure expands the sales tax to include services. Hottinger said that the bills permanently reduce the reliance on property taxes to pay for schools, reduce tax rate disparities among local taxing jurisdictions and provide better targeting of homeowner relief.

S.F. 1605, authored by Sen. Ember Reichgott Junge (DFL-New Hope), also provides for a constitutional amendment. Under the bill the constitutional amendment would require the state to provide 70 percent of the funding for core educational services. The measure also provides for Aid Distribution Councils to distribute aids among local governments. The measure also provides for a property tax freeze for taxes payable in 1996. According to Reichgott, the philosophy guiding the bill is that the state is obligated to fund core services equitably while local governments and school districts fund non-core services.

All three bills were discussed and laid aside for further consideration.

Members did approve one measure and advance the bill to the full Senate. S.F. 1543, authored by Sen. Lawrence Pogemiller, is the annual bond allocation measure. The bill provides procedures for allocating bonding authority between the small issues pool, the housing pool, and the public facilities pool.

## Thursday, April 20

### Jobs omnibus bill approved

The Senate approved its version of the jobs, energy and community development omnibus funding bill during a floor session Thurs., Apr. 20.

S.F. 1670, carried by Sen. Carl Kroening (DFL-Mpls.), appropriates \$365 million for agencies related to jobs, housing and community development.

Kroening explained the various budgets, including \$51 million in funding for the Dept. of Trade and Economic Development (DTED). The DTED budget covers a \$28.8 million appropriation for business and community development, of which \$6.6 million is designated for contaminated land cleanup, \$4 million for economic recovery grants, and \$2 million for the community resources program. Also included in the DTED budget is \$4.2 million for the Trade Office, and \$16 million for the Tourism Office.

The bill appropriates more than \$102.4 million for the Dept. of Economic Security's Rehabilitation Services, State Services for the Blind, and Community-Based Services. The Housing Finance Agency is allocated over \$68 million for housing rehabilitation, community rehabilitation, affordable rental investment, the tribal Indian housing program, and various other initiatives.

Other major appropriations include \$28 million for the Dept. of Commerce, \$17.8 million to the Dept. of Public Service, and \$37.4 million for the Minnesota Historical Society.

The omnibus bill also includes an appropriations provision for \$7.7 million from the general fund and \$36 million from the workers' compensation fund for several initiatives. Some \$2.5 million goes to the Daedelus computer imaging system, \$90,000 goes toward preventing violence in the workplace, \$408,000 is for labor education and advancement program grants, and \$200,000 covers grants to the Vinland Rehabilitation Center.

Several amendments were added to the bill. The Senate spent some time discussing an amendment, offered by Sen. Arlene Lesewski (IR-Marshall), that removed a provision referred to as the corporate welfare bill.

Lesewski's amendment removed a section of the bill that sets performance standards for large businesses that receive state economic development grants or loans. The provision includes requirements that businesses produce a net job increase or net retention of jobs within two years of receiving state aid, and pay new employees a liveable wage at least equal to poverty-level income for a family

of four. Lesewski said the provision is "completely counterproductive" for businesses trying to be efficient and competitive in a tough market.

Sen. John Hottinger (DFL-Mankato), who sponsored the original bill, opposed the amendment, saying the provision forces businesses to be accountable while receiving taxpayers' money.

After some debate on the matter, the Senate adopted the amendment on a 34-33 roll-call vote.

Hottinger then responded with an amendment requiring businesses that have received economic recovery grants to report campaign contributions of more than \$100 to the Ethical Practices Board. The measure was adopted.

### Environment bill tabled

Senate members spent much of the afternoon session Thurs., Apr. 20, debating amendments to the omnibus environment and natural resources bill before the author, Sen. Steven Morse (DFL-Dakota), tabled the measure.

The bill, S.F. 106, appropriates more than \$534 million for the biennium to a variety of environment-related initiatives and agencies. The bill's allocations include \$312.5 million to the Dept. of Natural Resources, \$78.1 million to the Pollution Control Agency, \$49 million to the Dept. of Agriculture, and \$28 million to the Board of Water and Soil Resources. Nearly \$33 million is appropriated for projects of the Legislative Commission on Minnesota Resources (LCMR).

Morse highlighted some of the bill's policy provisions, including changes to the Ethanol Producer Payments Program. The proposal limits payments to all producers to \$30 million per fiscal year. The bill also replaces the requirement of the Minnesota Zoo to provide two free days a month with a requirement that free passes be distributed to disadvantaged residents. State oversight of the management of county-administered tax-forfeited lands is eliminated, as are state payments in lieu of taxes to counties' tax-forfeited land.

In addition, the bill creates an integrated resource management pilot project in the Dept. of Natural Resources. The project, which uses existing funds, is used for initiatives that use local problem-solving and collaboration. Sen. Roger D. Moe (DFL-Erskine) said that the amendment is a modest approach to addressing local concerns.

Several amendments were added to the bill, including two offered by Sen. Leroy Stumpf (DFL-Thief River Falls). One amendment requires a cost estimate of proposed wastewater projects and the

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impact on local sewer fees. The estimate will help citizens to understand the proposals better, Stumpf said. Morse countered that the amendment "mucks up the process" and is "not well thought out." The amendment was approved by a vote of 33-31. Stumpf's other amendment states that new wastewater regulations cannot be more stringent than federal requirements, unless approved by the Pollution Control Agency. Morse opposed the amendment, stating that it lowers standards and "stoops to the lowest common denominator." The measure was also approved by a vote of 33-31.

Sen. Charles Berg (DFL-Chokio) offered an amendment that states that the water fees paid by a municipality may not increase more than 6 percent over the next two years. In the bill, the payment mechanism is changed from a volume-based system to a load-based one. Morse opposed the amendment, stating that the payment changes in the bill assure that municipalities pay their fair share. The amendment was approved. Due to several other hostile amendments, Morse tabled the bill.

## Friday, April 21

### Human services bill passed

With scant discussion and few amendments, the Senate passed the health and human services omnibus appropriations bill, S.F. 1110, Fri., Apr. 21. Chief author, Sen. Don Samuelson (DFL-Brainerd) told members that the Senate increase totals \$63 million less than the governor's proposed increase. "There were hard choices to make, but many of the cuts are actually reductions to proposed increases, rather than cuts from the budget," he said. The \$5 billion total "is still a 14.5 percent increase," above the previous biennium's budget, Samuelson pointed out.

The measure tightens eligibility criteria for the Tax Equity and Fiscal Responsibility Act (TEFRA), the state's program that provides home care to severely disabled children. It also includes a provision that amends the residency requirements for Minnesota Supplemental Aid (MSA) eligibility, making it consistent with the Supplemental Security Income (SSI) criteria. Furthermore, the bill decreases payments made to pharmacies for prescription drug reimbursement, and changes the funding allocation for counties' sliding fee child care programs.

Sen. Sheila Kiscaden (IR-Rochester) offered an amendment to create "a system to establish a statement of general policy." Kiscaden said that anticipated cuts in the federal budget, coupled with increased

demand for human services, makes long range planning imperative. "We need principles to guide us in the upcoming years," Kiscaden said, "to help us develop an overall plan." The amendment also contained a provision to establish a spending reform council, comprised of appointed members from both bodies.

Several Senators objected to the amendment, including Sen. Linda Berglin (DFL-Mpls.) She asked, "Why develop a council with just a few members from the Senate, when we already have a committee comprised of many?"

Sen. Carl Kroening (DFL-Mpls.) also argued that the amendment "takes away my responsibility as a Senator. My constituents won't stand for it."

The amendment failed, and the bill was given final passage, 63-2.

### Environment omnibus bill okayed

After several hours of debate, amendments and amendment attempts, the omnibus environment bill was granted final passage by the Senate Fri., Apr. 21.

S.F. 106, sponsored by Sen. Steven Morse (DFL-Dakota), appropriates \$313.9 million to the Dept. of Natural Resources and \$79 million to for the Pollution Control Agency (PUC) for the 1996-97 biennium. It includes \$40.9 million for the Office of Environmental Assistance; \$10.3 million for the Minnesota Zoological Board; \$28 million for the Board of Water and Soil Resources; and \$48.5 million to the Dept. of Agriculture. It also appropriates \$32.7 million for Minnesota resources projects; \$85.6 million to the Agricultural Utilization Research Institute; \$332,000 for the Minnesota-Wisconsin Boundary Area Commission; \$120,000 to the Citizen's Council on Voyageurs National Park; \$2.2 million for the Science Museum of Minnesota; \$72,000 for the Minnesota Academy of Science; and \$144,000 for the Minnesota Horticultural Society.

The bill appropriates \$40,000 to the attorney general for the voluntary insurance liability buy-out program; and \$50,000 to the commissioner of public safety for the costs of providing critical habitat license plates. It also provides \$1.44 million for state parks and recreation area acquisition and metropolitan regional parks and trails acquisition.

Programs funded under the bill include acceleration of the county biological survey for collecting information on the distribution and ecology of rare plants, animals, and natural communities (\$900,000); accelerating acquisition of land in North American waterfowl

management plan project areas (\$650,000); and expanding the boundary of the Minnesota Landscape Arboretum (\$650,000).

Also receiving funding are a Metropolitan Council program for capital improvements to the regional park system (\$4.5 million); and a DNR program to accelerate statewide fisheries habitat development and hatchery rehabilitation.

The policy portion of the bill contains several provisions clarifying the authority of the commissioner of agriculture to make loans to local units of government and others who in turn provide loans to landowners and businesses under the agricultural BMP loan program. It sets a production goal of 220 million gallons for the state's ethanol production plants and sets conditions for the state's payments to ethanol producers. The bill also establishes the small business environmental loan program. Under the program, loans may be made for between \$1,000 and \$50,000. The bill establishes the Passing on the Farm Center at Southwest Technical College in Granite Falls, a center for assisting beginning farmers and family farm operations. It also increases the maximum amount of participation by the authority for a loan in the agricultural improvement loan program from \$50,000 to \$100,000.

S.F. 106 abolishes the Harmful Substance Compensation Board and transfers its powers to the PCA. The measure also replaces the current requirement that the Minnesota zoo be open at least two free days per month with the requirement that the zoo distribute free passes equal to ten percent of the average annual attendance to economically disadvantaged residents.

Members approved a motion by Sen. Carol Flynn (DFL-Mpls.), to reconsider an amendment that was adopted the previous day. The amendment, offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), specifies that the PUC must obtain Legislative approval before adopting a water quality standard that is more stringent than required by federal law.

On a 35-31 vote, the Stumpf amendment was again adopted.

The Senators also approved an amendment offered by Morse clarifying that the commissioner of the Public Utilities Commission is required to comply with the bill's requirements to obtain Legislative approval only to the extent that additional funding is provided to perform the additional tasks needed to carry out the bill's mandate.

Members approved an amendment offered by Sen. Steve Dille (IR-Dassel),

specifying that \$10,000 of the bill's \$150,000 appropriation for grants to agriculture information centers may be used for farm safety programs.

An amendment, offered by Sen. Roger Moe (DFL-Erskine) modifies a portion of the bill that funds a pilot project for implementing an integrated, multidisciplinary approach to natural resources management. The amendment specifies that the program must include in the planning process hunting and fishing, outdoor recreation, agricultural, and other interested groups. The amendment was adopted.

Also receiving approval was an amendment offered by Sen. Harold "Skip" Finn (DFL-Cass Lake), providing that fish that are lawfully taken in Canada may be brought into Minnesota and transported within or out of the state. Members failed to approve an amendment offered by Sen. Gary Laidig (IR-Stillwater), prohibiting importation and sale of game fish taken by gillnet in border waters.

An amendment authored by Sen. Ellen Anderson (DFL-St. Paul), adds a requirement to the portion of the bill establishing a task force to examine the point source permitting program in the water quality division. Under the amendment the task force must also report on ways to improve public access to information concerning toxic pollutants in permitted discharges.

The Senate failed to approve an amendment, offered by Dille, removing \$150,000 that the bill earmarks for a community gardening program and adding it to a university-based program aimed at enhancing the productive potential and financial management of the state's dairy farms.

Senators also voted down an amendment offered by Sen. Terry Johnston (IR-Prior Lake), appropriating \$9.4 million from the general fund for acquisition and protection of the Eagle Creek trout stream in the Minnesota River valley.

S.F. 106 was passed on a 60-5 vote.

## Monday, April 24

### Higher ed omnibus debated

A bill that changes the funding formula for higher education to be based on outcomes rather than the number of students enrolled at an institution was approved by the full Senate during floor session Mon., Apr. 24.

S.F. 1234, the omnibus higher education funding bill, appropriates \$2.14 billion for the biennium for the state's four higher education systems. The total budget is \$20 million higher than the governor's proposal.

The University of Minnesota was granted the highest appropriation of \$966 million. The Minnesota State Colleges and Universities (MnSCU), made up of nearly 60 campuses of technical colleges, community colleges and state universities, was appropriated almost \$928 million. The Higher Education Coordinating Board received \$243.7 million and the Mayo Medical Foundation received \$1.65 million.

Sen. LeRoy Stumpf (DFL-Thief River Falls), chief author of the omnibus bill, explained many of the bill's provisions, including the proposal to change the basic higher education funding mechanism. The proposal bases state payment to colleges and universities on the number of degrees, diplomas or certificates handed out to students instead of on student enrollment. The changes, which go into effect in FY 97, force campuses to focus on student preparation and achievement, Stumpf said. The proposal includes a provision that allows students to obtain additional training in their career area at no cost if their employer determines they do not have adequate job skills.

According to Stumpf, a provision requiring high schools to pay for students' remedial courses if they did not achieve a 10th-grade level on college assessments was removed by the committee.

Several provisions of the omnibus bill deal with employee relations. One delineates conditions under which the University of Minnesota and MnSCU boards can lay off employees without notice. Another outlines goals for negotiating labor agreements, including defining a reasonable work week and work year for full-time employees, and reassessing layoff procedures, tuition waivers, and employee transfers and evaluations.

The omnibus also directs all post-secondary institutions to convert to the semester system by the 1998-99 academic year, redefines responsibilities of the Higher Education Coordinating Board, modifies grant and loan programs, and clarifies the authority of technical colleges to acquire and sell property. The final article of the bill deals with the reorganization and recodification of statutes relating to the three higher education systems that will formally unite under MnSCU in July.

Sen. Steven Morse (DFL-Dakota) successfully offered an amendment that shifts approximately \$750,000 a year from the administrative Higher Education Board to MnSCU's instructional activities. The amendment essentially "moves money from bureaucracy to students," Morse said. Since much of the planning for the consolidation of the three systems

of MnSCU is done, he said, the administration does not need as much funding.

Stumpf opposed the amendment, saying the impact of less administration may have negative consequences. The amendment passed on a 35-29 roll-call vote.

The Senate rejected another Morse amendment that would have shifted \$2.5 million a year from the University of Minnesota budget to MnSCU to help the state system deal with the changes of reorganization.

Much discussion centered on an amendment, offered by Sen. Gene Merriam (DFL-Coon Rapids), that would have limited financial grants to a student attending a private college to the award that would be made if that student attended a public college. Merriam said that the public system is subsidizing the private colleges by granting higher financial aid awards students attending private institutions.

But other Senators argued that state costs would increase significantly if students attending private colleges could no longer afford to and began attending public colleges. The dollars the state grants to students attending private schools through financial aid is worth it, they said.

The Merriam amendment failed; however, Sen. Deanna Wiener (DFL-Eagan) successfully offered an amendment as a compromise that deleted much of the section of the bill dealing with the Legislature's authority to set maximum financial aid awards. The provision specifies that maximum awards shall be set for each year by the Legislature.

Two other amendments adopted by the Senate included one offered by Sen. Warren Limmer (IR-Maple Grove) specifying that an intercollegiate sport funded fully or in part with nontuition funds cannot be terminated unless agreed to by a majority of the college's full-time students. Another amendment, successfully offered by Sen. Douglas Johnson (DFL-Cook), directs higher education systems to lay off an equal percentage of management or supervisory positions as support or staff positions if lay-offs are necessary.

### State government bill passes

In a move to "get a real handle on state government and what it's doing", Sen. Richard Cohen (DFL-St. Paul) sponsored the state government appropriations bill, S.F. 1678. The bill gained final passage on the floor Mon., Apr. 24. Over \$553 million is appropriated for the operation of administrative state departments, constitutional officers and the Legislature. The amount appropriated from the

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general fund, almost \$529 million, is \$15.7 million less than recommended by the governor.

Cohen explained that the largest reductions come from not funding systems and infrastructure programs in several departments and the Lawful Gambling Control Board. The bill increases public broadcasting support by over \$1 million for the biennium. He said that Minnesota ranks near the bottom in the nation for per capita funding, and federal changes jeopardize programming, particularly in Greater Minnesota. Cohen said it was "ironic" that, given Minnesota's commitment to community action and the arts, this area is historically underfunded. Sen. Thomas Neville (IR-Northfield) offered an amendment to return the Gambling Control Board base to \$2.08 million to fund computer systems and decrease the funding to the State Arts Board. Sen. Ted Mondale (DFL-St. Louis Park) spoke against the amendment, stating that public arts and broadcasting are investment in children's minds. "Let's make investments in our people that pay off," encouraged Mondale. Neville's amendment failed.

Added to the bill was an amendment authored by Sen. Don Kramer (IR-Brooklyn Center) that forbids related organizations to participate separately in a state charitable funding campaign. The amendment assures clarity and simplicity and does not allow an unfair advantage to federations. Sen. Phil Riveness (DFL-Bloomington) supported the amendment, stating that permitting several federated programs, such as the United Way, to register separately is just "a marketing tool". Opposing the amendment, Ember Reichgott Junge (DFL-New Hope) said that the separation is more responsive to contributors and allows clearer choices as to where donations would go. The amendment was adopted.

## Tuesday, April 25

### Crime bill approved

With almost unanimous support, the omnibus crime bill was passed out of the Senate Tues., Apr. 25. Just six members voted against S.F. 1653. Included in the bill are provisions that close two violent juvenile detention centers, establish the Bureau of Criminal Apprehension as a free-standing agency, and decrease funding to the liquor control board.

Chief author Tracy Beckman (DFL-Bricelyn) waved the 105 page measure in front of members and said, "this is an invoice of what's due." The total appropriation of \$865 million is the result of

last year's tough crime legislation, he said, "and it is still \$25 million dollars less than the governor's recommendation."

Beckman explained the major changes saying, "we put more money into prevention, and took it out of the institutions." Acknowledging that certain provisions are controversial, he said, "we have to put preventative programs in place if we're ever going to stop the out of control crime spiral we're seeing in Minnesota." Beckman added that funding for crime control is the fastest growing budget in the Legislature.

After lengthy debate, Sen. Steve Murphy's (DFL-Red Wing) amendment to retain the juvenile detention centers, one in Red Wing and the other in Sauk Centre, was defeated. Murphy told members that the facilities provide programs that meet special needs. Sen. Joe Bertram, Sr. (DFL-Paynesville) agreed, saying "these institution are recognized nationwide as innovative models."

But Sen. Allan Spear (DFL-Mpls.) pointed to the program's high price tag and low levels of efficacy--recidivism is 70 percent-- saying, "they're not really doing their job." He added that the \$111 dollar per diem rate is one of the highest in the country. "We probably could do this cheaper," Spear said. "Let's look at the alternatives."

An attempt to prevent the separation of the BCA from the Dept. of Public Safety, made by Sen. Thomas Neville (IR-Northfield), failed. Supporters of the separation said that the department is riddled with personnel problems that could be remedied by establishing a free-standing BCA. Neville objected to the action, and added, "it's unlikely that we can create an agency without incurring costs."

Sen. Gary Laidig (IR-Stillwater) agreed. "There are hidden costs in this initiative," he said, "especially those costs associated with computers."

Another Neville amendment, requiring the commissioner to maximize the use of inmate labor by entering into agreements with state and local governments, sparked discussion. Sen. Harold "Skip" Finn (DFL-Cass Lake) objected to the measure, calling it a thinly disguised attempt to replace workers with cheap labor. "Why do we want to take away employment from law-abiding citizens?" Finn asked.

Neville said that the change does not displace or replace anyone who is currently employed, but rather specifies replacing workers as they retire, resign, or

transfer. Finn successfully offered an oral amendment to delete language referring to state and local units of government, before members adopted Neville's amendment, 56-8

Sen. James Metzen's (DFL-South St. Paul) amendment to reinstate funding to the liquor control board prompted debate, but was defeated. A third party is needed to oversee the activities of establishments selling liquor, Metzen said. "Especially in rural Minnesota, it's important to have an outside group do an honest and objective review."

Several senators disagreed with Metzen's amendment. Sen. Gene Merriam (DFL-Coon Rapids) called the board an "anachronism" that should be eliminated completely. "It's a waste of taxpayers money."

The measure also contains \$9 million for the Peace Officer Standards and Training Board, \$2 million for crime victim prevention programs, and funding for judges and additional probation officers.

### K-12 funding bill passed

By a 51-16 margin, the Senate passed a \$5.9 billion K-12 education funding package, Tues. afternoon, Apr. 25.

Deliberations began when the Senate education funding omnibus bill, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), was amended onto H.F. 1000. Pogemiller, while presenting the bill, called it "a major reform bill." Highlighting the changes to the education funding mechanisms, the technology initiatives, and a number of grant programs, Pogemiller said the bill gives school districts more flexibility in the decisions they make.

He said the measure also maintains a commitment to the development of higher educational standards "that are fair and understandable," and continues to support school districts' efforts to reduce class sizes.

Final approval of the omnibus bill did not come easily. After the author presented the bill, more than 20 amendments were offered during more than four hours of deliberations.

The Senate narrowly approved an amendment, offered by Sen. David Knutson (IR-Burnsville), allowing districts with referendum revenue to levy up to \$100 per pupil in 1997. Knutson said the equalization initiatives passed in 1993 reduced the amount of revenue school districts received from referendum levies. He said the amendment provides those districts with the ability to recapture the amounts that were reduced.

But Sen. Steven Morse (DFL-Dakota) argued the amendment will provide a benefit to districts that have an excess referendum levy. "What we're saying is that we're going to bail out the districts that had excess referendum levy," he said, "This is just targeted assistance to those districts."

The amendment was adopted on a roll call vote, 34-33. Sen. Ember Reichgott Junge (DFL-New Hope) would later move the Senate reconsider the amendment, but that motion failed.

An amendment prohibiting educational programs that advocate sexual activity by minors, presented by Sen. Thomas Neuville (IR-Northfield), was adopted after the members approved two additions to the provision.

Sen. Pat Pariseau (IR-Farmington) sponsored an amendment, extending the prohibition to programs that advocate an acceptance of homosexuality as a positive lifestyle alternative. "There are attempts through the [Dept. of Education] to encourage that children accept that idea," Pariseau said. Sen. Florian Chmielewski (DFL-Sturgeon Lake), in sharing his support for the amendment, said, "The public does not want that lifestyle in their schools."

Sen. Allan Spear (DFL-Mpls.) took issue with the assertion that the department was promoting homosexuality. He said the department did produce a guidebook to assist educators in dealing with issues raised by students who are homosexual. "There is nothing in it that is advocating homosexuality as a lifestyle," Spear said, "People don't become homosexuals because someone advocates that they do so." Sen. Linda Berglin argued the amendment was too broad. "If there is some particular activity that the department is doing, then we should eliminate it," she said. The Pariseau amendment to the Neuville provision was adopted, 34-30.

Berglin also proposed to amend the Neuville amendment, specifying that the prohibition does not prevent schools from providing counselling, curriculum or services related to pregnancy and disease prevention, suicide prevention or violence prevention. Berglin's amendment to the Neuville provision was also approved, 44-22.

The members approved another Neuville amendment, by a 55-11 margin, reducing the Dept. of Education's appropriation by \$5 million each year and reallocating the amount to general education aid. He argued the allocations for the department amounts to a significant increase over the previous biennium. "It's only reasonable to roll back the

number of bureaucrats and move that money to serve the children," he said.

Pogemiller said the department's allocation appears larger than in previous years because the bill does not fund particular activities. He said the appropriation is made as a block grant to the commissioner, who will then decide how those funds are spent. "We have cut the department from what they were given last biennium in this bill," Pogemiller said, "It is just vindictive to cut this much more."

Sen. Kenric Scheevel (IR-Preston) proposed an amendment maintaining the amount of the education formula set aside for staff development at two percent. An increase in the formula combined with an increase in the amounts for staff development now required by law, he said, "seems excessive when we're not providing additional revenue for staff development." Pogemiller, who opposed the amendment, said the revenue was important to help "speed us on our way to reform."

The amendment was adopted, 40-26, but Sen. John Hottinger (DFL-Mankato) would later move for reconsideration. The motion to reconsider was approved, 30-24, and the Senate then narrowly rejected the Scheevel amendment, 32-33.

An amendment to remove a First Grade Preparedness Program and its funding mechanism from the bill, offered by Sen. William Belanger (IR-Bloomington), was rejected, 29-34. Belanger said assessing the businesses at the International Airport to support the program is contrary to federal law and that it is a tax increase. Sen. Jane Ranum (DFL-Mpls.) said the airport is the only one in the Metropolitan Area that does not pay city or school taxes and businesses in the surrounding communities are subsidizing those at the airport.

Pogemiller responded to the concerns of some members by offering an amendment to allow districts statewide to participate in the First Grade Preparedness Program. His amendment was approved on a voice vote.

Sen. Sam Solon (DFL-Duluth) moved to eliminate a provision in the bill allowing the consolidating school districts of Greenbush and Middle River to start school before Labor Day. His motion was adopted. An amendment, from Sen. Linda Runbeck (IR-Circle Pines), setting a general statement of policy for funding decisions, was also approved.

A number of other amendments were offered but not approved. Knutson's amendment, preventing the State Board of Education from implementing any new rules until the Legislature gives them the authority to do so, was defeated, 32-34.

On a 30-34 vote, members rejected an amendment, offered by Sen. Sheila Kiscaden (IR-Rochester) to permit districts to hold a tax referendum for capital facilities in the coming year. Kiscaden's amendment, allowing all schools to start classes before Labor Day, also failed on a voice vote.

Pariseau's proposal, allowing for a moment of silence in each public school class at the start of the day, was defeated, 33-34. Scheevel's amendment, repealing the Jan. 15 contract settlement deadline, was also rejected, 19-42.

Narrowly defeated, on a 32-34 vote, was an amendment offered by Sen. Dan Stevens (IR-Mora), giving districts the discretion of not implementing a program that has a statewide cost exceeding \$500,000 unless the Legislature provides reimbursement of those costs. Sen. Don Kramer (IR-Brooklyn Center), offered an amendment, requiring a teen pregnancy prevention initiative to promote no sexual involvement until marriage, that was not adopted on a 29-33 vote.

The Senate also rejected, by voice votes, amendments submitted by Sen. Arlene Lesewski (IR-Marshall) and Sen. Edward Oliver (IR-Deephaven). Lesewski proposed to not repeal current law defining how districts may negotiate certain transportation contracts. The Oliver amendment eliminates a change in the bill's referendum allowance limit.

## Wednesday, April 26

### Child abuse investigation protocol

The Senate devoted the Weds., Apr. 26, floor session to considering bills on Special Orders. Members granted final passage to more than 60 bills during the course of the daylong session. Many of the measures were granted final passage with little or no debate.

The Senate granted final passage to S.F. 342, a bill modifying liability provisions for child abuse investigations, at the Weds., Apr. 26, floor session.

Under the bill, sponsored by Sen. Allan Spear (DFL-Mpls.), persons who are acting in good faith and who follow the information collection protocol established in the bill are immune from civil and criminal liability stemming from the investigation. The protocol outlined in the bill includes face-to-face interviews with the child reported to be maltreated and with the alleged offender. To meet the requirements of the bill, whenever possible, the local welfare agency must make audio tapes of interviews with witnesses and collateral sources and, in cases of alleged sexual abuse, audio-video recordings of interviews with the alleged

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victim and child witnesses. The measure requires the person conducting the investigation to provide a notice within ten days of the conclusion of the investigation to the child's parents, the person determined to be maltreating the child, and, if applicable, the director of the facility involved. The notice must also contain an explanation stating the right of a person who was investigated as part of the inquiry to obtain access to other data collected about them. The bill provides no immunity for committing child abuse or failing to make a required report regarding child abuse. S.F. 342 was passed on a 63-1 vote.

The Senate also granted final approval to S.F. 936, the omnibus liquor bill.

The measure provides that a brew pub owner may hold more than one retail on-sale license, and may manufacture up to 3,500 barrels of malt liquor at each licensed premises. It adds importers to the list of entities that may not be issued a license if a retailer has a direct or indirect interest in the entity. It provides that an owner of a brew-on-premises store, a store that provides the ingredients and equipment for a customer to brew malt liquor at the store, is not considered a brewer, manufacturer, wholesaler, or retailer of intoxicating liquor if the owner complies with provisions set out in the bill and with certain federal regulations relating to home brewers. The measure also requires that a business that directly or indirectly permits consumption or display of alcoholic beverages must have an on-sale license.

The bill also permits the Clay County Board to issue one on-sale liquor license; permits the city of Minneapolis to issue one on-sale wine license; permits the St. Louis County Board to issue one on-sale wine license; and permits the city of Minneapolis to issue an on-sale intoxicating liquor license to the American Association of University Women.

Solon offered an amendment to the bill that eliminates the controversial primary source requirement. The amendment strikes the requirement that liquor be imported directly from the manufacturer to the wholesaler. The amendment also directs the House Research and Senate Counsel and Research departments to study the issue of whether the primary source requirement should be extended to apply to all alcoholic beverages. The amendment was approved.

## Water rights discussed

In other floor action Weds., Apr. 26, members passed H.F. 54, a bill sponsored in the Senate by Sen. Doug Johnson

(DFL-Cook). The bill clarifies the ownership of water rights in the state, stating that waters in areas such as the Boundary Waters Canoe Area and Voyageurs National Park are under state domain. The bill does not reverse any past or present actions, Johnson said, simply maintains the state's water rights.

Sen. Steven Morse (DFL-Dakota) spoke against the bill, saying that it may not be in the best interest of the state to assert property rights in this area. The cost of defending this bill against the federal government is "opening up a can of worms", he said. "We need to rethink the idea of asserting the state's rights in this area and make sure that it makes practical sense," continued Morse. Sen. Tracy Beckman (DFL-Bricelyn) agreed with Morse's objections, and said that the resources, which belong to the entire nation, would be dismantled under the bill. Because the measure hadn't had a proper public hearing and was controversial, Beckman explained, he moved to table the bill. The motion failed. Johnson re-emphasized that the bill is a move to avert changes in federal bureaucracy and decisions, not an attempt to develop the wildernesses. The bill passed by a vote of 44-22.

A bill relating to the petroleum tank release cleanup fund (petro fund) was passed by the Senate. S.F. 507, authored by Sen. Steven Novak (DFL-New Brighton) provides for the payment for a site assessment prior to tank removal and adds requirements for tank monitoring. Sen. Don Samuelson (DFL-Brainerd) offered an amendment specifying the compliance criteria that must be followed by consultants and contractors. It also outlines that a discharge must be cleaned up immediately. The amendment was adopted.

Sen. Pat Pariseau (IR-Farmington) presented an amendment that establishes a cost accounting system for state cleanup reimbursements and an equipment inventory system. The measures will track state dollars and may make the program more cost effective, Pariseau said. Novak opposed the amendment, noting that it requires significant funding, complicates the system, and may not be warranted. The amendment failed by a tie vote of 30-30.

## Fish and game bill tabled

Members tabled an omnibus game and fish bill carried by Sen. Charles Berg (DFL-Chokio) after considerable discussion on an amendment during the Weds., Apr. 26, floor session.

Berg began his presentation of S.F.

1180 explaining that it did not contain controversial language on turtle trapping, hunting doves or trapping great horned owls. Among its provisions are several dealing with the definition and management of harmful exotic species, including increases in some penalties for transporting Eurasian water milfoil or zebra mussels.

Other proposals specify that conservation officers have the same authority and power as licensed peace officers, clarify responsibilities for rehabilitating injured wild animals, and allow people with disabilities to obtain permits to hunt from their vehicles.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment that clarifies the rights of existing shooting range facilities. He explained that as towns and cities develop, residential areas are encroaching on existing shooting ranges. The provision prevents a municipality from changing zoning laws or ordinances in order to force a shooting range to move unless the safety of the public is compromised.

Sen. Jane Krentz (DFL-May Township) and other Senators were concerned the amendment would prohibit municipalities from having any say about how shooting range facilities are run.

After some discussion, Berg agreed to table the bill for further discussion on the amendment.

## Thursday, April 27, 1995

### Tax freeze added, adopted

The proposal to freeze property taxes for 1996 at 1995 levels was offered and once again adopted during action taken on the Senate floor, Thurs. morning, Apr. 27.

Taking up bills placed on Special Orders, the members considered H.F. 603, authored by Sen. Leonard Price (DFL-Woodbury), making technical changes and corrections to the state's tax laws.

Sen. Roger Moe (DFL-Erskine) offered an amendment to freeze all property taxes for those payable in 1996. The language contained in the amendment is identical to other tax freeze proposals approved by the Senate, Moe said. As to why he would offer the amendment again, the Majority Leader said, "This is just another indication that we're sincere [about the freeze]."

He said that while the tax freeze proposal has attracted some negative comments, "it has accomplished something -- it has begun the debate on how we should reform property taxes and education funding."

Once again in urging opposition to the amendment, Sen. Dean Johnson (IR-

Willmar), asked if members were willing to pay a cost for the freeze. "Are you willing to concede that you will need to raise taxes by \$400 million in 1997?" he asked.

Sen. Gary Laidig (IR-Stillwater) said the public wants to know what will happen with tax reform. "It appears [the freeze] is just one-third of the solution," he said. "What the public wants to know is what are the other two-thirds of the solution?"

"I'm not wise enough to know what's going to emerge from this," Moe answered, "That's why we want to engage the business community, local governments and the public in this discussion." The Moe amendment was passed, 36-28.

H.F. 603 was then passed on a 37-28 roll call vote.

In other action, the Senate passed H.F. 1105, authored by Sen. Jane Krentz (DFL-May Township), providing an out-of-court process of determining paternity, on a 58-7 vote.

An amendment, offered by Sen. Bob

Lessard (DFL-Int'l. Falls), allows a father to seek a court order on non-parentage, if he has taken a blood test and the test shows he is not the child's biological parent. Under the amendment, an individual would have up to six months from the time the blood test is taken to seek the court order.

"All we are trying to say is that a father can dissolve a relationship if it is shown that he is not the biological parent," Lessard said. Krentz added her support for the amendment. "The father can only go on faith that a child is his," she said, "It would not be fair to make a person be obligated to support a child if tests show he isn't a parent."

But the amendment raises more than just a matter of support, argued Sen. Jane Ranum (DFL-Mpls.). She said the amendment could destroy the bond between a child and the person who has been the child's parent. "We should stop looking at the law to see what's good for adults and instead see what's in the best interest of the child," she said. "Parent-

hood is more than just blood, it is a bond. The willingness to make that commitment is what being a parent is all about."

On a 49-15 roll call vote, the Lessard amendment was adopted.

### Omnibus bills to conference

Senators completed floor action on all the major elements of the budget during the week. The bills now proceed to conference committees to work out differences with bills passed by the other body. Conference committees will also begin work on numerous other bills that received final passage this week. Because of the difficulty scheduling conference committees, this edition of Briefly does not contain an advance schedule for the week of May 3 - 7. Please call the Senate Hotline at 296-8088 or the Senate Information Office at 296-0504 for schedule information. Schedule information is also updated regularly on the Legislative Gopher, available through the Internet.

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# Floor action

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## Bills granted concurrence and repassage April 20, 1995

S.F. 1144-Flynn: Authorizes the Minneapolis City Council to delegate to the city engineer authority over traffic and parking. 50-0  
S.F. 839-Dille: Modifies pesticide posting requirements and changing pesticide dealer requirements. 49-3

## Bills granted final passage on Special Orders April 20, 1995

S.F. 1670-Kroening: Omnibus jobs, energy and community development funding. 57-8  
S.F. 106-Morse: Omnibus environmental, natural resources and agriculture funding. Temporarily laid on the table.

## Bills granted final passage on Special Orders April 21, 1995

S.F. 1110-Samuelson: Omnibus health and human services funding. 63-2  
S.F. 47-Samuelson: Policy provisions for omnibus health and human services funding. 65-0  
H.F. 853-Betzold: Exempts the national guard and the Dept. of Military Affairs from prohibitions concerning weapons. 65-0  
H.F. 377-Cohen: Extends vehicle forfeiture penalties to include failure to appear at trial for designated driving while intoxicated offenses. 62-2  
H.F. 1468-Belanger: Provides that the governor may declare an inability to discharge duties of the office or may be declared unable to do so and clarifies the transfer of powers. 63-0  
S.F. 1033-Oliver: Makes changes to provisions relating to insurance solvency, regulates disclosures, reinsurance, capital stock, managing general agents and contracts issued on a variable basis. 66-0  
H.F. 821-Murphy: A resolution memorializing Congress to fund the Amtrak system and to enable it to continue to serve Minnesota. 52-10  
H.F. 866-Murphy: Authorizes home rule charter and statutory cities to make grants to nonprofit community food shelves. 64-0  
H.F. 383-Ourada: Clarifies conditions when covering motor vehicles head lamps, tail lamps, or reflectors is unlawful, provides that only trailers required to have brakes are also required to have break-away brakes, requires inspector of commercial motor vehicles to retain reports for at least 14 months and prohibits the covering of a license plate with any material or substance. 63-0  
H.F. 464-Ourada: Limits license plate impoundment provisions to self-propelled motor vehicles. 59-0  
S.F. 435-Kelly: Classifies name changes of protected witnesses as private data and expands the crime of witness tampering. 63-0  
H.F. 1645-Ourada: Specifying kinds of wood for certain exterior construction applications. 62-0  
H.F. 533-Bertram: Authorizing the Paynesville area hospital district to annex the city of Eden Valley to the district. 60-0  
H.F. 1153-Bertram: Authorizes cities, counties, and transit commissions and authorities outside the metropolitan Area to provide paratransit outside their service areas and requires such service to be under contract. 59-0  
H.F. 323-Johnson, J.B.: Makes the landlord the bill payer and customer of record on utility accounts in single-metered multi-unit residential buildings. 55-7  
H.F. 838-Kiscaden: Authorizes Olmsted County to create a nonprofit corporation to own and operate a hospital and medical center. 59-0  
S.F. 106-Morse: Omnibus environment, natural resources and agriculture funding. 60-5

### **Bills granted final passage on Special Orders April 24, 1995**

- S.F. 1234-Stumpf: Omnibus higher education appropriations. 55-6  
S.F. 992-Kiscaden: Reinstates specific advisory councils and a task force. 63-1  
H.F. 702-Stumpf: Allows school authorities to appoint nonpupil adults to school safety patrols. 59-0  
H.F. 273-Runbeck: Allows license plates for collector vehicles to be transferred and reissued. 58-0  
H.F. 901-Runbeck: Requires additional information in drivers education programs, the drivers license examination and the drivers manual regarding the legal and financial consequences of violating DWI-related laws. 58-1  
S.F. 651-Knutson: Increases the age for curfew under countywide curfew ordinances, expands the scope of the dangerous and career offender sentencing law and expands the crimes of second degree murder, criminal sexual conduct in the fifth degree, and harassment and stalking. 59-0  
H.F. 1641-Knutson: Requires a local governmental unit to furnish copies of any ordinances adopted to the county law library. 59-0  
S.F. 870-Hanson: Changes responsibility for administrative and enforcement activities relating to elevator safety. 60-0  
S.F. 720-Laidig: Modifies the appearance of special license plates issued to amateur radio station licensees. 59-0  
H.F. 399-Finn: Secretary of State's housekeeping provisions, regulating filing and related matters and providing for service of process. 60-0  
H.F. 651-Finn: Clarifies and corrects provisions of the Uniform Probate Code, expands authority for safe deposit box searches and provides for granting of power-of-attorney to spouses in certain cases. 58-0  
H.F. 32-Solon: Authorizes retired court administrators to solemnize marriages. 46-10  
H.F. 1399-Solon: Imposes penalties for assaulting a police horse while it is being used for law enforcement purposes. 58-0  
H.F. 529-Reichgott Junge: Makes changes in provisions relating to eminent domain proceedings. 61-0  
S.F. 150-Merriam: Removes specific requirements relating to fish taken in Canada. 62-0  
H.F. 340-Chandler: Regulates the establishment and relocation of motor vehicle dealerships. 61-0  
S.F. 1402-Anderson: Asks state employees to submit suggestions to improve the efficiency and effectiveness of state government. 45-13  
H.F. 990-Anderson: Provides warranties for new assistive devices and provides enforcement procedures. 61-2  
S.F. 1678-Cohen: Omnibus state government appropriations. 41-25

### **Bills granted concurrence and repassage April 24, 1995**

- S.F. 830-Finn: Allows the sale of state forest lands and requires the commissioner of natural resources to convey land to the city of Akeley for public purposes. 66-0

### **Bills granted final passage on Special Orders April 25, 1995**

- S.F. 1653-Beckman: Omnibus crime prevention appropriations. 61-6  
H.F. 1000-Pogemiller: Omnibus education funding. 51-16

### **Conference committee report adoption and repassage April 26, 1995**

- H.F. 487-Morse: Merges two conflicting amendments to the solid waste act. 56-0

### **Bills granted final passage on Special Orders April 26, 1995**

- S.F. 799-Ranum: Clarifies the reasonable person standard for manslaughter in the first degree and clarifies acts that constitute murder in the first degree. 64-0  
H.F. 565-Pappas: Authorizes the Metropolitan Council to operate a federal section 8 housing program within the Metropolitan Area pursuant to joint exercise of powers agreements. 56-0  
S.F. 738-Scheevel: Provides for uniformity with federal food standards. 60-0  
S.F. 135-Neuville: Eliminates the written declaration of intent filing requirement for persons with a master's degree who are seeking licensure as a licensed psychologist. 62-0  
H.F. 266-Reichgott Junge: Authorizes expenditures by a surviving spouse from a dependent child's share of a peace officer's survivor benefits. 64-0  
S.F. 1404-Solon: Regulates reinsurance intermediaries and provides for the investment of funds held by reinsurance intermediaries. 65-0  
S.F. 1092-Neuville: Clarifies duties of the Crime Victim Ombudsman. 64-0  
S.F. 342-Spear: Modifies liability provisions for child abuse investigations, provides for the establishment of protocols for investigations and provides for access to data regarding determinations of maltreatment. 63-1  
H.F. 536-Limmer: Clarifies regulations relating to residential building contractors licensees. 57-0  
H.F. 1132-Solon: Omnibus alcoholic beverages bill. Provides restriction on brewers who have retail on-sale licenses, imposes licensing and permitting requirements and authorizes additional licenses. 59-0  
H.F. 1060-Metzen: Excludes city of South St. Paul data entry and secretarial fire and police department employees from civil service.  
H.F. 1460-Marty: Delays city budget reports to the Legislative Auditor for one month and eliminates certain budget publication requirements. 57-0  
H.F. 813-Berg: Establishes a temporary payment rate for a recently purchased intermediate care facility for persons with mental retardation or related conditions. 58-0  
H.F. 1602-Piper: Establishes provisions for mobile health care providers. 59-0  
S.F. 973-Metzen: Permits users of rental vehicles to benefit from lower price rental periods without losing insurance coverage. 56-0  
H.F. 927-Kiscaden: Eliminates a hearing requirement in certain domestic abuse cases and provides for notices. 57-0  
H.F. 1052-Betzold: Makes changes to the federal lien registration act, imposes duties on filing officers, provides for filing of notices and of certificates of discharge and designates an official index. 50-0  
H.F. 624-Hottinger: Provides a leave of absence for public employees who are candidates for elective office. 52-6  
H.F. 877-Solon: Provides for an insurance premium reduction for private passenger vehicles having anti-theft alarms or devices. 55-2  
H.F. 68-Solon: Requires insurers to offer alternative methods for the payment of group life policy proceeds. 58-1  
H.F. 778-Riveness: Modifies certain asset and income requirements for medical assistance and modifies the verification requirements for Minnesota supplemental aid. 60-0  
H.F. 1402-Belanger: Authorizes issuance of original license plates 20 or more years old to a registered passenger automobile and authorizes the registrar to charge a fee. 60-0  
H.F. 1485-Vickerman: Permits protective agents to perform traffic control duties. 62-0  
H.F. 1011-Neuville: Prohibits the use of radar jamming devices. 63-0

- H.F. 1048-Neuville: Regulates videotape distributions, sales and rentals and requires certain videotapes to contain captioning for deaf or hearing-impaired persons. 60-0
- H.F. 586-Bertram: Authorizes the sale and disposal of unauthorized, abandoned, and junk vehicles by impound lots. 59-1
- S.F. 801-Berglin: Recodifies and modifies provisions relating to lead abatement. Laid on the table.
- H.F. 694-Solon: Modifies county contributions to the sliding fee child care programs. 57-0
- H.F. 331-Berglin: Modifies provisions relating to access to patients and residents. 58-0
- S.F. 708-Lesewski: Raises the interest rate on the shared saving loan program. 58-0
- S.F. 1188-Lesewski: Exempts breast-feeding from indecent exposure laws. 58-0
- S.F. 1199-Belanger: Requires vehicle buyers to notify the registrar of motor vehicles of vehicle transfers within ten days and imposes fees and penalties. 63-0
- H.F. 1159-Kroening: Authorizes municipalities to establish trust or escrow accounts for proceeds from losses arising from fire or explosion of insured real property, authorizes municipalities to utilize escrowed funds to secure, repair, or demolish damaged or destroyed structures. 60-0
- H.F. 1320-Chandler: Establishes a private cause of action for abandonment of hazardous waste. 54-0
- H.F. 1003-Piper: Modifies provisions relating to X-ray operators and inspections and establishes an advisory committee. 57-0
- H.F. 1442-Vickerman: Modifies provisions relating to the office mental health practice, modifies provisions relating to the licensing of chemical dependency counselors and of hearing instrument dispensers and establishes an advisory council. 61-0
- H.F. 1425-Johnson, D.J.: Modifies the terms of payment for tax-forfeited timber. 57-0
- H.F. 1626-Riveness: Prohibits investment of public funds in certain assets. 59-0
- H.F. 733-Lesewski: Modifies provisions relating to high pressure piping installation. 59-0
- H.F. 54-Johnson, D.J.: Directs the governor, attorney general, and other public officers to assert and defend state's jurisdiction over waters and lands managed by the federal government. 44-22
- H.F. 354-Novak: Allows small gas utility franchises an exemption from rate regulation for incidental utility service. 61-0
- S.F. 1051-Frederickson: Requires providers of cellular telephone services to include in the bills a notice explaining the need to give directions when making 911 calls. 56-2
- H.F. 1055-Price: Eliminates the position of board of water and soil resources secretary, increases board members' compensation, specifies duties of advisory committees, specifies rule approval procedures and specifies guidelines for management plans. 58-0
- H.F. 96-Hottinger: Prohibits health plan provisions that grant the health carrier a subrogation right, except where the covered person has been fully compensated from another source. 54-0
- H.F. 1082-Hottinger: Permits optional voting systems for cooperatives that have other cooperatives as members. 55-0
- S.F. 1444-Solon: Provides for the sale of tax-forfeited land in St. Louis County. 56-0
- S.F. 507-Novak: Updates the petroleum tank release cleanup fund, provides for payment for a site assessment prior to tank removal, modifies reimbursement provisions and adds requirements for tank monitoring. 60-0
- H.F. 1018-Laidig: Conforms state regulation of chlorofluorocarbons to federal law. 59-0
- S.F. 243-Wiener: Authorizes the sale of tax-forfeited lands in Dakota County to the city of Eagan. 57-0
- S.F. 1204-Betzold: Regulates rental vehicle insurance coverages, determines when a vehicle is rented, modifies the right to compensation for loss of use of a damaged rented motor vehicle and provides for limits of liability for motor vehicle lessors. 56-1
- S.F. 347-Mondale: Regulates tenant screening practices. 56-0
- S.F. 732-Betzold: Enacts the revised article 8 of the Uniform Commercial Code proposed by the national conference of commissioners on uniform state laws. 55-0
- H.F. 1174-Kramer: Expands the authority of the commissioner of transportation to regulate providers of special transportation service. 55-0
- H.F. 1437-Anderson: Requires meat and poultry processors to provide disclosure to recruited employees regarding working conditions. 50-7
- S.F. 557-Flynn: Authorizes the Legislative Commission on Employee Relations to modify compensation for managerial positions in the higher education board and ratifies certain labor agreements. 58-2
- S.F. 910-Marty: Eliminates the Telecommunication Access for Communication-Impaired Persons Board, creates telecommunication access duties for the Departments of Public Service and Human Services, and specifies the membership of regional service for deaf and hard of hearing advisory committees. 53-1
- H.F. 751-Chandler: Prohibits life insurance agent quotas. 39-21
- S.F. 1120-Berg: Creates a special account for money received by the Gambling Control Board as reimbursement for the costs of testing pull-tab dispensing devices. 55-0
- S.F. 1395-Terwilliger: Authorizes the listing of state obligations or certificates of indebtedness on an exchange to facilitate sale. 54-0
- H.F. 1194-Krentz: Defines and clarifies the relationship between the State Arts Board and the regional arts councils. 54-0
- H.F. 1008-Kiscaden: Authorizes courts to require parties involved in divorce proceedings to participate in orientation and education programs when the proceedings involve children. 56-0
- H.F. 217-Solon: Regulates living benefits settlements, adopts the National Association of Insurance Commissions viatical settlements model act, and prescribes powers and duties. 59-0
- S.F. 1180-Berg: Makes numerous changes to laws relating to off-highway motorcycles, all-terrain vehicles, reciprocal agreements, migratory game birds, fish house identification, fish taken in Canada, exotic species, powers of enforcement officers and collector snowmobiles. Laid on the table.

### Bills granted final passage on Special Orders morning session April 27, 1995

- S.F. 258-Piper: Provides for the registration of physician assistants by the Board of Medical Practice, provides for rulesmaking and provides penalties. 55-4
- H.F. 1709-Oliver: Authorizes certain bid specifications for playground equipment for the city of Chanhassen on an experimental basis. 60-1
- S.F. 1037-Chmielewski: Repeals the sunset of the targeted industry fund for loggers. 61-0
- H.F. 244-Lesewski: Establishes the governor's workforce development council to replace three other councils. 63-0
- H.F. 1105-Krentz: Eliminates a presumption for husbands in certain paternity procedures, allows husbands to join in recognition of parentage and changes the time limitation for bringing a law suit to declare the nonexistence of the parent and child relationship in cases where the parents have executed a declaration or recognition of parentage. 58-7
- H.F. 1207-Murphy: Increases the maximum length of combinations of vehicles from 65-70 feet. Laid on the table.
- H.F. 365-Chandler: Regulates priorities of insurance coverage for taxis. 34-31
- S.F. 273-Price: Provides for the classification of water supply systems and wastewater treatment facilities, and provides for certification of operators by the Dept. of Health and the pollution Control Agency. 62-0
- H.F. 603-Price: Makes technical and administrative changes, corrections, and clarifications in laws relating to taxation, and provides for a property tax freeze. 37-28

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## Minnesota Senate 1995

Party	Phone	Name	Room	Dist.					
DFL	5537	Anderson, Ellen R.	G-27	Cap. 66	DFL	5645	Marty, John	G-9	Cap. 54
DFL	5713	Beckman, Tracy L.	306	Cap. 26	DFL	4154	Merriam, Gene	122	Cap. 49
IR	5975	Belanger, William V., Jr.	113	SOB 41	DFL	4370	Metzen, James P.	303	Cap. 39
DFL	5094	Berg, Charles A.	328	Cap. 13	DFL	2577	Moe, Roger D.	208	Cap. 2
DFL	4261	Berglin, Linda	G-9	Cap. 61	DFL	7-8065	Mondale, Ted A.	226	Cap. 44
DFL	2084	Bertram, Joe, Sr.	323	Cap. 14	DFL	5649	Morse, Steven	G-24	Cap. 32
DFL	2556	Betzold, Don	G-24	Cap. 48	DFL	4264	Murphy, Steve L.	301	Cap. 29
DFL	9307	Chandler, Kevin M.	111	Cap. 55	IR	1279	Neuville, Thomas M.	123	SOB 25
DFL	4182	Chmielewski, Florian	325	Cap. 8	DFL	4334	Novak, Steven G.	322	Cap. 52
DFL	5931	Cohen, Richard J.	317	Cap. 64	IR	4837	Oliver, Edward C.	121	SOB 43
IR	9457	Day, Dick	105	SOB 28	IR	1282	Olson, Gen	119	SOB 34
IR	4131	Dille, Steve	103	SOB 20	IR	5981	Ourada, Mark	145	SOB 19
DFL	6128	Finn, Harold R. "Skip"	306	Cap. 4	DFL	1802	Pappas, Sandra L.	G-27	Cap. 65
DFL	4274	Flynn, Carol	G-29	Cap. 62	IR	5252	Pariseau, Pat	109	SOB 37
IR	8138	Frederickson, Dennis R.	139	SOB 23	DFL	9248	Piper, Pat	G-9	Cap. 27
DFL	3219	Hanson, Paula E.	328	Cap. 50	DFL	7809	Pogemiller, Lawrence J.	235	Cap. 59
DFL	6153	Hottinger, John C.	G-29	Cap. 24	DFL	7-8060	Price, Leonard R.	235	Cap. 57
DFL	8017	Janezich, Jerry R.	328	Cap. 5	DFL	7-8061	Ranum, Jane B.	325	Cap. 63
IR	3826	Johnson, Dean E.	147	SOB 15	DFL	2889	Reichgott Junge, Ember D.	205	Cap. 46
DFL	8881	Johnson, Douglas J.	205	Cap. 6	DFL	7-8062	Riveness, Phil J.	317	Cap. 40
DFL	5419	Johnson, Janet B.	322	Cap. 18	IR	4314	Robertson, Martha R.	125	SOB 45
IR	4123	Johnston, Terry D.	117	SOB 35	IR	1253	Runbeck, Linda	107	SOB 53
DFL	5285	Kelly, Randy C.	122	Cap. 67	DFL	7-8063	Sams, Dallas C.	G-9	Cap. 11
IR	4848	Kiscaden, Sheila M.	143	SOB 30	DFL	4875	Samuelson, Don	124	Cap. 12
IR	6455	Kleis, Dave	151	SOB 16	IR	3903	Scheevel, Kenric J.	129	SOB 31
IR	4120	Knutson, David L.	133	SOB 36	DFL	4188	Solon, Sam G.	303	Cap. 7
IR	8869	Kramer, Don L.	131	SOB 47	DFL	4191	Spear, Allan H.	G-27	Cap. 60
DFL	7061	Krentz, Jane	235	Cap. 51	IR	8075	Stevens, Dan	127	SOB 17
DFL	4302	Kroening, Carl W.	124	Cap. 58	DFL	8660	Stumpf, LeRoy A.	G-24	Cap. 1
IR	4351	Laidig, Gary W.	141	SOB 56	IR	6238	Terwilliger, Roy W.	115	SOB 42
DFL	3205	Langseth, Keith	G-24	Cap. 9	DFL	5650	Vickerman, Jim	226	Cap. 22
IR	5655	Larson, Cal	153	SOB 10	DFL	7-8073	Wiener, Deanna	303	Cap. 38
IR	4125	Lesewski, Arlene J.	135	SOB 21		6511	DFL Senators' Fax		
DFL	4136	Lessard, Bob	111	Cap. 3		9441	IR Senators' Fax		
IR	2159	Limmer, Warren	132D	SOB 33		0250	TDD number		
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# Briefly

The Minnesota Senate Week in Review

May 5, 1995

## Bonding bill approved

A \$37.8 million emergency capital budget bill was assembled and approved Weds., May 3, by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids). The measure, to be introduced as a committee bill, was sent to the Senate floor.

Merriam presented a draft of the capital budget proposal, authorizing the sale of \$12.8 million in bonds for capital projects. He said the projects contained in the proposal are either emergency needs or respond to "windows of opportunity" for particular projects.

The proposal includes an allocation of \$5.2 million to the Dept. of Natural Resources for acquisition of the land around Eagle Creek in Scott County. Merriam said the land acquisition proposal will preserve the last remaining natural trout stream in the Metro Area.

Among the other projects provided in the measure is a \$3 million appropriation to the Dept. of Transportation for repair of the Wabasha Street bridge in St. Paul and another \$2 million for renovation of office space in the State Capitol. Additional bond allocations, ranging in size from just over \$100,000 to \$700,000, are provided to complete projects authorized in previous capital budget bills.

The total appropriations in the bill grew in size as members considered a number of amendments to the proposal.

Sen. Thomas Neuville (IR-Northfield) offered an amendment to awarded a \$9.7 million maximum effort school loan to the Big Lake School District. Sen. Mark Ourada (IR-Buffalo), in presenting the request, said the district's loan request has been presented to the Legislature in each of the last three years.

Even though the district has built the school that was proposed when their loan request was first submitted, Ourada said the need for the loan remains. Joined by Big Lake school officials, he explained that a balloon payment on the short-term loan used to finance the construction of a new school will be due this fall. The maximum effort allocation, Ourada said, would permit the district to repay the short-term loans while refinancing the new school.

Merriam said he said the proposal raised two issues. The first issue was whether the request requires legislative action. The second issue, he said, is whether the members should feel encumbered by recommendations made in previous years. The committee agreed with Ourada's arguments and adopted the Neuville amendment.

The members also adopted another maximum effort loan request, presented by Sen. Tracy Beckman (DFL-Bricelyn). The amendment authorizes a \$6.9 million loan to the Kelliher School District for the construction of a new school.

The appropriation to the Dept. of Transportation included \$500,000 for bridge work in addition to the Wabasha Bridge project, and Sen. Keith Langseth (DFL-Glyndon) proposed increasing that amount to \$5 million. He said the funding would help the department respond to additional bridge repair projects, and his motion was adopted.

Sen. Cal Larson (IR-Fergus Falls) sponsored an amendment to provide the City of Parkers Prairie with a \$1 million grant. The funds will be used to replace the buildings damaged by a propane gas explosion earlier this year. The amendment was approved.

An amendment, providing \$900,000 for the purchase of land adjacent to the Metropolitan State University campus in St. Paul, was offered by Sen. Randy Kelly (DFL-St. Paul) and also approved.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented an amendment, removing one parcel from the Eagle Creek land acquisition proposal and reducing the total allocation to \$2 million. Officials from the City of Savage testified in favor of the proposal, arguing that the public acquisition will remove land from the tax rolls. Sen. Terry Johnston, author of the original proposal, opposed the amendment, saying it would go against a compromise that was reached by all the concerned parties. The amendment was rejected.

A number of other amendments, clarifying provisions contained in the 1994 capital budget bill, were also adopted before the measure was approved.

In other business, the members approved a bill providing for increases in the state's tort liability limits. S.F. 230, authored by Kelly, raises the amount an individual can receive from a claim against the state or a local unit of governments to \$300,000. The maximum award for any number of claims stemming from a single incident is set at \$750,000 after Jan. 1, 1996, and that limit is increased to \$1 million on Jan. 1, 2000. The measure now goes to the Senate floor.

A bill creating the Metropolitan Livable Communities Fund was amended and approved. Under S.F. 1019, presented by Sen. Ted Mondale (DFL-St. Louis Park), the fund is created by reallocating the levy authority held by the Metropolitan Mosquito Control Commission. The funds

generated through that reallocated levy will be used to support development of low-income housing in the Metro Area.

The panel adopted an amendment, offered by Sen. Dennis Frederickson (IR-New Ulm), establishing an Economic Vitality and Housing Initiative. Under the initiative, the Housing Finance Agency will provide funds for affordable housing projects that are linked to local communities' economic development efforts in both the Metro Area and in Greater Minnesota. The measure now goes to the floor.

Frederickson also presented S.F. 875, increasing the amount of bonds that may be sold by the Public Finance Authority from \$350 million to \$450 million. He also offered an amendment excluding bonds sold to finance refunds on previous-sold bonds from the limit. The amendment was adopted and the bill was approved. The measure was sent to the floor.

S.F. 1562, authored by Sen. Roy Terwilliger (IR-Edina), was also approved by the committee. Under the measure, once the sale of state bonds is authorized, those bonds must be sold within seven years. If they are not sold within that period of time, the authorization expires.

## U of M Regents chosen

The Senate met in a joint session with the House of Representatives to vote on candidates for four six-year seats on the University of Minnesota Board of Regents. Warren Larson of Bagley and Patricia Brandt Spence of Willmar were chosen for the two at-large positions at the Weds., May 3, session.

Incumbent and Board Chair Jean Keffeler was selected for the Fifth Congressional District seat. Jessica Phillips, a student at the University of Minnesota-Morris, was chosen for the Student At-large seat on the board.

Both Keffeler and Phillips were nominated by the Senate and House Education Committees earlier in the week. The joint committee had nominated Spence and Richard McNamara of Edina for the two at-large positions.

Spence received the most votes with 121 out of 200. Larson received 102 votes and McNamara received 100.

## Frequently called numbers

Senate Information	296-0504
TDD	296-0250
Committee hotline	296-8088

# Committee update

## Crime Prevention

### Parkers Prairie emergency

Members of the Crime Prevention Finance Division met Tues., May 2, to consider an emergency bonding request for Parkers Prairie. The city suffered millions of dollars in damages from an explosion caused by vandalism and is seeking state help to replace some of the city's buildings.

Sen. Cal Larson (IR-Fergus Falls), carrying the request in S.F. 1676, outlined some of the city's needs, including replacement of the fire hall, the city hall, and possibly the water tower. A total of 13 buildings have been razed since the Apr. 2 incident. All of the city's fire equipment and trucks were destroyed. No one was injured in the blast.

Gary Anderson, mayor of Parkers Prairie, described the incident as overwhelming for the city of 900 residents. He said that despite help from neighboring communities and other cities across the country, the city cannot rebuild itself on its own.

John Molinaro of the West Central Initiative Organization, which is helping the businesses rebuild with low-interest loans, also testified at the meeting. Molinaro said the city's insurance was not enough to cover replacement of the buildings; mainly because of their age, coverage was for the buildings' market value only. The fire equipment also was "grossly under-insured" because much of it was used or rebuilt, he said.

Judy Rude of the Dept. of Public Safety Emergency Management Division said the city also does not qualify for federal disaster assistance. The definitions of disaster have changed, she said, and the community needs to show it has exhausted state resources as well as its own.

Molinaro said if the state would help the city through emergency bonding the total would be \$1.2 million, which includes \$310,000 for the fire hall replacement, \$40,000 for land acquisition, \$250,000 for the water tower, and \$540,000 for the city hall.

Larson said the request is unique but reminded the division that the state helped two high schools after they had suffered severe damage from vandals.

After minimal discussion, the division passed the request to the full Finance Committee for consideration with the bonding bill.

## Education

### Regents nominated

Four candidates were nominated for positions on the Board of Regents of the University of Minnesota at a joint meeting of the Senate and House Education Committees, Mon. evening, May 1. The recommendations will be placed before legislators when they meet in joint session May 3.

Jean Keffeler, the current chair of the Board of Regents and the only incumbent seeking reappointment to the board, won the committee's nomination for the Fifth

Congressional District seat. Members selected Keffeler on the first ballot over Michael Vekich.

Jessica Phillips, a student at the University of Minnesota-Morris, was nominated by the committee for the Student At-Large seat on the board. Cecil Smith, a student at the Minneapolis campus, was also considered for the seat.

Two other At-Large positions were open and the members nominated Richard McNamara of Edina and Patricia Brandt Spence of Willmar for those posts. McNamara won the nomination on the first ballot while Spence received the second endorsement on the fourth ballot.

Also considered for the At-Large seats were Warren Larson of Bagley, Emily Staples Tuttle from Wayzata and Bilone Whiting Young of St. Paul.

## Finance

### MinnesotaCare bill amended

A \$270 million appropriation was added, but the penalties for not carrying health insurance were removed, when the Finance Committee took up a MinnesotaCare program bill on Thurs. evening, Apr. 27.

The committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), also recommended the confirmation of Laura King as Commissioner of Finance and approved two bills, both of which require state agencies to refund license fees if the licenses are not issued within six weeks.

S.F. 845, presented to the members by its authors, Sen. Linda Berglin (DFL-Mpls.) and Sen. Sheila Kiscaden (IR-Rochester), modifies a number of provisions of the MinnesotaCare program. The measure expands the eligibility requirements, to include individuals from households without children and who are below 150 percent of the federal poverty level.

The bill also establishes a prescription drug benefits program for low-income Medicare beneficiaries and a program to help senior citizens receive reasonably-priced prescriptions. As an incentive to get insurance, the bill allows the Dept. of Health to issue a \$100 fine to individuals for failing to buy health insurance. The proposal also raises the fine to \$200 in FY 1998 and \$400 in FY 1999.

The members adopted an amendment, offered by Sen. Pat Piper (DFL-Austin), to appropriate \$89.9 million in FY 1996 and \$156.2 million for FY 1997 from the Health Care Access Fund (HCAF) to the Dept. of Human Services for MinnesotaCare. Another \$13.9 million is allocated over the biennium to the Dept. of Health from the HCAF and a special revenue fund to support integrated service networks.

The amendment also includes biennial appropriations of \$4.7 million to the University of Minnesota for rural and primary care physician programs, \$2.7 million to the Dept. of Revenue to monitor the provider tax, \$1.7 million to the Higher Education Coordinating Board for a loan forgiveness program.

Sen. Roy Terwilliger (IR-Edina) pre-

sented an amendment reducing the eligibility level for households without children to 125 percent of the poverty level. He maintained that expanding the eligibility may force MinnesotaCare into a deficit over the next biennium. "The law requires the program stay in the black," he said, "It is irresponsible to raise the expectations of those who would qualify when the funds may not be there."

But Sen. Tracy Beckman (DFL-Bricelyn) raised a concern that the amendment could have an impact on other funds in the state budget. "Couldn't the costs for caring for those individuals show up elsewhere in the budget if they end up on Medical Assistance?" he asked. The committee rejected the amendment.

Another amendment, also offered by Terwilliger, eliminates the penalty on individuals who can afford, but do not buy, health insurance. He argued that the state should not be requiring people to buy insurance. But both Berglin and Kiscaden disagreed. "We're trying to make the world a more responsible one by encouraging [those who could be penalized] to do the right thing," said Berglin. "If we are saying that a person has a right to health insurance," Kiscaden added, "then we are also saying they have a responsibility to obtain insurance." On a roll call vote, the amendment was adopted, 9-7.

Members also adopted an amendment, offered by Sen. Phil Riveness (DFL-Bloomington), requiring third party regulators to itemize the charges being billed. He said the amendment will provide information that companies were not otherwise receiving. But Berglin opposed the provision, saying it would add administrative costs.

S.F. 845 was approved and sent to the Senate floor.

For the second time this session, the committee recommended the Senate confirm the appointment of Laura King as Commissioner of Finance.

King's appointment was reconsidered earlier in the week as the panel discussed an adjustment to the revenue forecast for the coming biennium. On Apr. 11, the governor announced an \$91 million upward adjustment in the forecast. Members had questioned King about the cause for that adjustment and how information on that adjustment was released.

Merriam apologized to King for "some intemperate remarks" and King, in turn, told the committee "had I to do it over again, I would do several things differently." She said that she remains "absolutely" committed to maintaining the accuracy and quality of the forecast and budget figures. "I intend to continue to carry out my responsibilities in good faith," she said. Sen. Dean Johnson (IR-Willmar) moved the committee recommend King be confirmed as commissioner, and the members voted to place the recommendation before the full Senate.

Members also approved two measures requiring applicants for state licenses to receive a refund of their fees if those

licenses are not issued within six weeks.

Under S.F. 537, the Dept. of Public Safety has six weeks to issue driver's licenses. S.F. 538, requires other state agencies to issue their licenses within six weeks. Sen. Steve Murphy (DFL-Red Wing), author of both measures, said they are the state's money-back guarantee to its residents.

The members adopted two amendments to S.F. 538, offered by Sen. Phil Riveness (DFL-Bloomington). The first exempts licenses that are processed according to a timetable prescribed in law. The second amendment exempts licenses that require an inspection of an open body of water before approval.

A third amendment to S.F. 538, represented by Sen. Steven Morse (DFL-Dakota), was also adopted. In the amendment, an agency issuing a refund must still issue a license. Both measures were approved and sent to the Senate floor.

Several other bills were approved and sent to the Senate floor. The committee amended and approved S.F. 579, a measure providing for additional regulation of small charitable organizations.

The panel adopted an amendment, sponsored by Sen. Randy Kelly (DFL-St. Paul), appropriating \$150,000 in FY 1996 and FY 1997 to the Office of the Attorney General, which is responsible for oversight of charitable organizations.

H. F. 1037, sponsored by Sen. Don Betzold (DFL-Fridley), gives the Dept. of Health the authority to adopt rules on the maintenance, design and installation of public swimming pools. The bill also allows the department to prepare rules on fee collections. Sen. Terry Johnston (IR-Prior Lake) presented an amendment permitting the department to collect fees every two years instead of on an annual basis. The amendment was adopted and the bill was approved.

Amendments to the state's Data Practices Act, contained in S.F. 1279, were presented to the committee by Sen. Harold "Skip" Finn (DFL-Cass Lake). The Senators, on a motion by Beckman, removed provisions requiring appropriations and approved the bill.

Two other environmental bills were given the committee's approval. S.F. 462, authored by Sen. Janet Johnson (DFL-North Branch), provides a cost-sharing program for the clean-up of motor vehicle salvage yards. The bill also requires the Pollution Control Agency to collect and dispose of mercury switches taken from motor vehicles.

S.F. 1362, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls) and presented to the committee by Morse, enacts the recommendations of the Forestry Generic Environmental Impact Statement Roundtable. The sustainable agriculture programs in the bill, said Morse, are funded by appropriations provided in the previously-adopted environmental and natural resources omnibus funding bill.

### Workers comp bill approved

A proposal modifying the state's workers compensation program was amended and

approved, Fri., Apr. 28, by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids). The measure, S.F. 1020, was sent to the Senate floor.

The workers compensation proposal "will end a lot of the debate that has saturated us for a decade," said Sen. Steven Novak (DFL-New Brighton), the bill's author. He said the measure provides litigation reform, eliminates the two-tier compensation system, and strengthens fraud prevention. The measure also begins compressing the costs of workers compensation, "but we're not doing it exclusively in benefits," Novak said.

Sen. Don Samuelson (DFL-Brainerd) offered an amendment adding appropriations to the measure. The amendment includes biennial allocations of \$2.18 million from a special compensation fund to the Dept. of Commerce. Novak said the appropriation will be used to support a system of prior approval managed by the department.

Another \$300,000 for the biennium is earmarked to support a Small Business Workers Compensation Safety Pilot Project. An additional appropriation of \$210,000 is given to the Attorney General's Office for fraud prevention activities and \$200,000 is awarded for a Small Business Injury and Illness Prevention Survey to be conducted by the University of Minnesota. The Dept. of Labor and Industry also receives a \$287,000 appropriation to support its responsibilities under the bill. The amendment was adopted and S.F. 1020 was approved.

A second bill authored by Novak was laid over for further discussion. S.F. 1186 modifies the eligibility requirements for programs managed by the Housing Finance Agency. The bill changes the age limits for participation in the family homeless prevention and assistance program.

The bill also adjusts the income level required for participation in the rental housing program. Families will be eligible for the program if their income is 80 percent of the state median income level. Under the new requirement, Tonja Orr of the Housing Finance Agency said about 13,000 families will be eligible for the program. Novak said the allocations to support the program are included in a previously-adopted community development omnibus bill.

While S.F. 1186 does not include any additional appropriations for the program, Merriam raised concerns about the costs associated with the change. "These are the kinds of changes that drive social services costs," he said. The measure was set aside until the fiscal impacts could be determined.

A proposal exempting late-model automobiles from the Metropolitan Area auto emissions testing program was amended and adopted. H.F. 2, sponsored by Sen. James Metzen (DFL-South St. Paul), exempts vehicles for up to five years after their model year from the emissions testing program. Metzen said the bill will exempt more than 400,000 Metro Area vehicles from the testing requirement when the

measure takes effect on Aug. 1. "Some would like to eliminate the program all together," said Metzen, "but I think this is a reasonable compromise."

Sen. Steven Morse (DFL-Dakota) offered two amendments to the bill that the committee adopted. The first amendment calls on the Pollution Control Agency to ensure that by July 1, 1998, the Metro Area is in compliance with the Clean Air Act. The amendment also requires the agency to recommend if the emissions program should continue once compliance is achieved. The second amendment clarifies that a vehicle need not be inspected until its registration five years after the vehicles' model year.

H.F. 2 was approved and sent to the Senate floor.

Also approved was S.F. 1089, authored by Sen. Arlene Lesewski (IR-Marshall), exempting certain highways, freeways and expressways from noise limits. The measure also requires the Dept. of Transportation to conduct a noise abatement study, contingent on the availability of funds, and allows the fines handed out for speeding in a construction zone to be deposited in the trunk highway fund. Sen. Pat Piper (DFL-Austin) sponsored an amendment allowing the fines to continue to be placed in the general fund. The amendment was adopted and the bill was approved. S.F. 1089 was sent to the floor for further consideration.

Sen. John Marty (DFL-Roseville) presented S.F. 339 to the committee. The measure requires the Board of Ethical Practices to provide advisory opinions to local governments on their conformance to the state's ethics laws. After discussing the financial impact of the proposal, the bill was approved and sent to the floor.

### Several bills advance

The Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), approved several bills at its Sat., Apr. 29 meeting. The first of two bills carried by Sen. Ted Mondale (DFL-St. Louis Park), S.F. 467, was approved and re-referred to the Taxes and Tax Laws Committee. The measure provides for coordination and consolidation of public safety radio communications system.

"This will create an infrastructure, a shared backbone system that will enable communities to talk to one another," Mondale said. With increasing demand, and just 90 channels left in the Twin Cities, he added "this is really the last chance we have here to do this."

Sen. Carl Kroening (DFL-Mpls.) objected to the bill, saying, "we just don't need this system." Kroening added that a common communication system for local authorities would be not only unnecessary, but also expensive. The bill authorizes temporary funding through the use of 911 emergency telephone service fees, a total of \$293,000 for FY 1996.

S.F. 1314, a bill that modifies provisions relating to the voluntary investigation and cleanup of contaminated sites, was approved by members and sent to the full Senate. Also authored by Mondale, the pilot project encourages businesses to

# Committee update

voluntarily review their practices and implement necessary changes before the Pollution Control Board becomes involved in a clean-up project. "This bill sets up a bridge between the agency (PCA) and the regulated community," Mondale said.

Gordon Weber, a representative from the PCA testified in support of the measure. He told members that since the project is completely voluntary, the agency doesn't know how many businesses will participate. Mondale said, "most want to comply, but it's complicated, especially for small and medium sized businesses."

S.F. 1122, a bill that establishes a program for funding response actions to address environmental contamination from drycleaning facilities, was approved by the committee. Authored by Sen. Bob Lessard (DFL-Int'l. Falls), the measure does not apply to a number of businesses including coin-operated drycleaning outlets, facilities on military bases, uniform services or linen supply operations, penal institutions, or facilities on the national priorities list that was established under the Federal Superfund Act.

Lessard outlined the fee schedule contained in the bill. An owner or operator of a facility with up to four employees is required to pay \$500 to the commissioner of revenue, those with five to 10 employees must pay \$1000, and facilities with more than 10 employees are required to pay \$1500. Lessard pointed out that individuals or entities that sell drycleaning solvents are also required to pay fees of \$3.50 for each gallon of perchloroethylene sold, and 70 cents for each gallon of hydrocarbon-based drycleaning solvent sold.

An amendment offered by Merriam, appropriating \$29,000 from the general fund to cover administrative costs, was adopted. The bill now goes to the floor.

Sen. Sheila Kiscaden (IR-Rochester) presented H.F. 1246, a bill that requires child care for school age children, operated by someone other than a school, be licensed. An amendment appropriating \$60,000 for 1996, and \$50,000 for 1997 was adopted before the committee approved the measure and sent it to the full Senate.

Sen. Deanna Wiener (DFL-Eagan) presented S.F. 877, a bill that clarifies laws relating to building codes and zoning laws. "The purpose of the bill is the establishment of a special revenue fund in statute," Wiener said. "This is so we can have consistent enforcement and interpretation through-out the state." Merriam expressed concerns about setting fees in statute, but Wiener told members that the measure allows for a review every two years. "We still have some flexibility," Wiener added.

S.F. 255, a bill that regulates elevator mechanics, was approved and re-referred to the Rules Committee. Sen. Paula Hansen (DFL-Ham Lake), the bill's author, told members that inspectors pay \$1000 in fees, yet receive no services for that money.

A bill that extends the sunset date on the farmer-lender mediation act, S.F. 429, authored by Sen. Steven Morse (DFL-Dakota) was approved and sent to the full Senate, as was S.F. 1551, Sen. Janet

Johnson's (DFL-North Branch) bill concerning agriculture resource development grants.

Other bills approved and sent to the floor include S.F. 217, authored by Sen. Richard Cohen (DFL-St. Paul). The measure clarifies child support payments. Amended onto Cohen's bill was Sen. Ember Reichgott Junge's (DFL-New Hope) measure, S.F. 604, a bill related to supervised visitation facilities.

Two bills authored by Sen. Phil Riveness (DFL-Bloomington), S.F. 503, a bill related to the accounts receivable project, and S.F. 1246, a government reform bill, were okayed by members and sent to the full Senate.

A number of other bills were also sent to the Senate floor. S.F. 900, authored by Sen. Pat Piper (DFL-Austin), changes licensing requirements for foster care, adds provisions for drop-in child care programs adds provisions for the Minnesota Family Preservation Act and expands eligibility for Indian child welfare grants. S.F. 512, authored by Sen. Allan Spear (DFL-Mpls.), makes a number of changes to the Vulnerable Adults Reporting Act. S.F. 1103, authored by Sen. Jane Ranum (DFL-Mpls.), folds a number of existing programs into a new Children, Families and Learning Department. S.F. 1136, sponsored by Sen. Don Betzold (DFL-Fridley), a Dept. of Human Services technical bill makes a variety of changes to laws dealing with mental health services, paternity and child support.

S.F. 1406, carried by Sen. Roy Terwilliger (IR-Edina), is the compensation council salary recommendations bill. S.F. 871, carried by Sen. John Hottinger (DFL-Mankato), revises the procedures for the adoption and review of state agency rules. H.F. 617, sponsored by Sen. Leroy Stumpf (DFL-Thief River Falls), is one of the omnibus pension bills and relates primarily to higher education pension plans. H.F. 493, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), is another omnibus pension plan bill and relates to various public employee pension plans. H.F. 446, sponsored by Sen. Dallas Sams (DFL-Staples), provides for licensure for acupuncture practitioners by the Board of Medical Practice.

## Metropolitan and Local Government

### Metropolitan Council confirmations

Members of the Metropolitan and Local Government Committee met Thurs. evening, Apr. 27, to confirm Metropolitan Council appointees. The 17 names submitted by the governor include Charles Arnason, Terrence Flower, David Hartley, Martha Head, Kevin Howe, Curtis Johnson, Carol Kummer, Patrick Leung, Esther Newcome, Neil Peterson, Roger Scherer, Bill Schreiber, Julius Smith, Mary Smith, Stephen Wellington, Jr., Barbara Butts Williams, and Diane Wolfson.

Johnson, the new chair of the Met Council commented briefly on the goals

and challenges the group faces under the new reorganization. "Now, more than ever, it's important for us to work effectively and smoothly with a lot of different agencies and communities, to build relationships and work together," Johnson said. "You have our commitment to do so," he said.

Sen. Carol Flynn (DFL-Mpls.) asked how the reorganization has effected the Met Council's operation thus far. "It's working very, very well," Johnson answered, "better than I would have expected."

Appointee Bill Schreiber responded to Committee chair Jim Vickerman's (DFL-Tracy) question concerning the direction of the Met Council. Schreiber said that "excellent progress" has been made, especially in environmental areas. "There is a new direction which didn't exist two years ago, a cooperative direction."

In the area of transit, however, Schreiber acknowledged "we have a ways to go." Appointee Mary Smith added that phase I of the transit redesign program has been completed, and that phase II is just about to begin.

Vickerman expressed concern about giving approval to the five gubernatorial appointments who were absent from the meeting. "This is a very important position," Vickerman said, "and I don't want to send a message that indicates it's not."

Sen. Carol Flynn (DFL-Mpls.) agreed with Vickerman. "I think they owe us an hour of their time to seek our support," she said.

After lengthy discussion, members agreed to confirm all of the appointments, on the condition that those not present contact Vickerman. In the event that appointees fail to comply with the condition, their names will not be presented to the full Senate for confirmation.

## Taxes and Tax Laws

### Metro livability bill okayed

A compromise metro livability bill gained the approval of the Taxes and Tax Laws Committee at a hearing Fri., Apr. 28. The panel, chaired by Sen. Douglas Johnson (DFL-Cook), also advanced several additional bills.

The metro livability bill, S.F. 1019, authored by Sen. Ted Mondale (DFL-St. Louis Park), is the product of negotiations between various local governments and state agencies to meet regional housing and job needs. Mondale said the bill, agreed to by more than 30 Metro Area mayors provides a mechanism of the state and local governments to work together to clean up polluted lands in developed areas, fund innovative alternative development projects and provide for the creation of affordable and life cycle housing throughout the Metro Area. Sen. Edward Oliver (IR-Deephaven), helped present the bill and offered an amendment-- the Metropolitan Anti-poverty Plan--that had been contained in a separate bill. Johnson, though, said that the amendment might upset the budget process already in progress. Accordingly, Oliver withdrew the amendment.

St. Paul Mayor Norm Coleman and

Hennepin County Commissioner Mike Opat spoke in favor of the bill. Coleman said that although "30 mayors have come to agreement, unless we get a partnership with the state, it is not enough. We have a window of opportunity and this bill is the best vehicle."

Opposition to the bill arose because the funding for the programs comes from appropriation cuts to the Metropolitan Mosquito Control Board. Members of the board argued against the decrease in funding because of the threat to public health posed by mosquitoes. Opponents argued that services would have to be cut if funding is decreased.

The measure was approved and referred to the Committee on Finance.

In other action, Senators failed to give approval to a bill raising the cigarette tax. S.F. 1080, authored by Sen. Sheila Kiscaden (IR-Rochester), raises the cigarette tax by 25 cents per pack and dedicates most of the increase to the Health Care Access Fund. At the same time, the bill lowers the health care provider tax from 2 percent to 1 percent. Members adopted an amendment specifying that after July 1, 1999, the provider tax would again be set at 2 percent. Debate on the bill centered on the argument that the bill represented an increase in taxes. Supporters of the bill argued that the bill was revenue neutral in that no new revenues were raised under the measure. However, the bill failed to gain approval on a voice vote.

Four additional bills gained committee approval and were advanced to the full Senate. S.F. 1393, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), is the annual public finance bill. The measure provides the conditions and requirements for the issuance of debt and the use of the proceeds. Much of the debate on the bill centered on a provision authorizing the use of capital improvement bonds for indoor ice arenas. Opponents argued that the state faces more pressing needs for scarce resources. Proponents countered that there was increasing pressure to build more ice sheets because of actions taken by the Legislature over the course of previous sessions. An amendment to require a referendum before issuing bonds for ice arenas was adopted.

S.F. 1425, authored by Sen. Dallas Sams (DFL-Staples), provides for assessment of platted land located in a home rule charter or a statutory city that has a population of less than 5,000. S.F. 1303, carried by Sen. Phil Riveness (DFL-Bloomington), authorizes the formation of nonprofit corporations for the purpose of owning low and moderate income housing developments. S.F. 1451, sponsored by Sen. Linda Berglin (DFL-Mpls.), authorizes the city of Minneapolis to establish three additional special service districts within the city.

Three bills were heard but laid over. S.F. 277, carried by Sen. Steven Novak (DFL-New Brighton), provides for the equalization of tax bases for governmental units throughout the Metropolitan Area. S.F. 211, carried by Sen. Janet Johnson (DFL-North Branch), provides a reduced class rate for certain commercial-industrial

property. S.F. 1419, sponsored by Novak, modifies the sales factor for leases of mobile equipment that is used in more than one state.

### Bills advance to floor

Members of the Taxes and Tax Laws Committee, chaired by Sen. Douglas J. Johnson (DFL-Cook), convened and forwarded several bills to the floor Weds., May 3.

One such bill was S.F. 277, authored by Sen. Steven Novak (DFL-New Brighton). The bill changes the Metropolitan Revenue Distribution Act contribution net tax formula to raise the contribution value of market values over \$150,000. The amount is then redistributed among the metro municipalities. Novak explained that it "narrows the gap and reduces disparities between communities" in the Twin Cities. The proposal, which will benefit 83 percent of the Metropolitan Area, does not mandate increased property taxes. Al Hinkenberg, mayor of Blaine, supported the bill and explained that there is a growing mismatch between resource growth and problem growth - such as crime and poverty - in the suburbs. The bill addresses the need for better regional planning, he said.

Sen. Edward Oliver (IR-Deephaven) opposed the bill, stating that it will have the effect of driving low-income residents out of middle- upper-class areas. The increase in taxes in these areas will force residents to move to areas with lower property taxes, he explained. The bill has serious policy implications, Oliver said. Glen Dorfman of the Minnesota Association of Realtors, seconded Oliver's concerns, stating that the bill will hasten the exodus of poorer people in certain suburbs. The bill gained approval on a voice vote.

Novak offered another bill that was approved. S.F. 1419 changes the sales factor formula in movable property (such as airplanes) to require that the receipts from leases of the property be assigned to Minnesota "pro rata according to the portion of use in the state." The bill codifies language adopted by the Multistate Tax Commission. By assigning receipts to the location of the services, a more consistent apportionment is reached, Novak said. Currently, he explained, the factor formula is based on where the equipment is located. The bill simplifies and makes a more fair and sustainable formula, said Novak. The proposal derives from the experience of companies such as Northwest Airlines, that lease airplanes to smaller lines, Novak continued. The state will see a revenue gain of \$5.5 million annually due to the additional taxable income of financial institutions, he added.

At the meeting, discussion continued on Novak's property tax proposal. S.F. 1505 changes property class rates to a seven-class system by keeping residential homestead rates static but adjusting farm homestead, rental residential, commercial and industrial property rates upward. A basic tax rate is established for each taxing jurisdiction, which is set equal to the percentage share that each authority's local tax rate represents of the total local tax rate within each

unique taxing jurisdiction (UTJ) for 1995 taxes. Novak reminded members that currently a 140 percent differential exists between class rates and effective rates. This dramatic problem would be reformed by the proposal, said Novak. He continued, noting that reforming the system to effective rates would result in a \$880 million tax cut per year.

In other action, the committee sent H.F. 1567 to the floor. The bill, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), establishes investment restrictions for local governments. The bill reorganizes and recodifies current language and tightens investment powers regarding derivatives. Pogemiller explained that the impetus for the bill is the recent difficulties and bankruptcy of Orange County due to risky investments. Larger, more sophisticated investors are still permitted to make these investments, he noted, while requirements for public investors and disclosure of gains and losses serves to provide stop-gaps.

Pogemiller offered an amendment specifying the oversight process and repurchase agreements required of cities and counties. Peter McLaughlin, Hennepin County Commissioner, said that the provision does not expand current authority and provides the county with additional returns from sound investment practices. The amendment was adopted.

Earlier in the meeting, the committee sent S.F. 467 to the floor. Addressing the need for units of local governments to communicate, the bill funds a public safety radio system in the Twin Cities area. Sen. Ted Mondale (DFL-St. Louis Park), author of the bill, explained that existing channels are at full capacity and local governments need to pool together for better information-sharing. The proposals authorize the Metropolitan Council to issue revenue bonds for the first phase of the plan, levies funds from participating governments, and requires \$3 million in general obligation funds.

Sen. Richard Cohen (DFL-St. Paul) received approval of his bill relating to tax exemptions. The bill, S.F. 10, exempts cottages on federal lands from local property taxes.

## Thursday, April 27

### Rules resolution approved

Senators approved changes to the Permanent Rules of the Senate during the afternoon floor session, Thurs., Apr. 27. Members debated 16 amendments before the final passage of the resolution.

Sen. Ember Reichgott Junge (DFL-New Hope) presented the Senate resolution, outlining the changes dealing with Senate committees, bills and resolutions, and the conduct of Senators and staff.

Among the proposals is a new rule specifying that a bill prepared by a department or agency must be given its first reading three weeks before committee deadline in odd numbered years and two weeks before deadline in even years. Reichgott Junge outlined additional changes, including provisions limiting committee chair terms to two consecutive

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Senate terms beginning in the 80th Legislative Session, requiring adjournment of committees by 11 p.m. unless suspended by a two-thirds vote of members, and reorganizing a section of the rules dealing with ethical conduct of Senators and lobbyists.

Changes made to a section dealing with appointment of committees received considerable debate. The proposal specifies that the Chair of the Committee on Rules and Administration may add members to or delete members from standing committees after consultation and advice from the minority leader.

Several attempts to remove or otherwise alter the new language were rejected by the full Senate. Sen. David Knutson (IR-Burnsville) offered an amendment deleting the provision altogether but the amendment failed on a 25-36 vote.

Two other amendments failed as well. One, offered by Sen. Martha Robertson (IR-Minnetonka), would have made committee assignments temporary during the interim. Another, offered by Sen. Sheila Kiscaden (IR-Rochester), would have required the notification of affected members if committee assignments are changed.

Sen. Linda Berglin (DFL-Mpls.), successfully offered an amendment specifying that a fiscal note must travel along with a bill.

Sen. Dean Johnson (IR-Willmar), attempted to change the date when the provision limiting the term of a committee chair goes into effect to next session. Reichgott Junge successfully amended the Johnson amendment to make the provision effective after the 78th Legislature.

Sen. Roy Terwilliger (IR-Edina) attempted to amend the resolution by requiring a three-fifths vote of the full Senate if a bill, amendment or committee report provides for an income tax or sales tax increase; however, Sen. Jane Krentz (DFL-May Township), who was presiding over the Senate, ruled that the amendment was out of order.

## Friday, April 28

### Insurance bill approved

The Senate unanimously approved S.F. 440, the insurance omnibus bill, Fri., Apr. 28. Chief author, Sen. John Hottinger (DFL-Mankato) summarized the measure for members, highlighting certain provisions. Besides authorizing the sale of policies that combine long term care benefits and life insurance policies, the bill requires subscriber groups to comply with cancellation requirements, while setting a maximum liability period of 120 days for the insurer, regardless of notice. Additionally, insurers and HMO's are required to provide coverage for newborns under a grandparent's policy, if the baby is dependent upon the grandparent.

Sen. Pat Piper (DFL-Austin) offered an amendment that requires insurers to cover bone marrow transplants (BMT) in patients with breast cancer. The controversial amendment passed, 54-11, but only after

lengthy debate concerning the treatment's efficacy, as well as the procedure's inherent risks.

Sen. Sheila Kiscaden (IR-Rochester) opposed the amendment saying that to require payment for a treatment that carries significant risks, high costs, and questionable results is irresponsible. "Let's wait until we have completed the studies," said Kiscaden, referring to clinical trials currently conducted by the National Cancer Institute.

"These women and their families can't wait," Piper said, "they don't have time in their favor."

Piper also pointed out that a Hennepin County Court recently ruled in favor of a patient who brought suit against an insurer for payment of BMT. She told members that in light of the recent ruling, a "no" vote would incur unnecessary costs in terms of human suffering, time, and money.

An amendment that raises the lifetime benefit paid out by the Minnesota Comprehensive Health Association to \$1.5 million, offered by Sen. Steve Murphy (DFL-Red Wing), was adopted, and members granted final passage to S.F. 440.

Sen. Ember Reichgott Junge (DFL-New Hope) presented S.F. 1052, a bill aimed at reducing domestic abuse. Reichgott Junge told members that the goal of the measure is to get swift help to families needing treatment.

The bill includes a provision that allows minors, who are victims of abuse, to petition on their own behalf for an order of protection. Reichgott Junge offered an amendment that further broadened the scope of those allowed to petition, to include a family or household member, a guardian or other representative.

Sen. Thomas Neuville (IR-Northfield) objected to the move, saying that it would set a precedent of allowing minors to bring actions against their parents.

Reichgott Junge argued that violence against a minor should carry the same consequences as does violence against an adult. "We're trying to make it a little easier for these very scared and vulnerable victims to get help."

The amendment failed on a roll call vote, 33-33, prompting Reichgott Junge to lay the bill on the table.

### Wetlands protection bill

The Senate passed a bill revising the 1991 Wetlands Conservation Act at the Fri., Apr. 28, session. Sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), S.F. 483 provides greater flexibility to local units of government by giving counties enforcement power over wetlands regulations, expanding exemptions from wetland replacement plans, and increasing the total area of wetlands that triggers regulatory action.

Stumpf pointed to the "tremendously unworkable nature" of the 1991 Act as the impetus for the bill. The existing system is overly restrictive, duplicative and not coordinated, said Stumpf. In addition to the mass of red tape and regulations, he

said, private citizens have incurred huge costs for compliance and litigation, as well as loss of property value. The bill provides "local flexibility while preserving the philosophy of the Wetlands Conservation Act," he continued.

An amendment, presented by Stumpf, provides for more restrictive standards for drainage systems, sets a minimum replacement requirement for transportation projects at a 1 to 1 ratio, and redefines agricultural land. It also eliminates the de minimis exemption (triggering regulatory action) for type 4 and 5 wetlands. The amendment includes more local participation and finds middle ground between regulation and practicality, Stumpf said. The amendment was adopted.

Sen. Gene Merriam (DFL-Coon Rapids) opposed the bill by offering an amendment returning the bill to the version approved by the Environment and Natural Resources Committee. The version balances local decision-making and agency oversight, he said. Merriam explained that the amendment represents a thoughtful compromise that reduces administration for smaller projects while retaining protection in critical wetland areas of the state. Supporting the amendment, Sen. Steven Morse (DFL-Dakota) said that the Stumpf version exempts small areas near wetlands and opens them up for destruction. This would turn the Wetlands Conservation Act into the "Wetlands Construction Act," Morse argued, and encouraged members to retain protection by approving Merriam's amendment.

Opposing the amendment, Sen. Charles Berg (DFL-Chokio) said that the current legislation and the Merriam amendment are "totally unworkable" and support a ridiculous bureaucracy. Citizens want local control and decision-making in wetlands, Berg stated. After extensive discussion, Merriam's amendment failed by a tie vote of 33-33.

Another amendment was offered by Sen. Harold "Skip" Finn (DFL-Cass Lake). The proposal provides continued protection for type 1 wetlands and expands the definition to prohibit the draining and filling of the wetlands. Contesting the amendment, Sen. Steve Dille (IR-Dassel) explained that type 1 wetlands are little more than seasonal pools, and that Finn's amendment is an example of "regulatory overkill." The amendment gained approval by a vote of 34-32.

## Monday, May 1

### Commissions bill okayed

A bill that abolishes eight legislative commissions was granted final passage at the Mon., May 1, floor session.

Acting on Special Orders, the Senators passed S.F. 1290, sponsored by Sen. Roger Moe (DFL-Erskine). The measure eliminates the Legislative Commission on Children, Youth and their Families, the Legislative Water Commission, the Legislative Commission on the Economic Status of Women, the Legislative Commis-

sion on Child Protection, the Legislative Commission on Health Care Access, the Legislative Commission on Long-term Health Care, the Legislative Commission on Waste Management, and the Legislative Tax Study Commission. The bill transfers functions of the Legislative Commission on Minnesota Resources to the Office of Strategic and Long-range Planning.

Moe said that the Legislative Coordinating Commission (LCC), the agency that oversees the commissions, was originally established to perform tasks that would not make sense for the House and Senate to do separately, and the bill restores it to that function. He said that the Legislature must do its share of cost-cutting along with other government agencies. "We are asking others to downsize, and I believe we also have to look at ourselves," Moe said.

As originally written, the bill would have also eliminated the Legislative Commission to Review Administrative Rules. The Senators, however approved an author's amendment retaining that commission.

Several other members presented amendments, each of which would retain one of the commissions. The amendments, however, failed to gain approval, and the measure was passed on a 56-10 vote.

The Senate also voted unanimously to grant final passage to a bill that expands the scope of the patterned sex offender sentencing law. S.F. 882, carried by Sen. Jane Ranum (DFL-Mpls.), requires training for judges, prosecutors, peace officers, and sex offender assessors on sentencing laws applicable to repeat and patterned sex offenders. It makes several other changes, including expanding the interference with privacy crime to include persons who intrude on the privacy of occupants of hotel sleeping rooms and tanning booths, and increasing penalties for committing the crime of indecent exposure in the presence of a child under the age of 16.

Members approved an amendment, offered by Ranum, that makes it a gross misdemeanor for a person who has been committed as a sexual psychopathic personality, a sexually dangerous person, or as mentally ill and dangerous to escape from the facility to which they were committed. The bill was then passed on a 59-0 vote.

S.F. 537 was also granted final passage. The measure, sponsored by Sen. Steve Murphy (DFL-Red Wing), requires the refund of license fees to applicants who do not receive their licenses within six weeks. The bill also requests an evaluation of the new driver's license system by the Legislative Audit Commission. Murphy said the bill grew out of the frustration surrounding the new system, which has left 40,000 Minnesotans waiting for licenses. He said that when the Legislature granted original approval for the system, the Division of Driver and Vehicle Services said that the system would have a 10-day turnaround time. Instead, Murphy said, the wait in many cases is six months. The bill was passed, 54-7.

Members also voted to pass another bill relating to license processing. S.F. 538, also sponsored by Murphy, applies the refund

requirement to other types of licenses if the licenses are not issued within six weeks.

The bill was approved on a 60-0 vote.

In other business, S.F. 399, a bill providing for forfeiture of snowmobiles, all-terrain vehicles, and motorboats for DWI-related offenses, was also granted final passage. The bill, sponsored by Sen. David Knutson (IR-Burnsville), passed on a 38-22 vote.

The Senate also passed S.F. 1127, a bill authorizing the sale of a public access site on Lake Minnetonka. The bill, authored by Sen. Gen Olson (IR-Minnetrista), was approved on a 60-0 vote. S.F. 1451, authorizing the city of Minneapolis to establish three new special service districts, was also granted final passage on a 59-0 vote.

### Primary election maintained

A bill maintaining Minnesota's presidential primary and moving the state's primary election into June won approval of the full Senate during the Mon. afternoon, May 1, floor session.

S.F. 115, sponsored by Sen. Carol Flynn (DFL-Mpls.), modifies the endorsement process for the state's constitutional officers. Under the proposal, candidates for one of the state's constitutional offices must demonstrate they have a certain level of support within their party in order to appear on the ballot. To appear on the ballot, candidates must have received at least 20 percent of the votes on any ballot during the endorsing convention. Candidates may also appear on the ballot if they file a petition that has been signed by a number of voters equal to at least one percent of the total number of votes cast in the last state primary.

The bill also changes the name of the primary election to the "state party nominating election" and allows a candidate endorsed by a major party to have the word "endorsed" by their name on the ballot, unless they request it not appear. Candidates also have one day, instead of the three days now in law, after the final filing date to withdraw their name from a primary election ballot.

In its original form, the bill repeals the state presidential primary but Flynn offered an amendment removing the provision and setting the primary for the third Tuesday in June. That amendment sparked a lengthy debate on the merits of a presidential primary. Opponents of the amendment argued the primary is a costly enterprise that has no impact on the major parties' delegation selection. Sen. John Marty (DFL-Roseville) called the primary "a mandate on local governments."

Sen. Gene Merriam (DFL-Coon Rapids), questioned whether the primary was a good use of taxpayer dollars. "If we're going to use taxpayers' dollars, let's make it count [in the delegate selection process]," he said.

But proponents of the presidential primary responded it does involve the voters in the process. Sen. Douglas Johnson (DFL-Cook) said the state parties are working to make the presidential primary a binding one. "Minnesotans have a right to be participants in that process," he said.

Describing his own experiences in national elections, Sen. Ted Mondale (DFL-St. Louis Park) argued the presidential primary does matter to candidates. "For someone to say it is meaningless doesn't understand the process," he said, "There's momentum to be gained in these primaries. People do care how it comes out."

By a 39-27 margin, the Senate adopted the portion of the amendment maintaining the presidential primary. On a voice vote, members also adopted moving the primary to the third Tuesday in June.

A number of other efforts were made to amend the bill but none were successful. Marty proposed setting the presidential primary on the first Tuesday in August, but his amendment was rejected, 22-40.

Sen. Roy Terwilliger (IR-Edina) proposed removing the sections of the bill that set the requirements for a candidate to appear on a nominating election ballot. His amendment was defeated, 18-45. Terwilliger's proposal to retain the name of the election as a primary election, rather than as the "state party nominating election", failed on a 26-26 vote.

Also rejected by an 18-45 margin was an amendment, sponsored by Sen. Cal Larson (IR-Fergus Falls), calling for a repeal of the party caucus system. Sen. Sheila Kiscaden (IR-Rochester) offered an amendment to remove provisions that allow candidates on the primary ballot to have the word "endorsed" next to their name. The amendment was defeated, 21-44.

S.F. 115 was given final passage by a 50-16 margin.

### MinnesotaCare bill tabled

With an amendment to prohibit elective abortions under the state's health plan pending, the Senate's consideration of a bill modifying the MinnesotaCare program was ended late Mon. afternoon, May 1, when the measure was tabled.

S.F. 845, sponsored by Sen. Linda Berglin (DFL-Mpls.), modifies many provisions of the MinnesotaCare program. Under the proposal, the eligibility requirements are expanded to include individuals from households without children and who are below 150 percent of the federal poverty level.

The bill also creates a prescription drug benefits program for low-income Medicare beneficiaries and a program to help senior citizens receive reasonably-priced prescriptions. The measure also removes the requirement that universal coverage will be achieved by July 1, 1997 and modifies the definition of universal coverage. Changes in the requirements on health plan companies are also included.

An amendment prohibiting elective abortion as a covered medical expense under the MinnesotaCare program was presented by Sen. Thomas Neuville (IR-Northfield). Berglin offered an amendment to the Neuville proposal that prohibits the use of state funds for payment of the procedures. The Senate narrowly defeated the Berglin amendment, 32-34.

With the Neuville amendment pending, the author moved to table the bill and the

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Senate approved the motion. That action ended nearly four hours of debate. Over the course of that debate, more than 25 amendments were placed before the members for consideration.

Earlier in the debate, Neuville authored an amendment that removes elective abortions from the definition of "appropriate and necessary care" under health plans. The procedure would be permitted, Neuville explained, but not paid for by insurance. A provision of the amendment forbids courts from selectively striking portions of the amendments. This measure, he explained, makes sure "courts are not setting our policy."

Strongly opposed to the amendment, Sen. Deanna Weiner (DFL-Eagan) said that it "treads in dangerous waters". We are tying the hands of physicians who may want to prescribe medications such as the morning after pill, and not allowing flexibility, she offered. The amendment was attached to the bill.

Among additional amendments was a proposal presented by Berglin, allowing that no holder of a health insurance plan be required to purchase a plan that offers elective abortion coverage. The amendment was adopted on a voice vote.

Several other amendments, sponsored by the bill's chief author, were approved. Among them was a proposal permitting reimbursement for treatment by marriage and family therapists if those services are part of a managed care program. Another amendment defines the average manufacturer's price in order to determine the discount levels that will be used under the prescription drug programs.

An amendment allowing the Dept. of Health to issue a fine on individuals who are uninsured was offered by Sen. Edward Oliver (IR-Deephaven). The proposal institutes a \$100 penalty on individuals whose income is 275 percent above the federal poverty line but who are not enrolled in a health plan starting Jan. 1, 1997. Under the amendment, the penalty increases to \$200 in 1998 and \$400 in 1999.

Oliver said the fines will provide an incentive for uninsured individuals to obtain medical coverage. "If someone is voluntarily uninsured and they are injured, we all are going to pay for their medical care," Oliver said. He said the provision had been a part of the bill until it was removed in the Finance Committee.

Berglin said the proposal extends the intent of MinnesotaCare to those who do not need subsidies to pay for health insurance. "If we say we will subsidize people up to a certain level," she said, "it is reasonable to say to those above that level that they should have health care coverage."

But the amendment ran into considerable opposition. Sen. Phil Riveness (DFL-Bloomington) said the amendment adds to the bureaucracy of the Dept. of Health, creating a group responsible for pursuing "scofflaws" who do not carry insurance. "I don't know anyone, of reasonable intelligence, who will not enroll in a health plan," he said.

Sen. Roy Terwilliger (IR-Edina) joined in the opposition. "No other state does this," he said, "We are giving insurance companies a mandated place in the market." "If we start here, are we going to require people to have life insurance or flood insurance?" Sen. Dennis Frederickson (IR-New Ulm) said. The amendment is an example of "intrusive, big-brother government," he said, "and I don't think that's a path we want to go down."

The Oliver amendment was defeated on a 21-42 roll call vote.

Sen. Sheila Kiscaden (IR-Rochester) presented an amendment providing exceptions to the retrospective review and approval process. Under the amendment, major health care providers will not need to go through the review and approval process when committing their resources for equipment purchases, the maintenance or remodeling of facilities, or to support activities that do not relate health care service delivery. The amendment was adopted.

Riveness offered an amendment to equalize the 2 percent provider tax paid by pharmacies and health care providers. Currently, the tax becomes counted as part of the providers' gross receipts; therefore, Riveness explained, providers are taxed twice on the amount. Berglin opposed the amendment, saying that this revenue source should not be jeopardized. Questions were also raised about a possible conflict with federal regulations. The amendment failed by a vote of 33-32.

Another defeated amendment was offered by Terwilliger that keeps MinnesotaCare eligibility for single persons with no children at 125 percent of the poverty level. In the bill, the level is raised to 150 percent. Terwilliger pleaded with the members to consider cost projections and federal uncertainty by adopting the amendment. The change represents \$134 million in savings, he explained, and would give the fund a \$106 million surplus. Berglin opposed the measure, saying that people at the 150 percent level cannot afford insurance and MinnesotaCare will encourage them to participate in the workforce. It is "irresponsible" to impose a freeloader penalty while not providing affordable insurance to the poor, she said. The amendment failed by a 28-37 margin.

## Tuesday, May 2

### Children's department approved

At the Tues., May 2, floor session of the Senate, members approved a bill that combines a variety of programs dealing with children and families and creates the Children, Families and Learning Department.

Calling it a "government restructuring plan whose time has come," author Sen. Jane Ranum (DFL-Mpls.) outlined the goals of S.F. 1103, the bill carrying the provisions creating the new department.

Ranum said currently the state provides fragmented services for children and families that channel money to the

bureaucracy instead of to the children. The new department focuses resources and energy into an integrated, seamless system to better help kids in need, from infants through high school, Ranum said.

She explained that the new agency would be half the size of the five agencies from which programs are transferred, or 590 employees with a \$2.9 billion budget for FY 97. No new funds are appropriated; costs are either transferred from current agencies or absorbed by the affected departments.

The new agency will be phased in over the next year, with the Department of Education abolished Sept. 30, 1995. Programs from other agencies will be transferred by July 1, 1996.

Senators spent considerable time discussing an amendment, offered by Ranum, that adds 16 programs dealing with children and families that had been contained in the original bill but removed in subsequent committee hearings.

Sen. Don Samuelson (DFL-Brainard) objected to the amendment and then moved to separate four provisions from the amendment for further discussion. Sen. Linda Berglin (DFL-Mpls.) also opposed the inclusion of the additional programs, specifically provisions relating to the children's mental health program.

The entire amendment was eventually adopted after three votes on the separate provisions.

Sen. Charles Berg (DFL-Chokio) failed in an attempt to amend the bill by removing the state's Head Start Program from the umbrella of the Children, Families and Learning Department. Berg said he feared the successful program would get "buried in bureaucracy." But Ranum said the program had been added to the department at the urging of Head Start representatives. The Senate approved the bill 48-15.

The Senate also approved a bill, carried by Sen. Harold "Skip" Finn (DFL-Cass Lake), dealing with data practices, financial assistance data, child abuse victim videotapes, and health data.

Several amendments were added to the omnibus data privacy bill, S.F. 1279, including one successfully offered by Sen. David Knutson (IR-Burnsville). The amendment makes information related to legislative or budget proposals of any state agency under the direct control of the governor protected, nonpublic data. The bill only covered proposals of the state administration, specifically the Governor's Office and the Dept. of Finance. The amendment specifies that the data can be released "if disclosure would aid the administration [or agency] in considering and preparing its proposals."

Finn opposed the amendment saying he didn't think "the bureaucracy should be denied that scrutiny."

Two amendments dealing with student data and what data are available from schools also were considered. Sen. Linda Runbeck (IR-Circle Pines) offered one amendment that would have made information on students private, including any information contained in a school directory.

Several Senators opposed the provision. Sen. Kevin Chandler (DFL-White Bear Lake) said he supported the goal of the amendment but he could see ridiculous results if schools are not given flexibility to determine how best to use student information. He specifically noted the use of programs during sporting events or the high school year book would be prohibited under the Runbeck amendment. Runbeck withdrew the amendment.

Sen. Leonard Price (DFL-Woodbury) attempted to amend the bill with a provision that would make student addresses and telephone numbers private unless the student or student's parents gives consent to use the information in a public directory. The amendment failed on a 29-36 vote.

## Government reform bill okayed

In an effort to stream line government, the Senate granted final passage to S.F. 1246, the omnibus government reform bill, during an afternoon floor session Tues., May 2. "This is an attempt to make state government more user friendly," said chief author, Sen. Phil Riveness (DFL-Bloomington). He told members that the measure will "change the culture of state government, and improve customer service."

The bill, which Riveness said was the result of a bi-partisan effort of the Government Operations Committee, abolishes more than 400 annual reports written by the agencies for the legislature, repeals 457 rules, eliminates and reorganizes a number of agencies, and establishes a citizen advocacy program within the Dept. of Administration. Additionally, S.F. 1246 requires government units to respond to applications for land-use permits within 60 days and clarifies statutory waiver requirements with respect to the housing finance agency for the civil service pilot project. "The purpose of all this is to put the citizens first," Riveness said.

An amendment to abolish several legislative commissions, offered by Riveness, was adopted. Riveness told members that the amendment consists of Sen. Roger Moe's (DFL-Erskine) initiative to improve productivity, by trimming costs and commissions.

A second Riveness amendment, to establish the Dept. of Children, Families and Learning, prompted debate among members.

Sen. Linda Berglin (DFL-Mpls.) objected to folding the department's establishment into the omnibus government reform package. "This should be done on it's own, as a separate bill," Berglin said. Sen. Jane Ranum (DFL-Mpls.) countered, saying that the incorporation of S.F. 1103 as an amendment to S.F. 1246 "is completely appropriate--they're both about restructuring government."

Sen. Charles Berg (DFL-Chokio) objected to the amendment saying that it was not germane. "If this bill is about stream-lining government, then why are we creating a whole new department here?" he asked. However Sen. Allan Spear (DFL-Mpls.), President of the Senate, ruled the

amendment germane.

Sen. Gary Laidig (IR-Stillwater) also opposed the creation of the department. "I'm afraid this bill has gotten so wide it's going to collapse under it's own weight," he added. Nonetheless, the amendment was adopted, 30-9.

An amendment that establishes a pilot project to review and improve the state's civil service system, was approved by Senators. Riveness said that the project's intent is to ensure the continuation of merit-based principles, while removing rules and procedures that cause unnecessary inefficiencies in the state human resources system. "It's important to establish incentives for employees to act in a way that ensures the best service to the public," Riveness said.

Sen. Dean Johnson (IR-Willmar) raised concerns about the scope of the bill's reorganization plan, and cautioned members about its far reaching provisions. "Do we fully understand that this bill abolishes the Dept. of Natural Resources? That it eliminates certain responsibilities of the Departments of Agriculture and Transportation?" he asked. Johnson told members that the bill represents a "major, major change in the way state government operates."

## Waste management bill passed

The latter portion of the Tues., May 2, floor session was devoted to discussion of amendments to the Waste Management Act and to debate over a bill aimed at curbing militia activity in Minnesota.

S.F. 462, authored by Sen. Janet Johnson (DFL-North Branch), makes primarily technical changes to the state's waste management statutes. However, amendments offered to the bill sparked considerable debate. An amendment, offered by Sen. Kevin Chandler (DFL-White Bear Lake), specifies that it is a deceptive trade practice to make false environmental marketing claims. Opponents of the amendment argued that the amendment adds more responsibilities to the Attorney General's Office without providing additional funding. Chandler countered that the Attorney General's Office already is charged with investigating similar cases and that the office supports the amendment. Sen. Linda Runbeck (IR-Circle Pines), said that the amendment places an unfair burden on businesses. Chandler successfully argued that the businesses who make truthful environmental claims are the entities most damaged by the deceptive practices of competitors. The amendment was adopted on a 35-25 roll call vote.

Another amendment, offered by Chandler, also touched off debate. The amendment prohibits the disposal of corrugated cardboard in landfills. Opponents of the amendment argued that no other recyclable product is prohibited from disposal in landfills and that an exception should not be made for cardboard. Chandler countered that the market demand is very high for recycling cardboard and that the prohibition would help satisfy the demand. Johnson spoke against the amendment,

urging members to "let market forces" work in recycling corrugated paper products. The amendment failed on a voice vote. The bill was then granted final passage on a vote of 59-0.

Members also granted preliminary approval to a bill making a number of changes to the criminal statutes. S.F. 1564, authored by Sen. Ellen Anderson (DFL-St. Paul), amends the definitions of manslaughter in the first degree, manslaughter in the second degree and receiving profits from prostitution. The measure also requires reports on gunshot wounds. In addition, the bill expands the definition of electronic incapacitation devices and increases the penalty for its unauthorized use. The bill also authorizes the use of drivers' license photographs to investigate or prosecute crimes, authorizes sentencing courts to order the payment of restitution to victim assistance programs and adds a fine provision to the terroristic threats crime.

Debate on the measure centered on an amendment, offered by Sen. Richard Cohen (DFL-St. Paul), that makes it a gross misdemeanor to teach or demonstrate to any other person how to use or make any firearm, explosive or incendiary device knowing or having reason to know that it will be unlawfully used in a civil disorder. Cohen said the amendment is aimed at curbing paramilitary groups' activities. Some members questioned the proposal because it has not gone through the committee process. Cohen responded that the amendment is a response to the tragedy in Oklahoma City and, because the bombing occurred after the deadlines for committee work, offering the proposal as an amendment was the only avenue available. Members approved the amendment on a roll call vote of 53-0. The bill was then given preliminary approval on a voice vote.

## Wednesday, May 3

### Dove season shot down

The Senate passed the omnibus game and fish bill during the Wed., May 3, floor session, but not before a provision designating the mourning dove as a game bird was voted out the measure.

S.F. 621, authored by Sen. Bob Lessard (DFL-Int'l. Falls), makes changes to a variety of the state's fish and game regulations. Included in the bill are provisions establishing a hunting heritage week, and requiring a plan for a firearms safety program. The measure modifies other hunting requirements, expands the requirement for possession of a trout and salmon stamp, and changes that statewide length limit for northern pike. The measure, after some debate, won approval on a 58-0 vote.

It was the provision naming the mourning dove as a game bird that generated the most discussion and attracted several amendments. Sen. Charles Berg (DFL-Chokio) offered an amendment authorizing a two-year mourning dove hunting season in the southern and western portions of the state. The amendment also called upon the Dept. of Natural Resources (DNR) to report on the temporary season and

recommend if the season should be allowed to continue.

Berg said Minnesota and Iowa are the only two states west of the Mississippi River that do not have a dove hunting season. The amendment, Berg said, "seems like a reasonable compromise" between proponents and opponents of the season because it sets up a two year experiment and requires the DNR to report on the temporary season.

Sen. Pat Pariseau (IR-Farmington) said the Berg amendment represents "a serious attempt" to determine if a season should be established. "Wild game is a fine kind of food," she said, "We should take a serious look at whether this season is reasonable."

Sen. Allen Spear (DFL-Mpls.) said the proposal to establish a mourning dove hunting season was "a familiar ritual," noting that measure was the 17th proposal calling for a mourning dove season that has

been considered by the Legislature since 1946. "There is no need to have an experiment on the hunting of mourning doves," he said, "Either you want to shoot those little songbirds or you don't want to shoot little songbirds."

Spear said the state has "a lot of game bird species" and that another one was not needed. He said that only about one ounce of meat would come from each dove and that it would be "a little like trying to eat a robin or a parakeet."

"Let's get rid of this continual ritual of trying to establish a mourning dove season," he urged.

The Senate rejected Berg's amendment by an 18-37 margin.

The discussion on the mourning dove season reached its peak when Sen. Steve Murphy (DFL-Red Wing) offered an amendment to remove the provision from the bill. Berg, speaking in opposition

to the amendment, said, "Why should we deny hunters the opportunity to hunt the bird of choice?" But Murphy said the "bird of choice" in Minnesota among hunters hardly would be the mourning dove. "Of all the people that I hunt with, the birds of choice have always been waterfowl," Murphy said. Murphy's amendment was approved on a vote of 38-20.

Two other amendments, both offered by Sen. Harold "Skip" Finn (DFL-Cass Lake), were added to the bill.

The first amendment clarifies the requirements, for the disposition of seized property, other than boats or other sports craft, after a conviction has been handed down for violation of game and fish laws.

The second amendment requires that a provision, repealing the restrictions placed on Minnesota anglers who fish in Ontario, may not be superseded by any other action of the Legislature.

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# Floor action

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## Bills granted final passage on Special Orders afternoon April 27, 1995

**S.F. 1180-Berg:** Makes numerous changes to laws relating to off-highway motorcycles, all-terrain vehicles, reciprocal agreements, migratory game birds, fish house identification, fish taken in Canada, exotic species, powers of enforcement officers and collector snowmobiles and provides for regulation of shooting ranges. 50-14

## Bills granted final passage on Special Orders April 28, 1995

**S.F. 440-Hottinger:** Omnibus insurance bill, regulates coverages, notice provisions, enforcement provisions, fees, licensees and makes technical changes. 61-0

**H.F. 787-Stumpf:** Makes changes to laws regulating wetland protection and management. 46-20

**S.F. 1052-Reichgott Jung:** Conforms domestic abuse definitions, includes persons with significant relationships, allows minors to petition on their own behalf for orders for protection, modifies petition requirements and clarifies portions of the assault in the fifth degree statute which concern domestic assault. Laid on the table.

## Bills granted final passage on Special Orders May 1, 1995

**S.F. 537-Murphy:** Requires the refund of license fees to applicants who do not receive drivers licenses, duplicate drivers licenses, permits, or Minnesota identification cards within six weeks and requests a Legislative Audit Commission evaluation of the drivers license and identification card program. 54-7

**S.F. 538-Murphy:** Requires the refund of license fees to applicants if licenses are not issued within six weeks. 60-0

**S.F. 399-Knutson:** Provides for forfeiture of snowmobiles, all-terrain vehicles and motorboats for designated, DWI-related offenses and extends the vehicle forfeiture law by expanding the definition of prior conviction to include other types of vehicles.

**S.F. 882-Ranum:** Expands the scope of the patterned sex offender sentencing law, requires training for judges, prosecutors, peace officers and sex offender assessors on sentencing laws applicable to repeat and patterned sex offenders, and expands the interference with privacy crime to include persons who intrude on the privacy of occupants of hotel sleeping rooms and tanning booths. 59-0

**S.F. 1127-Olson:** Authorizes the public sale of state land in Hennepin County. 60-0

**S.F. 1451-Berglin:** Authorizes the city of Minneapolis to establish three additional special service districts within the city. 59-0

**S.F. 1290-Moe:** Abolishes several legislative commissions under the jurisdiction of the Legislative Coordinating Commission. 56-10

**S.F. 115-Flynn:** Changes the name of the state partisan primary to the state party nominating election, moves the state party nominating election and primary from September to June and repeals the presidential primary election. 50-16

**S.F. 865-Berglin:** MinnesotaCare bill. Expands provisions of health care, establishes requirements for integrated service networks, modifies requirements for health plan companies, establishes the standard health coverage, repeals the regulated all-payer option and establishes a drug purchasing benefit program for senior citizens. Laid on the table.

## Bills granted preliminary passage on General Orders May 2, 1995

**H.F. 1678-Stumpf:** Allows an outlet fee to be charged for use of an established drainage system in Red Lake County as an outlet for drainage originating in Polk County.

**S.F. 877-Wiener:** Changes and clarifies laws relating to the building code and zoning law and amends the interstate compact on industrialized/modular buildings.

**S.F. 1362-Lessard:** Provides for the coordination of efforts of public and private sectors in the sustainable management, use, development and protection of Minnesota's forest resources and establishes a forest resources council and regional forest resource committees.

- H.F. 1371-Metzen:** Makes changes to laws relating to securities by regulating disclosure of payment received for directing order flow.
- S.F. 1079-Frederickson:** Reduces 1995 appropriations to various state government agencies and departments and makes deficiency appropriations to other government agencies and departments.
- S.F. 1503-Stevens:** Requires fireworks display operators to be certified by the state fire marshal and sets fees.
- S.F. 979-Johnston:** Regulates hazardous material transporters, requires fingerprints of motor carrier managers for criminal background checks, makes technical changes related to calculating proportional mileage under the international registration plan, specifies violations that may result in suspension or revocation of permits and provides for disposition of fees collected for hazardous material registration, licensing and permitting.
- S.F. 1122-Lessard:** Establishes a program for funding response actions to address environmental contamination from drycleaning facilities.
- S.F. 1173-Chandler:** Regulates the sale of local exchange service territory.
- S.F. 1564-Anderson:** Makes numerous changes to criminal laws and changes a variety of definitions and provides that it is a gross misdemeanor to teach or demonstrate to any other person how to use or make any firearm, explosive, or incendiary device knowing or having reason to know that it will be unlawfully employed for use in, or in furtherance of, a civil disorder.

### Conference committee reports adopted and repassed May 2, 1995

- S.F. 308-Marty:** Authorizes special registration plates for persons subject to an impoundment order and clarifies the definition of prior license revocation. 58-0

### Bills granted final passage on Special Orders May 2, 1995

- H.F. 1207-Murphy:** Increases the maximum length of combinations of vehicles from 65-70 feet. 54-3
- S.F. 1310-Frederickson:** Provides for the development of a long-range expenditure plan for state expenditures. 56-0
- H.F. 617-Stumpf:** Makes changes in laws relating to various public pension plans, makes various individual and small group pension accommodations and makes various pension plan administrative changes. 57-0
- S.F. 1303-Riveness:** Authorizes the formation of nonprofit corporations for the purpose owning low and moderate income housing developments. 58-1
- H.F. 358-Johnson, J.B.:** Clarifies that the Public Utilities Commission may extend the deadline for rate suspension period by 20 days when necessary to first make final determination on another, previously filed rate case, allows exemption from rate regulation for a small electric utility franchise, and allows a longer review time for granting petition for rehearing by the Public Utilities Commission. 63-0
- H.F. 1256-Johnson, J.B.:** Adops federal energy standards for air conditions, certain gas-burning equipment, lamps, showerheads, and faucets. 64-0
- H.F. 1246-Kiscaden:** Requires child care for school age children not operated by a school to be licensed and changes the definition of toddler and preschooler for family day care programs serving siblings. 59-3
- H.F. 265-Berg:** Makes technical amendments to eliminate references to telracing facilities, regulates testing facilities for the testing of gambling devices, regulates bingo and lawful purpose expenditures, regulates credit and sales to delinquent organizations and provides for contributions to compulsive gambling programs. 64-0
- S.F. 1136-Betzold:** Department of Human Services technical bill. Brings child support laws into conformity with federal law. 58-0
- S.F. 1078-Frederickson:** Changes accounting procedures, changes the dollar threshold for approval of gifts to the state, changes procedures for collection of debt by the state, and changes terminology for the petroleum tank release cleanup account. 62-0
- S.F. 1103-Ranum:** Establishes the Dept. of Children, Families and Learning and makes related changes. 48-15
- S.F. 1279-Finn:** Provides for the classification of and access to government data, clarifies data provisions, provides for survival of actions under the Data Practices Act, provides for the classification and release of booking photographs, conforms provisions dealing with financial assistance data and limits the release of copies of videotapes of child abuse victims. 58-3
- S.F. 1246-Riveness:** Abolishes 400 obsolete reports, abolishes obsolete rules, Requires legislative review of agency reorganization efforts, clarifies statutory waiver requirements with respect to the Housing Finance Agency for the civil service pilot project, establishes the Office of Citizen Advocate in the Dept. of Administration, establishes a task force to recommend a governmental structure for environmental and natural resource functions and services, requires establishment of an employee participation committee before agency restructuring and abolishes the Dept. of Natural Resources, the Board of Water and Soil Resources, the Office of Environmental Assistance, the Pollution Control Agency, the Environmental Quality Board, the Harmful Substances Compensation Board, the Petroleum Tank Response Board and the Transportation Regulation Board. 41-24
- S.F. 462-Johnson, J.B.:** Waste Management Act amendments. 59-0

### Bills granted final passage on the Senate Calendar May 3, 1995

- H.F. 1678-Stumpf:** Allows an outlet fee to be charged for use of an established drainage system in Red Lake County as an outlet for drainage originating in Polk County. 56-0
- S.F. 877-Wiener:** Changes and clarifies laws relating to the building code and zoning law and amends the interstate compact on industrialized/modular buildings. 64-1
- S.F. 1362-Lessard:** Provides for the coordination of efforts of public and private sectors in the sustainable management, use, development and protection of Minnesota's forest resources and establishes a forest resources council and regional forest resource committees. 61-0
- H.F. 1371-Metzen:** Makes changes to laws relating to securities by regulating disclosure of payment received for directing order flow. 57-1
- S.F. 1079-Frederickson:** Reduces 1995 appropriations to various state government agencies and departments and makes deficiency appropriations to other government agencies and departments. 63-0
- S.F. 1503-Stevens:** Requires fireworks display operators to be certified by the state fire marshal and sets fees. 60-0
- S.F. 979-Johnston:** Regulates hazardous material transporters, requires fingerprints of motor carrier managers for criminal background checks, makes technical changes related to calculating proportional mileage under the international registration plan, specifies violations that may result in suspension or revocation of permits and provides for disposition of fees collected for hazardous material registration, licensing and permitting. 64-0
- S.F. 1122-Lessard:** Establishes a program for funding response actions to address environmental contamination from drycleaning facilities. 65-0
- S.F. 1173-Chandler:** Regulates the sale of local exchange service territory. 56-4

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### Bills granted concurrence and repassage May 3, 1995

- S.F. 752-Novak: Allows for alternative regulation of telephone companies for a limited period and authorizes rulemaking to promote fair and reasonable competition for local exchange service. 62-0  
S.F. 1051-Frederickson: Requires providers of cellular telephone services to include in billings a notice regarding 911 calls. 61-2

### Bills final passage on Special Orders May 3, 1995

- S.F. 621-Lessard: Establishes Hunting Heritage week, designates mourning doves and game birds and mute swans as unprotected birds, clarifies terms of short-term angling licenses, removes requirements relating to fish taken in Canada, changes the date by which fish houses and dark houses must be removed from the ice and authorizes the use of floating turtle traps.  
H.F. 1037-Betzold: Technical Dept. of Health bill, provides rulemaking authority, modifies enforcement and fee provisions and modifies the hearing instrument dispenser trainee period. 57-0  
S.F. 1551-Johnson, J.B.: Provides loans and incentive for agricultural energy resources development for family farms and cooperatives. 55-0  
S.F. 1393-Pogemiller: Provides the conditions and requirements for issuance of debt and use of the proceeds, authorizes use of capital improvement bonds for indoor ice arenas, authorizes home rule charter cities to issue tax anticipation certificates, and provides for the issuance of temporary obligations and modifies issuance procedures. 54-2  
S.F. 1543-Pogemiller: Changes procedures for allocating bonding authority and changes provisions relating housing programs and plans. 56-0  
S.F. 429-Morse: Extends the sunset date for the Farmer-Lender Mediation Act two years and provides for a study of expansion of the mediation program. 47-6  
S.F. 255-Hanson: Regulates persons who may do elevator work. 48-9  
S.F. 734-Chandler: Regulates the 911 emergency telephone system, imposes requirements on private switch telephone service and imposes a civil penalty. 47-11  
S.F. 801-Berglin: Recodifies and modifies statutes relating to lead abatement. 58-0

### Bills granted final passage on the Senate Calendar May 4, 1995

- S.F. 1564-Anderson: Makes numerous changes to criminal laws and changes a variety of definitions and provides that it is a gross misdemeanor to teach or demonstrate to any other person how to use or make any firearm, explosive, or incendiary device knowing or having reason to know that it will be unlawfully employed for use in, or in furtherance of, a civil disorder. 44-0

### Bills granted preliminary passage on General Orders morning session May 4, 1995

- S.F. 871-Hottinger: Revises the procedures for the adoption and review of agency rules. Progressed for purposes of amendment.  
S.F. 1365-Solon: Modifies the definition of the term fireworks and preempts local regulation of fireworks.  
H.F. 628-Kiscaden: Creates a presumption of refusal or neglect of parental duties in certain termination of parental rights cases. Progressed for purposes of amendment.  
H.F. 1101-Frederickson: Makes miscellaneous technical corrections to water laws, provides for delegation of permit authority, provides for minimal impact permits and provides for removal of hazardous dams.  
H.F. 2-Metzen: Provides that an emissions test need not be done until a vehicle is five years old, changes the inspection fee and provides a contingent expiration date for the inspection program.

# Briefly

The Minnesota Senate Week in Review

May 12, 1995

## MinnesotaCare bill okayed

Members resumed debate on the MinnesotaCare bill, S.F. 845, at the Thurs., May 11, floor session. Among the provisions of the bill is the establishment of a prescription drug benefits program for senior citizens, and the expansion of eligibility requirements to include individuals from households without children and who are below 150 percent of the poverty level. Chief author Sen. Linda Berglin (DFL-Mpls.), moved that the bill be taken from the table. The bill had been tabled with an amendment, offered by Sen. Thomas Neuville (IR-Northfield), pending. The amendment specified that no public funds may be used for elective abortions and that standard private insurance policies do not have to include coverage of abortion procedures.

Berglin offered an amendment to the amendment specifying that if a person, at the time of enrollment in MinnesotaCare, elects to have coverage for elective abortions, the person must pay an additional premium for the coverage. The provision will make clear that no public funds will be used for this benefit, Berglin said, but will not prohibit the Constitutional right to have an abortion. Neuville opposed the amendment and said that the amendment was not clear enough on the prohibition of the use of public funds for abortions. The amendment to the amendment failed on a vote of 30-33. The Neuville amendment was defeated on a 32-32 vote.

Sen. Roger Moe (DFL-Erskine) offered an amendment to remove references to abortion and to delete sections that deal with the uniform benefit set that may be germane to abortion language. Moe distributed a list of 34 organizations calling for passage of the bill without the controversial abortion related provisions. Berglin supported the motion and said that deleting those portions of the bill would not harm the bill. Neuville, however, opposed the motion because the amendment deletes language Neuville had successfully attached to the bill during an earlier floor session. Defeating Moe's proposal will send a "clear and unequivocal" message on the Senate's position, Neuville said. The Moe amendment was adopted on a 36-27 vote.

An amendment, offered by Sen. John Marty (DFL-Roseville), providing for lower prescription drug prices sparked considerable debate. Berglin opposed the amendment on the grounds that the amendment would result in greatly increased costs for MinnesotaCare. Marty countered that the amendment was attempt to make prescription drugs more affordable. The amendment was adopted 34-28. Sen. Pat Pariseau (IR-Farmington) offered an amendment exempting dental

services from the two percent provider tax. Her amendment failed on a 32-32 vote. The bill was granted final passage on a 52-13 vote.

## Joint rules approved

The Rules and Administration Committee met three times over the course of the last two weeks to consider changes to the joint rules that cover combined activities of the Senate and the House of Representatives. The joint rules were approved by the committee and forwarded on to the full Senate. Members adopted the joint rules at the Thurs., May 11, floor session.

The committee, chaired by Sen. Roger D. Moe (DFL-Erskine) considered several changes to the joint rules and a number of amendments to those changes. The joint rules were developed by a subcommittee chaired by Sen. Ember Reichgott Junge (DFL-New Hope). One of the changes included in the proposed joint rules is language designed to clear up confusion over the legislative deadlines. Members of each body had been interpreting the deadlines differently and the new language is designed to more clearly designate the time by which bills must be passed out of policy committees.

One change that sparked considerable discussion involves an attempt to limit the agenda to be considered in even year legislative sessions. Reichgott Junge said that the proposed language is a response to concerns raised by members of both parties that the even year sessions--originally designed to be limited in scope--had become full blown sessions within a more limited time period. The proposed rule limits the agenda in the even-numbered years to adjustments to the budget to maintain a balanced budget, adjustments to policy bills passed the year before, housekeeping and technical bills, bonding bills, constitutional amendments, emergency bills and bills introduced the year before but requiring further study.

Members adopted two amendments to the proposed rule. The first added local bills as items that may also be considered during the even year session. The second amendment specifies that agenda for the even year session may also include bills addressing issues of major public concern that have arisen since the regular session in the year before.

A third major change in the rules is a provision prohibiting conference committees from delegating rulemaking to a department or agency or from exempting a department or agency from rulemaking unless the delegation or exemption was included in either the bill or the amendment referred to the conference committee. In addition, the provision also prohibits the creation of new commissions, councils, task forces, or boards to which a member of the legislature will be appointed

unless the body was created in either the bill or the amendment that was sent to the conference committee.

## Tax plan reconsidered, passed

One day after a proposal establishing a Metropolitan Area tax-sharing plan was narrowly defeated, the Senate reconsidered its action and approved the measure during floor action on Weds., May 10.

Under H.F. 431, authored by Sen. Steven Novak (DFL-New Brighton), a portion of the property tax revenues from the communities with the highest assessed property values is pooled and redistributed to other communities in the Metro Area. The pool will be created by taking a share of the revenues generated from homes with an assessed value of more than \$200,000 in those suburban communities that find themselves ranked among the top 17 percent of Metro Area property valuations.

The bill was narrowly defeated during the Senate's Tues. session, but Sen. Paula Hanson (DFL-Ham Lake) moved to reconsider. The motion was adopted, 36-28.

A motion and several amendments were offered in the debate that followed. Sen. Edward Oliver (IR-Deephaven) moved to refer the bill to the Metropolitan and Local Government Committee. He said the bill has policy impacts on the Metro Area that had not been addressed. Riveness added his support for the motion, saying "To characterize this bill as solely being a tax bill is misdirected." The motion was not approved by a 28-37 margin.

The bill specifies how the pooled revenue is to be split and Sen. Deanna Wiener (DFL-Eagan) presented an amendment eliminating that split and directing the revenue to property tax relief. Her amendment was also defeated, 31-35.

Runbeck presented an amendment to make the tax-sharing apply statewide. She argued the bill does not address the fiscal disparities that exist between the Metro Area and Greater Minnesota. Novak spoke against the proposal, saying the measure would not reduce the disparity in values. The amendment was rejected, 32-34. The measure was granted final passage on a 36-30 vote.

## Correction

In last week's *Briefly*, a statement attributed to Sen. Jane Ranum in connection with the addition of the Head Start program to the bill creating the new Children, Families and Learning Department was incorrect. Ranum did not say that Head Start programs wanted to be in the new department. *Briefly* regrets the error.

# Floor action

Thursday, April 4

## Emissions bill approved

A bill exempting vehicles that are five years old or less, from the annual emissions inspection, was given preliminary passage by the Senate, Thurs., May 4. Authored by Sen. James Metzen (DFL-South St. Paul) the measure limits the fee to \$8 dollars per vehicle.

Metzen told members that both the Environmental Protection Agency and the Pollution Control Agency support the five-year standard. "The bill received a lot of scrutiny in committees," Metzen said, "and what you have before you is good compromise that will put an end to some of this burdensome and unnecessary testing."

An attempt to eliminate the program was made by Sen. Pat Pariseau (IR-Farmington). Pariseau's amendment would have eliminated the testing program at the contract's expiration date, July 1, 1998. "Your constituents have already let you know how they feel about this program," she said, "and it's time to end it."

Several Senators voiced opposition to the amendment, including Sen. Steven Morse (DFL-Dakota). "The only way we can end this program is by demonstrating that we can meet the air quality standards of the EPA without it," Morse said, "and we can't demonstrate that."

Morse told members that eliminating the program would not only worsen air quality, but also produce serious backlash from the federal government. To avoid jeopardizing federal funding that the state receives for highway projects, he said that an emission testing program is imperative.

Sen. Ember Reichgott Junge also opposed the Pariseau amendment. "The very reason we're here today to make certain exemptions is because the program worked," she said. "It's precisely because of this program that we have cleaner air in Minnesota today." Reichgott Junge also pointed to the \$22 million in federal funding that the state receives for meeting the EPA standard, and cautioned against taking action that would threaten the funding. The amendment failed, 32-32.

An amendment to exempt premium gasoline from oxygenate requirements, offered by Sen. Randy Kelly (DFL-St. Paul), also prompted heated debate. Kelly argued that consumers are tired of having the government limit their choices. He said that granting an exemption to the ethanol mandate for premium gasolines is a "modest amendment" that provides the public with choice.

Morse quickly rose to question whether or not the amendment was germane. Sen. Dennis Frederickson (IR-New Ulm) said that the amendment deals with a different chapter of the law and "is for a substantially different purpose." However, Senate President Allan Spear (DFL-Mpls.), ruled that the amendment was germane.

"This is about big oil," Morse said. "They want to undercut the very successful ethanol program that we've established here in Minnesota and slice off a segment of the market for 'pure gasoline,'" he continued.

Sen. Janet Johnson (DFL-North Branch)

agreed with Morse, and told members that small Minnesota corn growers face insurmountable competition from the oil industry.

Sen. Kevin Chandler (DFL-White Bear Lake) pointed out that the ethanol industry is already substantially subsidized through state programs.

"If ethanol is so great, then let it stand on its own merits," added Sen. Phil Riveness (DFL-Bloomington). "But if someone wants to burn something other than ethanol, let them."

After more than an hour of debate, Kelly's amendment was finally defeated, 32-32.

## Vulnerable Adults Act additions

Updating provisions of the Vulnerable Adults Act, the Senate passed S.F. 512 in other floor action on Thurs., May 4. The bill, sponsored by Sen. Allan Spear (DFL-Mpls.) changes definitions of abuse, reporting and response, investigations and consequences. The modifications are designed to improve the efficiency of the reporting and investigation process and assure the system is fair to all, according to Spear. The bill establishes a felony penalty for persons guilty of criminal negligence of a vulnerable adult.

Sen. John Hottinger (DFL-Mankato) offered an amendment to reduce the negligence penalty to a gross misdemeanor. The severe charge will create fear and second guessing among caregivers, Hottinger said, resulting in increased use of unnecessary medical care and treatments. The penalty may have unintended consequences by punishing someone for not doing something, Hottinger said.

Spear responded that the standards for criminal negligence are very strict and narrow. The penalty, he said, is aimed at conscious, careless treatment and is activated as a result of "reckless indifference." The Hottinger amendment was approved by a vote of 43-18.

Attempting to protect spiritual means or prayer for treatment, Sen. Jane Ranum (DFL-Mpls.) offered an amendment to the bill that clarifies that an adult's religious wishes are considered, not only the caregiver's.

Although Spear supported the goal behind the amendment, he expressed concern that Ranum's proposal exposes family members to liability issues. It is difficult to show that an adult, even though they have lived their life according to religious tenets, wants a particular kind of care if it is not stated, Spear said. Ranum's amendment failed to gain approval.

Other attempts to amend the bill were unsuccessful, and the bill was passed.

In other action, a bill relating to traffic regulations, noise abatement and noise limits was passed by the full Senate. Sen. Arlene Lesewski (IR-Marshall), author of the bill, explained that the bill contains exemptions of highways, freeways, and expressways from noise limits.

The exemption caused debate among Senators. Sen. Ellen Anderson (DFL-St. Paul) advocated defeat of the provision. "We need to have statewide standards to protect the urban, as well as rural, quality of

life," Anderson said. The no-noise limit impact on urban communities would have a detrimental effect on communities, property values and decision-making, Anderson continued.

Sen. Dan Stevens (IR-Mora), supported Lesewski's efforts, encouraging decision-making at the local level. Minnesota's standards are already stricter than the federal noise limit level, he noted. The state does not need the additional requirements, said Stevens. The bill was approved as presented.

A bill relating to administrative rulemaking was carried by Sen. John Hottinger (DFL-Mankato). The bill revises procedures for the adoption and review of agency rules. Sen. David Knutson (IR-Burnsville) offered an amendment that repeals numerous administrative rules. Supporting the amendment, Hottinger said it "cleans up the process." The authority to make rules is a strong power, he said, and the Legislature should grant the power thoughtfully.

Sen. Gene Merriam (DFL-Coon Rapids) expressed concern about the amendment, noting that Senators had no idea what each provision in the extensive proposal actually did. Despite his objections, the amendment was adopted.

## Tobacco regulations bill okayed

Senators approved during the Thurs., May 4, floor session, a bill requiring inspections, reporting and training for tobacco retailers. Members also considered several additional bills.

Sen. Dallas Sams (DFL-Staples), author of S.F. 558, explained that the bill provides for penalties to help deter tobacco use by the state's minors. "[The provisions] go a long ways toward reducing the use of tobacco among the youth," he said.

The bill allows towns and cities to regulate retail sale of tobacco and establish a license fee for sales. The bill also provides for state penalties to retailers and individuals in cases where local ordinances have not been enacted. Sams emphasized that the bill does not pre-empt local ordinances that may provide for more restrictive regulation of retail tobacco sales.

Cities and counties also are required to conduct random, unannounced inspections of tobacco retail locations at least once every two years. The bill also outlines requirements for employers to provide a training program for employees who sell tobacco products. The bill's measures go into effect Jan. 1, 1996.

Sen. Kevin Chandler (DFL-White Bear Lake) presented S.F. 579, a housekeeping bill related to reporting and registration practices of charitable organizations.

Sen. John Hottinger (DFL-Mankato) successfully offered an amendment reinserting language that had been deleted in committee regarding disclosure practices for non-profit organizations. The amendment requires charitable organizations to disclose the salaries of the top five employees including compensation from any for-profit affiliated organization only if the affiliated organization "receives funds from the charitable organization in excess of total

payments made by the related organization to the charitable organization.”

) The bill was approved by the Senate.

## Friday, May 5

### Bonding bill approved

A bill providing funds for school construction and acquisition of the land next to the last naturally-occurring trout stream in the Metropolitan Area won the Senate's approval during the Fri., May 5, floor session.

Taking up bills on Special Orders, the members considered S.F. 1688, the capital budget bill sponsored by Sen. Gene Merriam (DFL-Coon Rapids). The bill provides about \$43 million in bond allocations to be used for construction or renovation of public facilities, or land acquisitions. The bill was amended and then passed, 63-2, before being tabled to await the arrival of the companion House File.

Merriam said the bill contains funding in response to emergency situations or for opportunities that cannot wait until the Legislature's normal capital budgeting session. The Legislature normally prepares the capital budget bill in the even-numbered year.

Among the projects funded in the bill is a \$9.7 million maximum effort school loan to the Big Lake School District and another \$6.9 million maximum effort loan to the Kelliher School District. The Dept. of Transportation is allocated \$8 million for bridge repairs, which includes a \$3.5 million project to repair the Wabasha Street bridge in St. Paul.

Other allocations include \$1 million for the City of Parkers Prairie to use replace the city facilities damaged in a propane gas explosion earlier this year. Another \$900,000 is provided to Metropolitan State University to buy land adjacent to the St. Paul campus. Additional bond allocations, ranging in size from just over \$100,000 to \$700,000, are provided to complete projects authorized in previous capital budget bills.

Two projects included in the bill sparked considerable debate. The first provides \$5.2 million to the Dept. of Natural Resources for the purchase of land around Eagle Creek in Scott County. “Development is imminent,” Merriam said, “This is an opportunity for us to preserve a unique natural area, and if we don't do it this year, we won't be able to do it at all.”

Sen. Charles Berg (DFL-Chokio) questioned the appropriation. “It seems that we are all ready protecting a 200-foot strip [along the creek],” he said. “At what price to stop trying to save a few fish?”

Merriam suggested that the allocation is provided because a commitment has been made by one of the landowners who wants to preserve the area. “I think that there's also room for development without doing damage to Eagle Creek,” he said. “Its hard to put a price on trout streams because they just don't make them any more.”

Berg then offered an amendment to remove the Eagle Creek proposal from the bill. “I think spending \$5.25 million [for the project] is extravagant,” he said. “Times are not good, and I don't think we should be

spending this when there are other needs.”

Sen. Terry Johnston (IR-Prior Lake), who had presented a \$9 million proposal to the Legislature for the Eagle Creek project, said the issue was clear. “All that's left is for members to decide if they want to save Eagle Creek,” she said.

The Berg amendment to remove the project was defeated, 1-49.

The second appropriation to attract discussion was a proposal calling for \$2 million to renovate spaces within the State Capitol. Merriam said the allocation “is intended to deal with the most delicate of negotiations” to resolve the office space disagreements between the House and the governor's office.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment to delete the appropriation from the bill. She argued that the proposal should be considered as part of the capital budget next session. “In a year of when we are cutting programs, it seems to me that this is not the year when we should be spending \$2 million on the Capitol,” she said. Her amendment failed to win adoption on a 19-38 vote.

On a voice vote, the members adopted an amendment, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), appropriating \$7 million for a maximum effort school loan to the Littlefork-Big Falls School District. Johnston's amendment, allowing the Eagle Creek land acquisition to proceed without approval of the Scott County Board was also adopted.

Sen. Steven Morse (DFL-Dakota) presented an amendment transferring the Public Facilities Authority from the Dept. of Trade and Economic Development to the Pollution Control Agency. His amendment was also approved on a voice vote.

Meeting as the Committee of the Whole to take up bills on General Orders, the Senate also approved S.F. 1019, the Metropolitan Livable Communities Act, on a 59-3 roll call vote.

The measure, authored by Sen. Ted Mondale (DFL-St. Louis Park), creates a Livable Community Fund, set up to provide an incentive to suburban communities to develop low-income housing and to assist communities with high concentrations of poverty. The fund is to be managed by the Metropolitan Council.

Mondale said the bill is an effort to respond to the issues of urban sprawl while addressing the concerns caused by the “extreme pockets of poverty” that are found in the seven-county Metro Area. He said past attempts to address all of the issues have caused “a divisive debate”. But Mondale said this bill represents a bipartisan effort to end the debate by setting targets for communities to achieve and providing incentives to encourage them to do so.

Merriam offered an amendment removing a provision that reduces the City of Bloomington's repayment obligations on a 1987 highway improvement bond authorization. Approved in 1986, the improvement bonds were used by the city to fund the highway development around the Mall of America site.

Merriam said the original proposal required the city to repay the principle of the highway improvements bonds at a rate

of 10 percent per year beginning in the year 2000. He said the new provision exempts the city from that initial repayment schedule. Merriam said that when the highway improvement bonds were first requested, city officials assured members the repayment schedule would be met. “I wonder now if [the city] ever intended to repay [the loan], or if we were snookered,” he said.

Sen. William Belanger (IR-Bloomington) opposed the amendment. “The citizens of Bloomington have seen us give money to Northwest Airlines and the Target Center,” he said, “All we are doing is giving the citizens a share.” Sen. Phil Riveness, a Bloomington DFLer, spoke against the amendment. He said the highway improvements contribute to the success of the Mall of America. He said the revenue generated in taxes by the mall exceeds the amounts the city would repay and that “the entire Metro Area has been a big gainer.”

The Merriam amendment was defeated, 23-37, before the bill was approved.

### Metro land plan bill adopted

During the Fri., May 5, afternoon floor session, the Senate approved a bill updating the Metropolitan Land Planning Act, passed a bill creating a public radio system for Metro Area municipalities, and approved changes to the state park system. Senators approved several other bills as well.

Sen. Ted Mondale (DFL-St. Louis Park) explained that H.F. 833 is the culmination of recommendations made by the Metropolitan Council regarding the comprehensive planning of Metro Area communities. Comprehensive plans contain objectives and policies that guide public and private land use, development and preservation within a local governmental unit. The plans also describe possible effects on adjacent communities or school districts.

The bill specifies that the plans may contain provisions to guide joint planning and decision-making between municipalities and surrounding communities, and provisions dealing with economic development within a community. The bill also specifies that comprehensive plans must include a water management plan that will be reviewed, along with the rest of the plan, by the Metropolitan Council.

One particular provision, dealing with Metro Area cities' plans, drew debate among Senators. Sen. Roy Terwilliger (IR-Edina) offered an amendment to delete two sections of the bill. The sections relate to land-use planning and a local government's ability to amend a zoning ordinance. The bill specifies that if a comprehensive plan developed by a metro local government is in conflict with the zoning ordinance, the zoning ordinance shall be brought into conformance with the plan. Terwilliger said the provisions took away local zoning control.

Mondale, however, said nothing in the bill gives the Met Council any more power over local zoning. What it does, he said, is require zoning ordinances to mirror comprehensive plans to better direct regional planning and assist citizens' right to know a city's development plans.

After some discussion, Terwilliger amended his amendment by just deleting one section relating to amending a zoning

# Floor action

ordinance with a majority vote of the local governing body.

Mondale also presented S.F. 467, a bill developing the first phase of a shared public radio system for Metro Area communities and government units. Among the advantages, Mondale explained, is substantial savings from sharing towers, transmission lines and computer controllers on the network. The system also would provide adequate transmission capacity for the area's needs, the ability to communicate among jurisdictions in criminal cases, and the ability of ambulances to communicate with hospitals throughout the Metro Area. After limited discussion, the Senate passed the bill.

Sen. Steven Morse (DFL-Dakota) presented H.F. 479, a bill changing the boundaries of several state parks and changing a Winona County state wayside to a state park.

Sen. Gene Merriam (DFL-Coon Rapids) offered an amendment creating a new Erlandson State Park in Anoka County, currently the Erlandson Nature Center. Merriam explained, slightly tongue-in-cheek, that the state currently does not have enough state parks and that the park system is "flush with money."

After minimal discussion, Merriam withdrew the amendment, but immediately offered an amendment deleting the provision in the bill that designates the John A. Latsch State Wayside as the John A. Latsch State Park. Merriam said he thought the area did not deserve the distinction as a state park, noting that the park offered minimal parking and few public facilities.

In response, Morse said he was "more than a little surprised to hear Sen. Merriam judge a park by its parking lot." He defended the park's change in status, saying it was originally designated a state park, that the area has many natural resource characteristics that warrant state protection, and that the 1,500-acre bluffs area overlooking the Mississippi River is more in line with a state park than a wayside. The Merriam amendment to delete the state park reference prevailed on a voice vote.

## Monday, May 8

### Child support bill approved

Senators spent much of the Mon., May 8, floor session debating provisions and amendments to a bill dealing with child support obligations and enforcement measures. The body eventually approved the bill 55-7.

Sen. Richard Cohen (DFL-St. Paul), chief author of the bill, said the bill was a culmination of three years of effort to enforce the payment of child support. Each year the state loses \$551 million in uncollected child support, he said, because of the 186,000 families obligated to pay, about 65,000 are in arrears.

Cohen outlined many of the bill's provisions designed to enforce the payment of child support. Among the new provisions are language providing for driver's license suspension without a hearing and liens on motor vehicles owned by persons who fail to make regular child support payments. The

bill also delays until January 1997 the state publication of names of people who are behind on their support payments. Cohen said the bill requires the Dept. of Human Services to report on the progress of the various collection enforcement programs.

Cohen said the bill's appropriations saves the state money in areas and generates some revenue. One provision generates \$100,000 a year for children's supervised visitation facilities in rural areas through a \$3 increase in the marriage license fee.

Several amendments were added to the bill, including one, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), specifying that the court shall consider the custodial parent's cooperation with visitation rights with the non-custodial parent's failure to make timely support payments. The provision encourages courts or administrative law judges to make parents work out their differences, Lessard said.

Cohen and other Senators opposed the amendment. Sen. Pat Piper (DFL-Austin) said child support is just that, support for the child. The Lessard amendment would cloud the issue with relationship issues, she said.

The amendment was adopted on a 46-20 roll-call vote.

In response, Sen. Don Betzold (DFL-Fridley) offered an amendment that directs the courts to consider the impact of any failure of the non-custodial parent to pay timely support in any motion to modify visitation rights. The courts always have tried to keep the issues separate, he said, but the Senate voted to combine them.

Sen. Kevin Chandler (DFL-White Bear Lake), who voted for the Lessard amendment, also supported the Betzold provision. Both pieces of legislation are needed, he said. Payments are just as important as the relationships when rent, heat and food are considered, he said. The amendment failed on a 22-42 vote.

Lessard successfully offered another amendment allowing the courts to deviate downward from payment guidelines if it is found to be in the best interest of the child. Sen. Linda Berglin (DFL-Mpls.) amended the amendment to exempt AFDC cases from the provision.

Sen. Gene Merriam offered an amendment to delete sections of bill requiring businesses to file with the Dept. of Human Services W4 forms within 15 days of hiring a new employee. Businesses currently have to file to other state agencies annually or quarterly but filing to another agency is burdensome to smaller businesses, Merriam said. The amendment also deletes a section of the bill containing penalties for businesses that fail to comply with reporting measures.

Cohen and Chandler, co-authors of the bill, opposed Merriam's amendment. Cohen said the employment community supports the reporting provision and the measure most likely will be required at the federal level eventually. Chandler said requiring businesses to file within weeks of hiring an employee targets those people who may avoid child support payments by jumping from short-term job to short-term job.

The amendment was adopted but later reconsidered and rejected with a 28-38 roll-call vote.

Sen. Arlene Lesewski (IR-Marshall) offered an amendment giving counties the option of establishing an alternative support-determination process. She said by requiring all county court systems to have an alternative process, the state is imposing unnecessary additional costs. "Granted, the alternative process is less costly for those courts that are already overburdened," she said, "but we should give the counties the authority to decide if they want to spend their resources in setting up the alternative process."

Cohen opposed the amendment. He said that, since the state has taken over the costs of running the court system, there would not be much that the counties would save by not setting up the alternative process. The Lesewski amendment was adopted on a 38-22 vote.

The members also narrowly rejected an amendment, sponsored by Sen. Sheila Kiscaden (IR-Rochester), to remove a provision creating the Cooperate for Children Program. Under the program, parents involved in a child support proceeding will receive information on that proceeding and offer a non-judicial forum to begin resolving custodial and visitation matters. Kiscaden said the program should be considered with others that give information to individuals involved in divorce proceedings. "We should be looking at what the best ways are to use our state dollars," she said.

Cohen said, "We hear, time and time again, that we have to get away from confrontation in the support determination process." He said the program will be run as a pilot project to see if such an approach is feasible. The provision failed, 31-33.

## Tuesday, May 9

### Gift ban modified

After quickly processing several smaller bills at the Tues., May 9, floor session, Senators turned to S.F. 339, a bill making changes in the law that prohibits public officials from accepting gifts.

Acting on Special Orders, the Senators granted final passage to the bill, sponsored by Sen. John Marty (DFL-Roseville), modifying the gift ban legislation passed last year. As originally written, the bill provides that a public official may accept a cup of coffee or other refreshment not to exceed \$3 in value, and reasonable travel and lodging expenses within the state when the recipient makes a speech or answers questions as part of a program. The measure also provides that an official who accepts a gift in a good faith belief that it is lawful may return it promptly upon learning that it was not lawful, without being subject to a penalty. Gifts from a national or multistate organization as part of a conference, seminar, or meeting are not subject to the bill's provisions if an equivalent gift is given to all other participants. The civil penalty for violating the ethics regulations is determined by the Ethical Practices Board and may not exceed \$1,000.

The measure adds elected school district officials to the list of public officials who are subject to the gift limit. Sen. Roger Moe

(DFL-Erskine), offered an amendment removing school officials from the bill. Marty objected to the amendment, saying that "the largest share of our property tax dollars is going to schools," and that school boards deal with more money than anyone else. The amendment failed on a 23-43 vote.

The Senators approved two other Moe amendments. The first raises the refreshment limit from \$3 to \$5. The second allows a lobbyist to contribute a prize for a benefit event if the organization qualifies under IRS 501(c)(3). The amendments were approved on voice votes.

Sen. Arlene Lesewski (IR-Marshall), offered an amendment permitting officials to accept a meal or other hospitality valued at no more than \$25 at a wedding, graduation, or similar family event. Sen. Terry Johnston (IR-Prior Lake), objected to the amount, saying that the amendment would be unfair to officials in the Metro Area, where catering costs for such events are higher. The Senators then changed the amount to \$40 and approved the amendment on a voice vote.

Sen. Charles Berg (DFL-Chokio) offered two amendments. The first, prohibiting the use of state funds by state agencies to influence legislators, failed. The second requires that each state agency must report to the board each year how much money it spent on expenditures for any staff members who are not registered lobbyists and spend more than 25 percent of their time during the legislative session on legislative matters. The amendment was approved.

Three other amendments were defeated. The first, offered by Sen. Carl Kroening (DFL-Mpls.), permits occasional acceptance of admissions, food, or beverages exceeding the \$5 limit and requires reporting of the gift to the Ethical Practices Board. The second, authored by Sen. Richard Cohen (DFL-St. Paul), permits sponsors of events at publicly owned facilities to give tickets to events to officers and employees of the facility for the purpose of providing access in performing their duties. The third, offered by Sen. Gen Olson (IR-Minnetrista), requires background checks on candidates for public office.

Members also engaged in a heated debate before defeating a bill that redistributes a portion of tax revenues on homes over \$200,000 among Metro Area communities.

Under current law, tax dollars resulting from the growth of commercial and industrial development is pooled, then distributed among Metro Area communities.

The bill adds to the pool tax dollars from residential property levied on the portion of a home that exceeds \$200,000. Under the measure, the taxes on \$100,000 of a \$300,000 home would go into the pool. The bill's sponsor, Sen. Steven Novak (DFL-New Brighton), said it mandates a tax cut for 83 percent of people in the Metro Area. Novak said, "This bill is about the new growth suburbs who have benefited from the largesse of the rest of the Metro Area to fund their infrastructures," and who have then used the wealth to attract businesses away from the inner cities.

Novak said that for 20 years, the region has spent nearly all Metro Region infrastructure dollars building freeways and sewers for

southern and western developing suburbs, and that the windfall of tax dollars from the resulting development should be shared among the communities whose citizens financed the development.

Sen. Edward Oliver (IR-Deephaven), spoke at length against the bill. "It's a redistribution policy," Oliver said. "The purpose of this provision is redistribution of wealth. What we're saying is, if a municipality has higher valued homes, we are going to take that away and redistribute it to municipalities with lower valued homes."

Members approved an amendment offered by Sen. Phil Riveness (DFL-Bloomington), that prevents communities that exclude commercial and industrial development from receiving a portion of the distribution.

The Senators then voted on the bill, defeating it on a 32-34 margin.

One of the last bills to be considered during the Tues., May 9, floor session was a measure, S.F. 1052, dealing with the laws relating to domestic abuse. The measure conforms domestic abuse definitions, includes persons with significant relationships, modifies the requirements for an order for protection and extends the time period for domestic abuse arrests. The bill, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), had been tabled a few days earlier after members adopted an amendment, over Reichgott Junge's opposition, altering a provision relating to the ability of a minor to obtain an order for protection.

After the bill was taken from the table, Reichgott Junge offered an amendment specifying that a minor may make a petition for an order for protection if the minor is accompanied by a family or household member, a guardian or, if the court finds that is in the best interests of the minor, by a reputable adult age 25 or older. In addition, the amendment provides that a minor age 16 or older may make a petition on the minor's own behalf against a spouse or former spouse, a person with whom the minor has a child in common, or a person with whom the minor is or has been involved in a significant romantic or sexual relationship, if the court determines that the minor has sufficient maturity and judgment and that it is in the best interest of the minor.

Sen. Thomas Neuville (IR-Northfield) argued against the amendment and requested that the amendment be divided and each part be voted on separately. Both portions of the amendment were adopted and the bill was granted final passage on a vote of 38-25.

## Wednesday, May 10

### Pay raise bill falls

A bill providing pay increases for constitutional officers, judges and legislators was rejected by the Senate during the Weds., May 10, floor session.

On a 22-44 vote, the Senate rejected S.F. 1406, authored by Sen. Roy Terwilliger (IR-Edina). The bill sets salary increases of three percent for court judges, effective on Jan. 1, 1996, and for constitutional officers and legislators on Jan. 1, 1997. Terwilliger said the bill, which is based on the recommendations of the State Compensation

Council, also sets the salary ranges for state agency commissioners and higher education system heads as a percentage of the governor's salary.

The Senate's action followed debate on several amendments to the bill. Terwilliger offered an amendment limiting the increases to the lesser of three percent or to the average percentage increase awarded in state employee contracts. The amendment was adopted.

The proposed pay hike for legislators sparked a great deal of discussion. Sen. Linda Runbeck (IR-Circle Pines) sponsored an amendment to remove the increase for legislators from the bill. She said the proposal runs against the notion that the body is a "Citizen Legislature". Runbeck argued that the increase serves as an incentive that encourages members to spend more time as legislators and less as private citizens. "This is public service and it should not be considered as a full-time job," she said, "If you don't like the salary, you have an option -- you can find other work."

Sen. David Knutson (IR-Burnsville), speaking in favor of the amendment, said "Many people in our communities don't get a three percent increase." He argued that more members are making the Legislature their full-time position, which "is not serving the desires of our citizens."

Sen. Phil Riveness (DFL-Bloomington), said the increase represents a cost-of-living adjustment and not a base increase. "At [legislator's] current salary, we're receiving less than half the salary of any other elected state official," he said. "I think that it is reasonable for all public servants, including ourselves, to get a cost-of living adjustment."

Sen. William Belanger (IR-Bloomington) said there were other costs that members pay, recounting the loss of a position he held when his company reduced its size. Calling for members to defeat the amendment, he said the increase is small compensation for the "price to public service."

The Runbeck amendment failed on a voice vote.

The Senate also defeated an amendment, offered by Sen. Thomas Neuville (IR-Northfield), removing the pay increase recommendations from the bill. His amendment fell, 26-37.

Members adopted an amendment, presented by Sen. Carol Flynn (DFL-Mpls.), removing the chair and members of the Metropolitan Council from salary ranges. She said the board members should be allowed to decide their own scale because they are a local government organization. Also approved was an amendment, offered by Sen. Sandra Pappas (DFL-St. Paul), removing the Transportation Regulatory Board chair from the salary range requirement.

### Tribal compacts bill approved

A bill terminating the state's gaming agreements with Native American tribes was amended and passed by the Senate, Weds., May 10.

After adopting a motion by Sen. Charles Berg (DFL-Chokio) to take S.F. 1044 from the table, the Senate continued its consideration of the proposal, which ends the state's gaming agreements with Native American

Indian tribes in 1998.

Neuville presented an amendment eliminating the language of the original bill and replacing it with a provision calling on the governor to renegotiate the tribal compacts. The amendment requires that all agreements must be approved by both bodies of the Legislature. The Legislature's intent that the state request negotiations to amend or replace all tribal-state gaming compacts is also expressed.

"There were strong objections to declaring the compacts to be terminated on a certain date," Neuville said. He added that the amendment is offered as a compromise to that proposal.

Berg said the result of the amendment will

be that some of the conditions of the compacts now in effect will be modified. Arguing that "90 percent" of compulsive gambling is caused by the tribal-operated casinos, Berg said "We ought to reach some agreement to have the Native American tribes contribute to the compulsive gambling fund."

While the tribal governments could still refuse to renegotiate the compacts, Berg said, "they would be refusing a legislative request and I don't think they want to do that."

Sen. Dennis Frederickson (IR-New Ulm) questioned the provision calling for the Legislature's approval of the compacts. "My concern is that we are prohibited [by the

state constitution] from vetoing actions taken by the executive branch," he said.

But Berg said the Legislature should be informed of the terms of those compacts and how they were reached. "It's of such importance, we should know what's going on," he said.

The Neuville amendment was adopted and S.F. 1044 was passed, 41-24.

#### Frequently called numbers

Senate Information	296-0504
TDD	296-0250
Committee hotline	296-8088

# Floor action

## Bills granted preliminary approval on General Orders afternoon session May 4, 1995

- S.F. 1314-Mondale: Modifies provisions relating to the voluntary investigation and cleanup program and establishes the environmental improvement pilot program.
- S.F. 1089-Lesewski: Exempts highways, freeways and expressways from noise limits, requires a noise abatement study and measures for freeways and expressways contingent on available funding, and requires an annual noise abatement report.
- S.F. 1319-Cohen: Extends the availability of valuation exclusions for certain improvements made to property in 1992.
- S.F. 512-Spear: Vulnerable Adults Reporting Act changes.
- S.F. 558-Sams: Requires inspections of, reports on, and training for tobacco retailers and employees, establishes administrative penalties, defines display allowance, prohibits payment of display allowance and establishes penalties.
- S.F. 579-Chandler: Regulates charitable organizations and regulates filing statements.
- S.F. 503-Riveness: Provides for the Minnesota Collection Enterprise, imposes duties, provides powers, imposes a collection penalty, and provides for venue of Conciliation Court Actions.
- S.F. 1170-Mondale: Requires licensure or certification of geoscientists, adds geoscientists to the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, and Interior Design and provides for duties for the board.
- H.F. 1478-Sams: Requires notice to commissioner of agriculture and a public hearing before an agency adopts or repeals rules that affect farming operations.
- S.F. 1076-Johnson, J.B.: Exempts wind energy conversion systems siting from the power plant siting act and authorizes rulemaking. 47-13
- S.F. 230-Kelly: Increasing tort liability limits for claims against governmental units.

## Bills granted concurrence and repassage May 5, 1995

- S.F. 1402-Anderson: Asks state employees to submit suggestions to improve the efficiency and effectiveness of state government. 48-15

## Bills granted final passage on the Calendar May 5, 1995

- H.F. 1478-Sams: Requires notice to the commissioner of agriculture and a public hearing before an agency adopts or repeals rules that affect farming operations. 60-0
- S.F. 1365-Solon: Regulates fireworks, modifies the definition of the term fireworks, pre-empts local regulation of fireworks and prohibits sales to minors. 62-0
- S.F. 1170-Mondale: Requires licensure or certification of geoscientists, adds geoscientists to the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, and Interior Design and provides for duties for the board. 39-21
- S.F. 1076-Johnson, J.B.: Exempts wind energy conversion systems siting from the power plant siting act and authorizes rulemaking. 47-13
- H.F. 1101-Frederickson: Making miscellaneous technical corrections to water laws, delegates permit authority and provides for minimal impact permits and the removal of hazardous dams. 63-0
- S.F. 558-Sams: Requires inspections of, reports on, and training for tobacco retailers and employees, establishes administrative penalties, defines display allowance, prohibits payment of display allowance and establishes penalties. 62-0
- S.F. 579-Chandler: Regulates charitable organizations and regulates filing statements. 62-1
- H.F. 2-Metzen: Provides that a vehicle need not be inspected until the year of its registration is five years more than its model year, changes the inspection fee, and provides a contingent expiration date for the inspection program. 66-0
- S.F. 503-Riveness: Provides for the Minnesota Collection Enterprise, imposes duties, provides powers, imposes a collection penalty, and provides for venue of Conciliation Court Actions. 64-2
- S.F. 1089-Lesewski: Exempts highways, freeways and expressways from noise limits, requires a noise abatement study and measures for freeways and expressways contingent on available funding, and requires an annual noise abatement report. 48-18
- S.F. 512-Spear: Vulnerable Adults Reporting Act changes. 64-1
- S.F. 871-Hottinger: Revises the procedures for the adoption and review of agency rules and requires fees to cover costs. 65-0
- S.F. 230-Kelly: Increasing tort liability limits for claims against governmental units. 45-21

## Bills granted final passage on Special Orders May 5, 1995

- S.F. 1688-Merriam: Authorizes spending to acquire and better public land and buildings and other public improvements of a capital nature, authorizes the sale of state bonds, requires periodic reports on the status of authorized and outstanding state bonds and provides for cancellation of unused bond authorizations. 63-2

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### **Bills granted preliminary passage on General Orders May 5, 1995**

- S.F. 1019-Mondale: Establishes the Metropolitan Livable Communities fund and provides for fund distribution, reduces the levy authority of the Metropolitan Mosquito Control Commission, and authorizes an economic vitality and housing initiative. 59-3
- S.F. 885-Ranum: Modifies the grounds and procedure for proving a public nuisance.
- H.F. 493-Pogemiller: Omnibus pension bill that provides for various benefit modifications and related changes that require local governing body approval.
- H.F. 1567-Pogemiller: Regulates the deposit and investment of public funds and regulates agreements related to the funds.
- S.F. 900-Piper: Relates to state family preservation programs, changes licensing requirements and reconsideration for foster care, adds provisions for drop-in child care programs, adds provisions for the Minnesota Family Preservation Act, and expands eligibility for Indian Child Welfare grants.
- H.F. 1238-Price: Provides for planning, development, review, coordination of Metropolitan Area surface and groundwater management.
- H.F. 479-Morse: Provides for additions to and deletions from state parks, establishes a new state park and deletes two state waysides.
- S.F. 1270-Dille: Clarifies procedures for agricultural chemical response reimbursement.
- S.F. 467-Mondale: Provides for coordination and consolidation of public safety radio communications systems, provides for governance and finance of the state and regional elements of a regionwide public safety radio communication system, extends the public safety channel moratorium and authorizes the use of 911 emergency telephone service fees for costs of the regionwide public safety radio communication system.
- H.F. 833-Mondale: Modifies provisions relating to comprehensive municipal planning in the Metropolitan Area.
- H.F. 493-Pogemiller: Makes changes to various local public employee pension plans and provides for various benefit modifications and related changes that require local governing body approval.
- S.F. 371-Olson: Abolishes restrictions relating to the number of lanes on a specific portion of I-394.

### **Bills granted concurrence and repassage May 8, 1995**

- S.F. 1404-Solon: Regulates reinsurance intermediaries and provides for the investment of funds held by reinsurance intermediaries. 60-0

### **Bills granted final passage on the Calendar May 8, 1995**

- S.F. 1319-Cohen: Extends the availability of valuation exclusions for certain improvements made to property in 1992. 61-0
- H.F. 479-Morse: Provides for additions to and deletions from state parks, establishes a new state park and deletes two state waysides. 62-0
- S.F. 371-Olson: Abolishes restrictions relating to the number of lanes on a specific portion of I-394. 61-0
- H.F. 1238-Price: Provides for planning, development, review, coordination of Metropolitan Area surface and groundwater management. 62-0
- S.F. 885-Ranum: Modifies the grounds and procedure for proving a public nuisance. 62-0
- S.F. 900-Piper: Relates to state family preservation programs, changes licensing requirements and reconsideration for foster care, adds provisions for drop-in child care programs, adds provisions for the Minnesota Family Preservation Act and expands eligibility for Indian Child Welfare grants. 59-0
- H.F. 493-Pogemiller: Regulates various local public employee pension plans and provides for various benefit modifications and related changes that require local governing body approval. 51-11
- S.F. 467-Mondale: Provides for coordination and consolidation of public safety radio communications systems, provides for governance and finance of the state and regional elements of a regionwide public safety radio communication system, extends the public safety channel moratorium and authorizes the use of 911 emergency telephone service fees for costs of the regionwide public safety radio communication system. 63-1
- H.F. 833-Mondale: Modifies provisions relating to comprehensive municipal planning in the Metropolitan Area. 62-1
- S.F. 1019-Mondale: Establishes the Metropolitan Livable Communities fund and provides for fund distribution, reduces the levy authority of the Metropolitan Mosquito Control Commission, and authorizes an economic vitality and housing initiative. 57-8

### **Bills granted final passage on Special Orders May 8, 1995**

- S.F. 217-Cohen: Provides for enforcement of child support obligations, expands enforcement remedies for child support, authorizes programs, provides for resolution of custody and visitation disputes, modifies data collection and publication and imposes penalties. 57-7

### **Bills granted final passage on the Calendar May 9, 1995**

- H.F. 1479-Mondale: Establishes an environmental improvement pilot program to promote voluntary compliance with environmental requirements and modifies provisions relating to the voluntary investigation and cleanup program. 64-0

### **Bills granted final passage on Special Orders May 9, 1995**

- H.F. 446-Sams: Establishes licensure for acupuncture practitioners by the Board of Medical Practice, requires continuing education and provides penalties. 57-4
- H.F. 1573-Metzen: Regulates savings banks, modifies and clarifies statutory provisions relating to the structure and function of savings banks and makes technical changes. 57-0
- H.F. 628-Kiscaden: Creates a presumption of refusal or neglect of parental duties in specific termination of parental rights cases. 59-3
- S.F. 339-Marty: Makes changes in laws relating to ethics, makes advisory opinions public data, authorizes civil penalties, clarifies definitions and authorizes exceptions to the ban on gifts. 46-20
- S.F. 1562-Terwilliger: Limits the time within which authorized bonds may be issued. 64-0
- S.F. 1052-Reichgott Junge: Makes changes to laws relating to domestic abuse, conforms domestic abuse definitions, includes persons with significant relationships, allows certain minors to petition on their own behalf for orders for protections, provides for subsequent petitions and extends time period for domestic abuse arrests. 38-25
- S.F. 1233-Pappas: Establishes housing as a metropolitan system. 44-17

### **Bills that failed to pass on Special Orders May 9, 1995**

- H.F. 431-Novak: Includes certain homestead property value in the areawide tax base and subjects certain homestead property value to the areawide tax rate. 32-34
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### Conference committee reports adopted and repassed May 9, 1995

- S.F. 965-Langseth: Authorizes issuance of permits for 12 foot wide loads of baled straw and changes classification and endorsement requirements to operate a vehicle carrying liquid fertilizer. 62-0  
H.F. 536-Limmer: Regulates residential building contractor licensees and provides a clarification. 63-0  
H.F. 1159-Kroening: Authorizes municipalities to establish trust or escrow accounts for proceeds from losses arising from fire or explosion of insured real property and authorizes municipalities to utilize escrowed funds to secure, repair, or demolish damages or destroyed structures. 63-0  
S.F. 375-Lessard: Directs the electric energy task force to consider new preferred alternative energy sources and provides for incentive payments to closed system pumped hydropower facilities. 55-3

### Conference committee reports failing to be repassed May 9, 1995

- S.F. 155-Stumpf: Authorizes poultry farmers to trap great horned owls. 32-29

### Bills reconsidered and repassed May 10, 1995

- H.F. 1573-Metzen: Regulates savings banks, modifies and clarifies statutory provisions relating to the structure and function of savings banks and makes technical changes. 59-0

### Bills granted final passage on Special Orders May 10, 1995

- H.F. 1742-Piper: Provides for insurance coverage of bone marrow transplants for breast cancer treatment. 60-0  
S.F. 1044-Berg: Provides for renegotiation and legislative approval of tribal-state gaming compacts. 41-24  
S.F. 1112-Ourada: Authorizes Sherburne County to convey certain county ditches to the city of Elk River. 62-0

### Bills that failed to pass on Special Orders May 10, 1995

- S.F. 1406-Terwilliger: Establishes and modifies salary limits for public officials. 22-44

### Bills reconsidered and passed on Special Orders May 10, 1995

- H.F. 431-Novak: Includes certain homestead property value in the areawide tax base and subjects certain homestead property value to the areawide tax rate. 36-30

### Bills granted final passage on the Calendar May 10, 1995

- H.F. 1377-Dille: Clarifies procedures for agricultural chemical response reimbursement. 65-0

### Bills granted final passage on Special Orders May 11, 1995

- S.F. 529-Kroening: Requires installation of automatic sprinkler systems in existing high-rise buildings. 45-11  
S.F. 845-Bermlin: MinnesotaCare bill. 52-13

### Conference committee reports reconsidered and passed May 11, 1995

- S.F. 155-Stumpf: Authorizes poultry farmers to trap great horned owls. 39-22

### Conference committee reports adopted and repassed May 11, 1995

- H.F. 5-Samuelson: Welfare reform bill. 62-0  
H.F. 1399-Solon: Imposes penalties for crimes involving assault on a police horse. 60-0

# Briefly

The Minnesota Senate Week in Review

May 19 and 26, 1995

## Regular session adjourns

Two minutes before midnight, Mon., May 22, Majority Leader Roger Moe (DFL-Erskine) made the motion that "the Senate do now adjourn until 12 noon Tues., Jan. 16, 1996." But, before the president of the Senate, Sen. Allan Spear (DFL-Mpls.), could gavel the session to a close, the Minority Leader Dean Johnson (IR-Willmar) announced that he had just been informed that the governor had called a Special Session of the Legislature for 9 a.m. the next morning.

Although the Senate completed work on all major components of the budget, the tax bill, an emergency bonding bill and numerous other pieces of legislation, disagreement still existed on the \$6 billion education bill.

The Mon., May 22, day-long floor session culminated in the passage of several major pieces of legislation in the closing hours. The Senate adopted amendments from the other body to the MinnesotaCare bill and repassed the measure. The omnibus state government funding bill, the omnibus transportation funding bill, the omnibus tax bill and an emergency bonding bill were all approved during the evening hours. Members also approved the child support enforcement bill, the Metropolitan Livable Communities bill, the "minibus" crime package and a governmental reorganization bill.

## Special Session held

With the intention of completing some unfinished business, the Senate opened a three-day Special Session on Tues., May 24.

When the Senate adjourned the previous day, several measures were left undone. Most notably, time ran out on the regular session before a final compromise agreement could be reached on a K-12 education omnibus appropriation bill. Conference committee discussions on the education package had stalled when members were unable to resolve how those funds were to be distributed and how long-term obligations created by proposals under consideration could be limited.

That compromise was reached and approved on Thurs., May 25 when the Senate passed H.F. 4, the K-12 omnibus finance bill, 54-5.

The bill, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), appropriates a total of just under \$5.77 billion for K-12 education programs over the next biennium. Under the proposal, the general education formula is

increased from its current level of \$3,150 per pupil to \$3,205 for FY 1996. In FY 1997, the formula will go to \$3,505 and then be reduced to \$3,430 in FY 1998 as a cost control measure.

The bill also combines the general education, transportation, training and experience, and capital expenditure revenues into one formula. The new formula is slated for repeal at the start of FY 1998 unless the Legislature acts to continue the formula mechanism.

Other provisions in the bill eliminate the Dept. of Education and replaces it with a Dept. of Children, Families and Learning on Oct. 1, 1995. A number of related programs will be transferred to the new department on July 1, 1996. A process to phase out the use of levies to support special education while phasing in the use of HACA aid, amounting to \$30 million, replacing the levy revenue that is lost is also included.

Other highlights of the bill include creation of a Targeted Needs funding formula, a \$12.5 million appropriation for development of the graduation rule, an additional \$12 million to create Family Services Collaborative, and another \$22.5 million for various technology initiatives.

Also included in the bill is a \$200 million appropriation to be placed into a budget reserve, and a provision that caps total K-12 education spending for FY 1998 and FY 1999 at just more than \$6 billion.

The bill, Pogemiller said, gives school districts "new flexibility" in determining how their funds are used. But by not providing additional compensatory aid or giving additional support to alternative learning programs, he said the bill "does nothing to close the learning gap among those students that need it the most." "I think that we will regret [not providing additional funds] in the long run," Pogemiller said, "That's a battle we'll need to fight again."

On a 53-6 vote, the Senate also passed a \$34.3 million emergency capital bonding bill. Included in H.F. 1, sponsored by Sen. Gene Merriam (DFL-Coon Rapids), is more than \$23 million for maximum effort school loans to three school districts. Another \$4.5 million is earmarked for bridge repairs, while \$400,000 is provided to assist the City of Parkers Prairie which lost much of its public facilities in an explosion last April.

An appropriation of \$1.5 million to acquire

land around Eagle Creek, the last naturally-occurring trout stream in the Metro Area, is also in the bill. Merriam said the Senate proposed allocating \$5 million for the land acquisition. "Hopefully, we'll be able to preserve part of Eagle Creek," he said, "but I'm not very optimistic."

Sen. Steven Morse (DFL-Dakota) said he was disappointed that additional funding was not provided. "This a classic confrontation between bulldozers and, in this case, brown trout, and the bulldozers won," he said.

A motion to suspend the constitutional requirements on bill introductions, so that the Senate could consider H.F. 5, failed to win the two-third's majority needed to bring up the proposal.

H.F. 5, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), modifies the state's wetlands protection laws. Merriam objected to the motion to suspend the rules and allow the full Senate to consider the bill. After a lengthy debate, the motion, which had been made by Sen. Ember Reichgott Junge (DFL-New Hope), failed when it did not gain 45 votes.

Several other bills were also considered during the Special Session and members approved two of those measures on Tues. S.F. 1, authored by Sen. Bob Lessard (DFL-Int'l Falls), an omnibus game and fish bill, was introduced and passed, 60-0. The bill was approved by a conference committee but was not given final passage in the House before the session ended.

Under the measure, the governor may issue an executive order allowing Minnesota anglers to transport fish caught in Canada into the state. The bill also makes other modifications to hunting and fishing seasons.

The Senate also passed S.F. 2, introduced by Sen. John Marty (DFL-Roseville). The bill, also considered during the regular session, slightly modifies the ban on gifts to elected officials. With little discussion, the bill was passed, 49-12.

## Subscription renewal

The last page of this edition of *Briefly* contains a subscription renewal form for the Senate Publications Office mailing list. If you wish to continue receiving *Briefly* and *Perspectives* next session, please take a few moments to look over the form, make the necessary changes, and return the form to the Senate Publications Office by June 10, 1995.

# Committee update

## Education

### Appointments recommended

The Education Committee, co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met Tues., May 16, to consider the governor's appointments for the position of Commissioner of Education and to several education boards.

The members recommended the Senate confirm the appointment of Linda Powell as the Commissioner of Education. Powell's nomination now goes to the full Senate for further consideration.

The committee also recommended the confirmation of Jeanne Kling, Thomas Lindquist, Thomas Peacock, Georgina Stephens and Nedra Wicks as members on the State Board of Education.

The governor's eight nominees to the board of Minnesota Center for Arts Education were also considered and the committee recommended the Senate confirm their appointment. The eight members are Terry Anderson, James Bowlus, Ellen Doll, John Kim, Gary Chin-Fong Liew, Gale Mitchell, Ellen Palmer and Patricia Surrat.

The committee also recommended confirmation of the governor's appointees to the Higher Education Board and the Higher Education Facilities Authority. Nominated for seats on the Higher Education Board are Irene Bertram, Steve McElroy, Fannie Marshall Primm, Rachel Scherer and Marty Seifert. The appointees to the Higher Education Facilities Authority include Jack Amundson, Kathryn Balstad Brewer, Earl Herring, John Hoyt, Tom Martinson, James R. Miller, Christopher Nelson and Mollie Thibodeau.

## Finance

### Prompt-pay measure approved

A bill making the Dept. of Human Services subject to the state's prompt-payment laws was amended and approved by the Finance Committee, chaired by Sen. Gene Merriam (DFL-Coon Rapids), on Weds., May 17.

S.F. 999, sponsored by Sen. Phil Riveness (DFL-Bloomington), obligates the Dept. of Human Services (DHS) to make payments for the costs of health care services provided through the Medical Assistance, General Assistance, or MinnesotaCare programs within 30 days of when a claim is submitted.

Riveness offered an amendment that modifies his original proposal. Under the amendment, which the committee adopted, DHS will have 30 days to pay or deny

payment for the costs of medical care services provided to a client in a state program when a correct and complete claim is submitted. The amendment also gives the department 90 days to decide if payments will be made on adjustment claims or on second- and third-party payment claims.

Larry Woods, of the DHS, said the department supports the bill and that he believes no additional costs would be associated with the bill. Woods said federal law already requires the department to pay 90 percent of its claims within 30 days.

S.F. 999 was approved and sent to the Senate floor.

In other action, the committee also approved a bill providing for payment of various claims against the state. S.F. 1701, authored by Sen. Randy Kelly (DFL-St. Paul), appropriates \$164,600 for payment of claims. Kelly said the bill provides \$121,300 for claims filed by inmates who were injured while carrying out duties at state correctional institutions.

The bill also provides another \$43,300, in varying amounts, to individuals who claimed veteran's bonuses because of their service in World War I, World War II, the Korean War, and the Vietnam War. He noted that the bill pays a claim from the beneficiary of a World War I veteran and provides more than 140 bonuses to veterans of World War II and their beneficiaries.

Kelly said the commission has decided to no longer pay the veteran's bonuses after Dec. 30, 1995. "These bonuses have been available for a long time," he said.

After adopting a technical amendment, the bill was approved and sent to the floor.

The committee also approved S.F. 1186, presented by Sen. Steven Novak (DFL-New Brighton). The bill increases the income eligibility requirements for participants in the Affordable Rental Investment Fund. The measure also increases the amount of rental assistance available to Metro Area AFDC families. Both programs are administered by the Housing Finance Authority.

S.F. 806, authored by Sen. Steven Morse (DFL-Dakota), modifies or increases a number of retirement benefit programs. The measure reactivates an early retirement incentive program for employees of the State Historical Society, the Metropolitan Council and other Metro agencies. The grant of additional service credit to legislators elected in special elections is repealed.

The bill also requires any future reduction in local employer or state contributions to

the Minneapolis Employees Retirement Fund (MERF) be redirected to the Minneapolis Teachers' Retirement Fund Association. Other provisions allow the Higher Education System to offer employer-paid health insurance as an early retirement incentive, and permits state employees to regain a portion of their service credit, if they left and then returned to public service.

A number of amendments were offered and adopted. The committee adopted a motion by Morse to delete a provision allowing any excess police and fire amortization aid to be taken from the general fund and reallocated to police and fire relief associations.

Members also adopted another Morse amendment, allowing Technical College System faculty to participate in an early retirement incentive program. The incentive is presently available to the faculty of the State University and Community College systems.

Riveness sponsored an amendment, which was also adopted, making an insurance carrier liable for failing to properly credit the health insurance payments made by MERF on behalf of retirees.

The bill was approved and sent to the floor.

## Jobs, Energy and Community Development

### Confirmations recommended

The Jobs, Energy and Community Development Committee met Thurs., May 11, to consider several gubernatorial appointees for confirmation. Recommended for confirmation were Kris Sanda commissioner, Dept. of Public Service; Peter Gillette, commissioner, Dept. of Trade and Economic Development; Joel Jacobs, commissioner, Public Utilities Commission; Katherine Hadley, commissioner, Minnesota Housing Finance Agency; and Jane Brown, commissioner, Dept. of Economic Security.

### Appointees recommended

Members of the Jobs, Energy and Community Development Committee recommended two appointees for confirmation by the full Senate at the Thurs., May 18, meeting.

The committee recommended the confirmations of James Gustafson as commissioner, Iron Range Resources and Rehabilitation Board; and Thomas L. Johnson, judge, Workers Compensation Court of Appeals.

## Metropolitan and Local Government

### Hockey funding bill advances

A bill allowing public funds to be used as part of a local bid for a professional hockey team was heard Tues. evening, May 16, by the Metropolitan and Local Government Committee.

The committee, chaired by Sen. Jim Vickerman (DFL-Tracy), re-referred the measure to the Finance Committee without recommendation.

Sponsored by Sen. James Metzen (DFL-South St. Paul), S.F. 1704 allows the Metropolitan Sports Facilities Commission (MSFC) to include the proceeds of special revenue bonds as part of a local effort to buy a professional hockey team. Metzen said the amount of funding raised by the bonds would be about \$15 million.

Because the MSFC does not have the authority to issue bonds, the revenue bonds are to be issued by the Metropolitan Council. The funds generated by the bond sale may be transferred to the MSFC so that the commission may attract a National Hockey League team. The bill also requires the commission seek a long-term commitment from the team to play its games at the Target Center in Minneapolis. The bonds will be paid off through the use of an admission tax or surcharge on tickets to hockey games or other professional hockey league events.

Along with authorizing the use of public funding to attract a professional hockey team, the measure has connections to amateur hockey programs in the state. A provision in the bill requires the University of Minnesota to enter into an agreement that will allow the professional team to practice at Mariucci Arena at no cost.

Another part of the bill provides an appropriation to the Minnesota Amateur Sports Commission (MASC). Metzen said the commission will use the funds for grants to communities that are planning to build local ice arenas.

An amendment, offered by Vickerman on the author's behalf, requires the University to build an addition to or expand its existing indoor ice facility to accommodate the professional team's use of Mariucci Arena while meeting other demands for ice skating activities. The amendment, which also clarifies the bonding provisions in the bill, was adopted.

Henry Savelkoul, MSFC chair, said the commission has been involved in efforts to bring a hockey team back to Minnesota. While a local buyer has put an offer together in an attempt to buy the Winnipeg team, Savelkoul said the public funds will help increase that offer.

He explained that the amount of revenue that could be generated by a hockey team in the Target Center - through ticket sales, advertising revenues, etc. - would be ample enough to support a team that is valued at \$40 million to \$50 million.

"If [the price] goes higher than that, it would not make economic sense to bring a team here," Savelkoul said. "The price of all professional teams are elevated above the economic value, and that is the situation we see here."

Adding public funds to the purchase price of a team, Savelkoul said, provides "a window of opportunity" for the professional hockey to return to Minnesota. "Once the session is over, we've lost that opportunity," he said.

Savelkoul said a analysis of the impact a team would have in the state indicates that about \$4 million each year in new revenue would be generated by the team through various income and sales taxes. That amount, he said, would be ample enough to offset the sale of the bonds.

He added that the intent of the MSFC was to negotiate with the team so that they will play their games at the Target Center, at least until the debt on the revenue bonds is paid off.

But several members expressed concerns about committing public dollars towards the ownership of a professional sports franchise. "I don't think that government should be involved in sports," Sen. Bob Lessard (DFL-Int'l. Falls) said, "Teams should either sink or swim on their own."

Sen. Don Betzold (DFL-Fridley) agreed. "If we approve this, you can be sure that the Twins and the Vikings will be in here next," he said. Arguing that the state should not be involved in a "stealing-the-team game," Sen. Sandra Pappas (DFL-St. Paul) said the state was being used as a partner to take away another city's team.

Savelkoul responded that the public has been involved with professional sports in the past, through local taxes and land donations for the construction of other facilities. "If we don't do anything, the [Winnipeg] team won't be coming here," he said, "It won't be the end of the world if they don't, but the Metropolitan Sports Facilities Commission is charged with bringing a National Hockey League team here and this is part of what we need to do that."

When asked about the MSFC's intent to tie a team to a long-term lease, Savelkoul said the commission had no specific agenda as to a course of action. He discussed the possibility that public shares could be sold to ensure that local interests are represented in the team's ownership.

Paul Erickson, executive director of the

Minnesota Amateur Sports Commission, called the bill "an unprecedented way to tie professional sports to amateur sports' needs." Citing a report issued earlier this year, Erickson said there is a growing demand for ice time at local arenas around the state. He attributed the demand to the increasing interest in girls' hockey, as well as the continued demand for public skating time at local arenas.

Erickson said the the appropriation to the MASC will come from revenue generated by a professional hockey team. Those funds will be used to support development of up to 90 new arenas throughout the state.

The proposed allocation to the MASC, Sen. Pat Pariseau (IR-Farmington) said, causes "some discomfort." She said that there are some ice arenas in the Metro Area that are under-used. She also questioned whether some communities should be given funds to build arenas while others will not be funded. Erickson said the funds are not intended to cover the entire cost of new arenas, but to provide local communities with an incentive. "The \$100,000 grant we would provide will be the last amount of money [communities] will need to fund the project," Erickson said, "Local public and private funds will have to be put together first."

Sen. Terry Johnston (IR-Prior Lake) offered a motion to remove a provision stating that the state's support for the funding proposed in the measure was necessary for public health and welfare. "The more I think about it, the more it makes me angry," she said, "Our constituents are going to think we're a lot of fools if we say it is in the public's interest to approve this bill."

Metzen said the provision was added to the bill as a constitutional protection. He said that should the bill be enacted into law and then challenged in court, the courts will determine if the Legislature's intent was related to the public interest, as the State Constitution requires. The Johnston motion was not adopted. The bill was advanced to the Finance Committee.

## Friday, May 12

### Conference report rejected

One of the final acts of Friday's session was the Senate's decision to re-refer back to conference committee S.F. 188, a bill related to appropriations for the redesign of athletic field and facilities at Brainerd Technical College. Authored by Sen. Don Samuelson (DFL-Brainerd), the measure also authorizes additional design and construction of space at certain community college campuses.

Sen. Gene Merriam (DFL-Coon Rapids)

# Floor action

objected to concurrence because of an additional \$9 million dollar appropriation. Merriam said that the funding, intended for the remodeling of adolescent treatment facilities in Brainerd and Willmar, was never discussed in a Senate committee. "To tack a big bonding appropriation onto the measure in conference committee is inappropriate," Merriam argued.

Sen. Dean Johnson (IR-Willmar) encouraged members to vote against Merriam's motion. He told Senators that the facilities at Willmar and Brainerd were full, and because of the "merit of the issue," members should concur with the report. But on a roll-call vote, 39-24, members approved the Merriam motion and re-referred S.F. 188 back to conference committee.

## Tuesday, May 16

### Appropriations bill rejected

Members of the Senate spent part of the Tues., May 16, floor session discussing the conference committee report on the state department omnibus bill. The bill appropriates \$508 million to a number of state government agencies and programs. Much of the debate was not on the actual report, but rather on whether the Senate should return the bill to conference committee. That motion, approved by the Senate, was made by Sen. LeRoy Stumpf (DFL-Thief River Falls), who argued that a proposed delay in a University of Minnesota steam plant is inappropriate. The plant delay in the report reverses the University's previous planning and wastes their time and money, Stumpf said. The cost to the University may run between \$20 million and \$70 million, he added. Opposing Stumpf's motion, Sen. Phil Riveness (DFL-Bloomington) noted that the decision-making process had included extensive community involvement and discussion and had resulted in an "environmentally and economically superior" provision.

"Conference committees are about the art of compromise," said Sen. Steven Morse (DFL-Dakota), encouraging members to respect this compromise and reject Stumpf's motion. Despite objections, the motion passed by a vote of 38-27.

In other action on the floor, the Senate confirmed numerous department commissioners, including Laura King as Commissioner of the Dept. of Finance. The other confirmations are: James Ulland, Dept. of Commerce commissioner; Patricia Fischer, Allan Fonfara, Peggy Moon and Howard Register to the Gambling Control Board; Diane Kroupa, Tax Court; James Denn, Dept. of Transportation commissioner;

Elaine Hansen, Dept. of Administration; Bruce Johnson, Dept. of Employee Relations commissioner; Bernard R. Melter, Dept. of Veterans Affairs commissioner; James Main and Wayne Sletten to the Minnesota Veterans Homes Board of Directors; Frank Wood, Dept. of Corrections commissioner; Robert Johnson and Veran Kelly, to the Board on Judicial Standards; David Beaulieu, Dept. of Human Rights commissioner; Maria Gomez, Dept. of Human Services commissioner; and Bob Deem and Debra McBride to the Harmful Substance Compensation Board.

Members also confirmed the appointment of Curtis Johnson as chair of the Metropolitan Council. In addition, the appointments of Charles Arnason, Terrence Flower, David Hartley, Martha Head, Kevin Howe, Carol Kummer, Patrick Leung, Ester Newcome, Neil Peterson, Roger Scherer, Bill Schreiber, Julius Smith, Mary Smith, Stephen Wellington, Barbara Williams and Diane Wolfson to the Metropolitan Council were all approved. Approval was also given to R. Jane Brown as Dept. of Economic Security commissioner; Krista Sanda as Dept. of Public Service commissioner; E. Peter Gillette as Dept. of Trade and Economic Development commissioner; Katherine Hadley as Minnesota Housing Finance Agency commissioner and Joel Jacobs to the Public Utilities Commission.

## Wednesday, May 17

### HHS conference report okayed

At a Weds., May 17, floor session, the Senate gave final approval to S.F. 1110, the Health and Human Services Omnibus Appropriations bill.

Sen. Don Samuelson (DFL-Brainerd) presented the changes outlined in the conference committee report. The final compromise does not differ much from the Senate version, Samuelson said. Both bodies passed many of the same provisions, he said, and the total funding for both versions of the bill were within \$2 million of each other.

Samuelson said the process was a difficult one because the goal was to realize a substantial reduction in the growth of the departments of Health and Human Services. The final budget is \$65 million less than the governor's proposal, he said, or a total of \$5.105 billion. Making the cuts were difficult, he said, but when the committee was finished members felt they had done as "fair a job as could be done."

Of the \$4.8 billion appropriated to the Dept. of Human Services for the coming biennium, \$3.4 billion is allocated to health

care services, including medical assistance long-term care facilities, General Assistance Medical Care, and medical assistance managed care and fee-for-service. Some \$638 million is dedicated to economic self-sufficiency programs, such as STRIDE grants, AFDC grants, work readiness grants, and Minnesota Family Investment Plan grants. Another \$40 million is allocated to children's programs for the biennium.

The bill also appropriates \$111.5 million to the Dept. of Health.

According to Samuelson, the greatest changes made in conference committee discussions were in two areas. The committee accepted the Senate changes in nursing home reimbursement rates and efficiency incentives. The major change is the establishment of a system to allow the Dept. of Human Services to enter into contracts that will offer better care and more flexibility, he explained.

The committee accepted the House version of restructuring of the Tax Equity and Fiscal Responsibility Act (TEFRA) and Personal Care Attendant (PCA) programs. TEFRA allows a child's income to be considered separately from their parents' income in determining Medical Assistance eligibility. While the program faced elimination early on in Senate committee discussions, the bill specifies that TEFRA will serve disabled children at risk of institutionalization. Other children will go into waived services.

Samuelson said some of the changes made to the programs include stricter definitions to qualify, an 18-month time period before anyone can be removed from the programs, and a built-in safety net for those children cut from programs. He explained that a screening process will be utilized to determine who will be removed from TEFRA, and that more funding will be funneled to mental health and advisory services.

After minimal discussion, the Senate passed the final version of the bill in a 56-11 roll-call vote.

## Thursday, May 18

### Higher Ed funding bill passes

The higher education funding conference committee report, S.F. 1856, was granted final approval at the Thurs., May 18, floor session on a 67-0 vote.

The \$2.144 billion measure is sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls). Stumpf said the other body's bill had basically eliminated the Higher Education Coordinating Board (HECB). The conference committee report, however, reassigns many of the responsibilities formerly

handled by the HECB into the new Higher Education Services Offices (HESO). The measure includes \$236 million for that office, as well as \$937 million for the Minnesota State Colleges and University system (MnSCU), \$969 million for the University of Minnesota, and \$1.8 million for the Mayo Medical Foundation.

Stumpf said the bill will result in a tuition increase of approximately 3 percent per year in the next biennium. Accordingly, the measure includes corresponding adjustments to the state's financial aid program. The measure allocates \$4.5 million for increasing grants to cover the tuition raise and \$2.6 million is allocated for living and maintenance expense inflation.

The HESO portion of the bill also includes one-time expenditures of \$430,000 for moving the summer scholarship program from the Dept. of Education and \$90,000 for the MINITEX library system.

The measure's allocations to MnSCU includes \$19.2 million to restore the fiscal base to the level it was previous to the cap set by the governor in 1993.

The merged system also receives \$800,000 for infrastructure expenses related to establishing co-located campuses; and \$750,000 for automated library access.

The University of Minnesota portion of the budget bill includes \$16.2 million for restoring the base to the pre-cap level. It also allocates \$30.7 million for critical issues identified in the U2000 planning process. The measure allocates \$7.7 million for implementing recommendations that were vetoed by the governor last year. Those recommendations include establishing an indigent dental care program at the U of M and automating the registration and class scheduling system.

The measure also earmarks \$120,000 for establishing a Mayo Clinic residency program at St. Cloud Hospital.

The measure calls for the commissioner of finance to hold in reserve \$5 million each for MnSCU and the U of M, to be released only if the schools meet several performance standards outlined in the bill. Among those standards are increasing both student retention rates and graduation rates by 2 percent a year, increasing the number of courses offered on television, and increasing the portion of school budgets that are devoted to instruction.

### Commissioner Jordan confirmed

After extensive discussion and controversy, the Senate confirmed Michael Jordan as Commissioner of Public Safety in floor action on Thurs., May 18. Despite the initial - and failed - recommendation not to approve the appointment, Sen. Allan Spear (DFL-Mpls.) moved to confirm

Jordan. That motion passed, 59-6.

The commissioner's confirmation continued to spark debate even after several hearings in the Crime Prevention Committee. Several Senators, including Sen. John Marty (DFL-Roseville) opposed the confirmation, stating that a combination of several incidents painted a portrait of "poor judgement" and "lack of candor and honesty" on the part of Jordan. The incidents alluded to include Jordan's refusal to discuss a St. Paul gun permit with the committee.

Agreeing with Marty, Spear said that although the information is private data and Jordan did not knowingly violate the law, the commissioner's actions portray him as distant and aloof. Spear went on to discuss the "rumblings of discontent" within the department prior to the hearings.

Favoring confirmation, Sen. Ellen Anderson (DFL-St. Paul) said that the discussions had been full of "misinformation and insinuation" regarding the gun permit and other actions. Don't turn this confirmation into a divisive, partisan battle, she said. When the motion not to confirm Jordan failed by a vote of 8-56, the opposite motion quickly passed.

In other floor action, the Senate passed S.F. 1670, the omnibus jobs, energy and community development conference committee report. Carried by Sen. Carl Kroening (DFL-Mpls.), the bill appropriates \$347 million to state agencies, including \$55 million to the Dept. of Trade and Economic Development, \$47 million to the Housing Finance Agency and \$100 million to the Dept. of Economic Security. Kroening noted that the bill increases the appropriations to job skills training by 48 percent.

A recently added provision relating to the presidential primary received discussion on the floor. Sen. Douglas Johnson (DFL-Cook) opposed the change that does not require a presidential primary to be held until April 1999. Johnson said that the measure is not fair to Minnesota citizens by delaying participation. "Don't deny the citizens of Minnesota the right to fully participate in presidential elections" urged Johnson. Kroening explained that the bill does not change current law. The bill passed by a vote of 40-17.

### Environmental funding bill passed

The final portion of the Thurs., May 18, floor session was devoted to discussion and repassage of S.F. 106, the omnibus environment and natural resources funding bill. Sen. Steven Morse (DFL-Dakota), sponsor of the measure, outlined the provisions of the bill as developed by the conference committee. "I will say that it is a good

compromise, though I'm not entirely happy with the bill," Morse said. "We do have a number of provisions in here that try to change the direction of our environmental agencies," he added. Morse said that the change in direction emphasizes integrated or eco-based management to try to break down the walls in the various agencies.

"As the bill left the Senate, we had cuts of \$4.3 million but we are bringing back a bill with 3/4 of a million in cuts as a compromise," Morse said. The compromise is a very manageable reduction, he said. The measure appropriates \$3.6 million more than the original Senate bill, Morse said, but the difference is offset by increases in revenue.

The bill appropriates a total of \$575.3 million in direct appropriations to various environmental agencies. Under the measure, \$78.1 million is appropriated to the Pollution Control Agency, \$41 million is appropriated to the Office of Environment Assistance, \$10.3 million is appropriated to the Minnesota Zoological Board, \$317.9 million is appropriated to the Dept. of Natural Resources, \$27.7 million is appropriated to the Board of Water and Soil Resources, and \$48.5 million is appropriated to the Dept. of Agriculture. Appropriations to a variety of other smaller agencies complete the budget package for environmental programs.

Morse said that the bill eliminates the free days at the Minnesota Zoo but provides for admission passes for low income individuals. The bill also repeals the Canadian fish importing law and retains the Senate position on the Passing on the Farm Center to assist beginning farmers and family farm operations. The bill includes House language for programs encouraging the use of native vegetation, and for increases in registrar's fees for all-terrain vehicles, off-highway vehicles, snowmobiles and watercraft.

Morse also said that the bill contains compromise language on ethanol. Under the compromise the gas tax credit on ethanol blended with gasoline will be reduced to eight cents per gallon from Oct. 1, 1995 to Oct. 1, 1996, reduced to five cents per gallon from Oct. 1, 1996 to Oct. 1, 1997, and eliminated altogether after Oct. 1, 1997. In addition, the payment to producers will stop at the year 2000 or 10 years after the start of production whichever is later.

There was little debate on the measure and the compromise bill was repassed on a vote of 44-22.

Members also acted on the confirmation of several gubernatorial appointments in the education area. Members approved the appointments of Linda Powell as commis-

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sioner of the Dept. of Education, and of Irene Bertram, Steve McElroy, Fannie Marshall Primm, Rachel M. Scherer and Marty Seifert to the Higher Education Board. In addition, members approved the appointments of Terry Anderson, James Bowlus, Ellen Doll, John C. Kim, Gary Chin-Fong Liew, Gale R. Mitchell, Ellen Pamer and Patricia Surrat to the Board of the Minnesota Center for Arts Education. The appointments of Jack Amundson, Kathryn Balstad Brewer, Earl Herring, John Hoyt, Tom Martinson, James R. Miller, Christopher A. Nelson and Mollie Thibodeau to the Minnesota Higher Education Facilities Authority also were approved. The appointments of Jeanne Kling, Thomas Lindquist, Thomas Peacock, Nedra M. Wicks and Georgina Y. Stephens to the State Board of Education also gained Senate confirmation.

## Friday, May 19

### Workers' comp bill worked out

Senators worked throughout the day and into the night Fri., May 19, before finally approving a version of the workers compensation bill with a 37-28 final vote that allied conservative DFLers with Independent-Republicans.

After six hours of procedural maneuvering and, often contentious, debate, the Senate eventually approved the House version of a workers comp package but not before rejecting another version of the bill and 20-some amendments decided by narrow margins.

Sen. Steve Novak (DFL-New Brighton), author of S.F. 1020, began the marathon session by presenting a delete-everything amendment to H.F. 642. The amendment "is the solution of a long-standing debate in the state," Novak said in his explanation. The bi-partisan supported amendment offers a set of solutions to redesign the system of workers compensation, he said. The amendment appropriately reduces benefits but also provides a balance so no one element of the system gains, he said.

His description of the delete-all amendment was followed by comments from some Senators who said they disagreed with portions of the bill but were willing to concede to the proposals. Both Sen. Don Samuelson (DFL-Brainerd) and Sen. Kevin Chandler (DFL-White Bear Lake) said they would support the amendment as "the lesser of two evils." Chandler pointed out that the Senate galleries were not filled with ordinary working folks because none of the workers compensation packages take into consideration the legitimately injured workers.

After further debate, the Novak amendment failed on a 31-35 vote.

Sen. Dallas Sams (DFL-Staples) immediately followed with a motion that reinstated language from the House version of the bill.

Sams outlined some of the major provisions in the bill, saying it made Minnesota competitive with neighboring states while still decreasing premiums. One provision allowing workers compensation insurance rates to be increased up to 25 percent drew fire from some Senators who argued that the whole premise of reform should be to lower costs to employers.

Other provisions are the elimination of the two-tier system, new maximum and minimum wage replacement benefits, a 2 percent cap of the escalator adjustment, and a penalty in cases where an injured worker is not rehired even though employment is available and the employee can work within the physical limitations of the injury.

The bill also makes changes to the assigned-risk plan; employers not eligible for experience rating have a credit of up to 33 percent while employers with experience rating have credits up to 10 percent.

Several amendments were attempted. Sen. Janet Johnson (DFL-North Branch) successfully offered an amendment deleting a provision creating a Workers Compensation Advisory Commission to over-see and review workers compensation insurance rates.

Sen. Steve Murphy (DFL-Red Wing) also gained approval for an amendment directing the legislative auditor to conduct an evaluation of the assigned-risk plan and report back to the Legislature by Jan. 15, 1996. Many small businesses are in the plan because of their size, not because of their safety records, Murphy explained, and consequently they pay some of the highest insurance rates. The provision was adopted on a voice vote.

Leading up to the final vote, supporters hailed the proposal while opponents minced few words. The bill ensures "Minnesota will continue to have one of the most generous workers compensation systems in the nation," said Sen. Linda Runbeck (IR-Circle Pines).

The reductions in workers compensation costs that the bill provides will allow Minnesota to maintain its economy and compete for new business, said Sen. Dean Johnson (IR-Willmar). "This bill sends a strong signal, that we want jobs," he said.

But Novak said passing the bill will mark "a sad day for Minnesota and for the workers of this state." He said the bill is taking workers compensation and "slanting it all one way." "I would hope that we would have had a compromise bill," said

Sen. Roger Moe (DFL-Erskine). "Instead, we can call this the workers compensation insurance company excess profit act of 1995."

Sen. Carl Kroening (DFL-Mpls.) said the benefit reductions are "all going to insurance companies." "Yes, you did a job on the workers of Minnesota," he said.

The final vote followed a number of attempts to add several provisions of Novak's bill onto the House file. Only two of 20 amendments were approved, including an amendment, sponsored by Sams, making technical corrections and adding several effective dates for parts of the bill.

Moe offered an amendment to the small business merit rating plan, requiring that employers receive a full 33 percent credit against the amount of the workers compensation premiums. The credit will be given to employers that have had no lost time claims filed against them in the previous three years. "This is a clear opportunity to guarantee that some employers will pay less," said Moe. The amendment was adopted, 55-1.

On a 30-35 vote, the Senate defeated an amendment, presented by Murphy, to modify the determination of maximum medical improvement. Under the amendment, maximum improvement would not be reached until an injured worker is free of pain. "This is vital to people with back injuries," Murphy argued. "You can't say that someone has reached their maximum medical improvement if they are still in pain."

Another Murphy amendment, requiring employees whose permanent partial disability rating is less than 15 percent to demonstrate they are totally and permanently incapable of returning to work, also was defeated, 28-35.

Among the other amendments that were not adopted was a proposal, offered by Sen. Randy Kelly (DFL-St. Paul), requiring that if rehabilitation consultation services are needed, those services may only be provided by a qualified consultant. The amendment was defeated, 24-39.

An amendment, sponsored by Novak, calling for a workers compensation insurance rate freeze until Jan. 1, 1997, also failed, 29-35.

Members narrowly defeated an amendment, from Sen. Harold "Skip" Finn (DFL-Cass Lake), to remove a provision that limits the length of time that individuals receiving compensation may file for retraining. On a 32-34 vote, the Finn amendment was not adopted.

Chandler made two attempts to amend the bill. The first amendment, requiring insurance companies to reduce their rates by 11 percent for all policies in effect between Oct. 1, 1995 and Mar. 1, 1996, was rejected 28-36.

Chandler's second amendment proposed to repeal all of the state's workers compensation laws and to allow compensation settlements to be governed by common law. The amendment failed, 20-44.

### Minimum wage hike passed

By a 35-30 margin, the Senate passed a bill, Fri. night, May 19, to raise the state's minimum wage by 25-cents-an-hour.

S.F. 302, authored by Sen. Randy Kelly (DFL-St. Paul), raises the minimum wage from \$4.25 to \$4.50 an hour for employers whose annual gross sales volume is more than \$500,000 per year, effective Oct. 1, 1995. The bill also sets a minimum wage of \$4.75 per hour for employees at large firms who have worked for more than 90 days after Oct. 1. The minimum wage goes to \$5-an-hour for employees who work at large firms for more than 180 days after that date.

Employees of businesses that have a gross sales volume of less than \$500,000 annually will get comparable increases under the bill. Effective Oct. 1, the minimum wage will go from \$4 to \$4.25, with a 25-cent increase for employees who work for 90 days after that date. For employees of a small company who work for 180 days after Oct. 1, the minimum wage is set at \$4.75.

The bill was taken from the table on the heels of the Senate's approval of the worker's compensation proposal. The two bills had become wedded when the minimum wage bill was first taken up in the Senate on Mar. 23. Several members had objected to taking action on the measure until a workers' compensation bill had also been considered, and the minimum wage bill was tabled at that time.

After the Kelly's motion to take S.F. 302 from the table was adopted, he encouraged members to approve the bill and provide the first increase in the minimum wage since 1991. Kelly said that two-thirds of the workers who now earn minimum wage are over age 21 and contribute their earnings to support a family. "We passed a worker's compensation bill that reduces employer's costs," he said, "We should now pass a bill increasing the minimum wage for those workers who need it the most."

Sen. Linda Runbeck (IR-Circle Pines) said the minimum wage increase "isn't the kind of tool we really need." She said that 80 percent of minimum wage workers are members of middle-income families and live at home. Runbeck also argued that the government should allow competition for employees to drive wage levels.

"It's sheer folly for us to be telling retailers what they should pay," Runbeck said. "This bill would put Minnesota in the unique position of [having a higher minimum wage] than the surrounding states."

Sen. Steven Novak (DFL-New Brighton) said, when the bill was heard in the Jobs, Energy and Community Development Committee, members "heard a lot of testimony that the issue on this bill is income." "In order to allow people to make enough to support a family, we need to increase the minimum wage," he said.

Sen. Steve Dille (IR-Dassel) also shared his support for the minimum wage increase. "Free market forces have raised the minimum wage above the level in this bill," he said, "But it just doesn't make sense not to have the minimum wage be higher."

Before approving the bill, the Senate narrowly rejected an amendment, sponsored by Dille, allowing restaurants to include a credit for tips that waiters and waitresses receive as part of their wage. He said the amendment would allow restaurants to balance the amount spent on wages among those employees who will receive tips and those who will not.

Sen. Sam Solon (DFL-Duluth) recommended members approve the tip credit proposal. He said credit had been in effect until the mid-1980s. Many restaurants "are operating on a very narrow margin," he said. "I've seen many businesses close because we repealed the tip credit," said Solon.

But Sen. Pat Piper (DFL-Austin), speaking in opposition the amendment, said "it would be tragic" to support the amendment. "Very few waitresses would get enough tips every hour to make up the difference between their hourly wage and the minimum wage," she said.

The Dille amendment fell on a 30-31 roll call vote.

### Crime omnibus bill passed

An \$862 million crime prevention omnibus package, assembled by a committee of Senate and House conferees, was passed by the full Senate, Fri. night, May 19.

Authored by Sen. Tracy Beckman (DFL-Bricelyn), H.F. 1700 provides the biennial appropriations for the state's judicial and public defense system, as well as for the Dept. of Corrections and other criminal justice agencies.

Beckman said the bill "strikes a balance between the need to protect public safety and things that make a difference in communities." He said the measure includes a \$70 million increase for correctional institutions over the previous biennial budget while raising the amount of funding made available for community services to "levels that are unprecedented in the state's history."

The bill includes a \$545.6 million appropriation to the Dept. of Corrections for FY 1996 and FY 1997. The majority of

the department's funding, \$360 million, is earmarked for the operation of the state's correctional institutions. Another \$142.5 million is designated for community service programs managed by the department.

Another \$55.5 million is allocated for the next biennium to support the operations and services of the Dept. of Public Safety (DPS). Of that amount, \$29.1 million is provided for the Bureau of Criminal Apprehension in FY 1996 and FY 1997, and \$6.2 million is provided for drug policy and violence prevention programs run by DPS.

An appropriation of \$133.8 million is provided to operate the state's District Court System, and another \$39.7 million is provided for the operations and programs of the Supreme Court. The state's Court of Appeals is specified to receive \$11.6 million in FY 1996 and FY 1997, and \$76.3 million will go to the Public Defense Board in the next two fiscal years.

Along with the allocations provided in the bill, Beckman said the measure also includes habitual truancy and safe school programs. Beckman said the Senate bill also had called for closing the Red Wing and Sauk Centre correctional institutions, but that provision was replaced by a feasibility study.

Additional crime-related provisions lengthen the maximum sentence of a person convicted of predatory crime, in which sexual contact is involved, to 40 years in prison. The definition of violent crimes, which are a felony, is expanded to include crimes that are committed for the benefit of a gang or in which an individual has a bullet-proof vest in their possession. Also included in the definition are the crimes of harassment and stalking, and shooting at a public transit vehicle or facility. A felony violation of malicious punishment of a child, and child neglect or endangerment are added to the crimes-of-violence definition.

Under the bill, counties are given the authority to establish a county-wide curfew. A misdemeanor conviction is also required for individuals who are found guilty of peeping into hotel rooms, tanning booths or other places where privacy is normally expected.

Other provisions require apartment building owners to conduct criminal background checks before hiring a building manager and create a fireworks operator certification process.

Sen. Gene Merriam (DFL-Coon Rapids) questioned the appropriation the conferees adopted to run the state's correctional institutions. Commenting that the FY 1997 appropriation is \$8 million below the FY 1996 amount, he said it was unusual to

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see an operating budget decrease in the second year of a biennium.

Beckman said the conferees could not agree to close the Red Wing and Sauk Centre facilities, which is why a study was established. He added that the reduction was made in anticipation that the facilities would be closed in FY 1997.

But Merriam said the conference committee report is "smoke and mirrors" because of the decrease in operational funding. He said it is true that the state's correctional expenditures, per capita, are lower than the national average. "That's true because we have fewer inmates per capita," Merriam said, "but we're also spending more per inmate than the national average."

"What we're saying is that we will need to put \$8 million into the corrections budget next year," he said. "Whatever needs there are next year, they will just need to get in line."

But Beckman argued that this year marked the first occasion that the budget request for the Dept. of Corrections had been scrutinized. "For some reason, we have never been timid about increasing the amounts in this budget," he said, "We have been afraid to ask if it was all really necessary."

Several members expressed a concern that funding for community service programs was not increased by \$70 million as was provided for correctional institutions. Sen. Allan Spear (DFL-Mpls.) said members should not be surprised that funding for community service programs was not increased by a like amount. "As we have passed stricter sentencing guidelines in the past years, some of us warned that [higher correctional institution funding] would happen," he said. After the conference committee's report was adopted on a voice vote, H.F. 1700 was passed, 53-10.

In other business, the Senate also passed the conference committee report on S.F. 512. The bill, which modifies provisions of the Vulnerable Adults Act, was given the Senate's approval on a 62-0 vote.

The bill, authored by Spear, establishes criminal penalties for persons who are convicted of abusing vulnerable adults. Individuals convicted of abusing a vulnerable adult, resulting in death, will be subject to a sentence of up to 15 years of imprisonment and a fine of up to \$30,000. Lesser penalties also are established, depending on the degree of intent.

The bill also appropriates \$2.2 million in the next biennium for related vulnerable adult programs operated by the Dept. of Health, the Dept. of Human Services, the Attorney General's Office and the Dept. of Public Safety.

Spear said the only difference in the bill

from the version approved by the Senate and the measure as it came from conference committee is tied to a provision that requires abuse to be reported. He said a person who knew a vulnerable adult was being abused but failed to report that abuse may be subject to a gross misdemeanor.

## Pay raise measure okayed

A bill providing salary increases for the state's constitutional officers, judges and legislators was given a second life during the Senate's Fri., May 19, night floor session and narrowly won approval, 35-30.

S.F. 1406, authored by Sen. Roy Terwilliger (IR-Edina), sets salary increases for court judges, effective on Jan. 1, 1996, and for constitutional officers and legislators on Jan. 1, 1997. The bill requires the increase to be the lesser of either three percent or the average of the across-the-board increases provided in the collective bargaining agreements for state employees.

The measure also sets the salary ranges for state agency commissioners and higher education system heads as a percentage of the governor's salary.

The Senate had rejected the bill earlier in the session, but the measure was subsequently reconsidered and then tabled. Terwilliger moved to take the bill from the table and his motion was adopted. The members then adopted Terwilliger's amendment to remove a provision in the bill that requires the salary increases recommended by the state's Compensation Council to take effect on Jan. 1, 1996. Those recommendations call for a 3 percent increase for elected officials and judges.

Sen. John Marty (DFL-Roseville) offered an amendment to cap the governor's salary at 10 times what a full-time worker earning the minimum wage would receive annually. "Doing this affects a lot more than the governor's salary," said Sen. Allan Spear (DFL-Mpls.). He argued that limiting the governor's salary would also place significantly reduce the salaries that can be awarded to commissioners and higher education heads. "It is hard for us to be competitive in attracting qualified people for these positions," he said, "This could make it more difficult to do so."

Marty countered that his intent in offering the amendment was not to reduce the governor's salary, "but to raise the minimum wage." The amendment failed, 8-52.

## Monday, May 22

### Session countdown

The final day of the 1995 legislative session, Mon. May 22, began with concurrence and repassage of a number of bills.

However Sen. Janet Johnson's (DFL-North Branch) measure, S.F. 462, a bill that transfers solid waste management duties of the Metropolitan Council to the Office of Environmental Assistance, was rejected by members and re-referred back to Conference Committee. The contentious provision that prompted Senators' action related to use of chromated copper arsenate (CCA), a chemical used to treat lumber. Under Johnson's measure, the sale and use of CCA in Minnesota is prohibited.

Several Senators rose to speak against the prohibition, saying that it penalizes Minnesota businesses. "It just doesn't make sense to prohibit Minnesota companies from selling treated wood, when companies right across the border in Wisconsin can sell it," said Sen. Bob Lessard (DFL-Int'l. Falls). He added that Minnesota is the only state nationwide that does not allow the sale of CCA-treated wood.

Sen. Kevin Chandler (DFL-White Bear Lake) also objected to the provision. "This puts extraordinary hardship on Minnesota companies," Chandler said, "and furthermore, it (CCA) doesn't hurt the environment."

Johnson argued, however, that there are several studies which have examined the environmental effects of CCA, and that interpretations vary. "I've read reports with exactly the opposite results," Johnson said.

Sen. Dan Stevens (IR-Mora) pointed out that CCA is a restricted product, regulated by the Environmental Pollution Agency and the Dept. of Agriculture. In light of CCA's long-standing safety record, Stevens called the prohibition "unnecessary."

Sen. Deanna Wiener (DFL-Mendota Heights) and Sen. Steven Morse (DFL-Dakota) urged members to support the provision, while calling for further investigation of CCA's effects during the interim.

Nonetheless, Lessard's motion to not concur prevailed, and on a roll-call vote of 43-23, members sent S.F. 462 back to Conference Committee. Later in the day, the measure was brought back to the Senate floor with the CCA provision removed, and Senators granted the bill final passage, 52-14.

## Crime "minibus" approved

The Senate granted final passage to the conference committee report on H.F. 980, a bill modifying several crime statutes, at the Mon., May 22, afternoon floor session.

The measure, which was referred to in committee as the "crime minibus" bill, is sponsored by Sen. Ellen Anderson (DFL-St. Paul).

The measure contains three provisions aimed at penalizing terrorists. The provisions are a response to the April bombing of

the federal building in Oklahoma City, according to Sen. Richard Cohen, who offered them as an amendment in an earlier floor session. The bill creates a misdemeanor for conducting training or assembling to receive training about how to use or make any firearm, explosive or incendiary device if the person knows or has reason to know that it will be unlawfully used in a civil disorder. It also adds a \$10,000 maximum fine to the penalty that can be imposed for making terroristic threats. The current penalty is a 5-year maximum jail sentence. A related provision adds a \$3,000 fine to the current penalty of a 3-year maximum sentence for communicating to another person, with purpose to terrorize, that explosives are present at a named location, whether or not explosives are in fact present.

The bill removes a provision in current statute that exempts relatives or spouses from a felony offense for knowingly receiving profits from a prostitute. This change drew criticism from Sen. Allan Spear (DFL-Mpls.), who said the wording of the provision, while aimed at punishing pimps, also criminalizes more innocent recipients of funds from prostitution. Spear said that, for example, an elderly parent who is supported by a prostitute would be a criminal under the bill.

The bill directs the commissioner of public safety, in cooperation with the commissioner of administration, to establish an integrated criminal alert network to facilitate the communication of crime prevention information among state agencies, law enforcement officials and the private sector. The network is to disseminate data about the commission of crimes, including information on missing and endangered children, and attempt to reduce theft and other crime by the use of electronic transmission of information. The bill also makes it a misdemeanor to use the criminal alert network to disseminate false or misleading information.

S.F. 980 also provides for an agency releasing an arrested or detained person from pretrial detention to inform local law enforcement agencies regarding the release. Under the bill, the definitions of first- and second-degree manslaughter are expanded to include causing the death of another while committing malicious punishment of a child, or neglect or endangerment of a child.

The bill also sets criteria for forfeiture of a vehicle that has been used to flee a peace officer.

It also directs the commissioner of health to maintain a statewide, computerized record tallying the number of firearms injuries, and requires sheriffs and chiefs of

police to forward information about wounds caused by firearms to the Health Department. It also sets new guidelines for seizing or disposing of animals.

### MinnesotaCare changes approved

In its final hours of the session, the Senate concurred with amendments proposed by the House and repassed the MinnesotaCare bill, S.F. 845. Carried by Sen. Linda Berglin (DFL-Mpls.), the bill contains numerous provisions, including the establishment of a prescription drug benefits program for senior citizens and the expansion of eligibility requirements to include individuals from households without children and who are below 150 percent of the poverty level. In a past floor session, the bill had received extensive debate resulting in an amendment that deletes references to abortion coverage under MinnesotaCare.

Berglin explained the compromise worked out with the other body to members, that prohibits public funds from being used for abortion coverage, except where the life of the female would be endangered or substantially impaired. The report also states that no provider is required to include abortion providers in health plan services.

Both Sen. Tom Neuville (IR-Northfield) and Sen. Pat Pariseau (IR-Farmington) opposed the compromise. Neuville said that the compromise does not contain sufficient provisions to ensure that abortion is prohibited in the health plans. Concurring with her colleague, Pariseau expressed concern about the terms "endangerment" and "impairment" in the report.

Responding to Pariseau's concerns, Sen. Sheila Kiscaden (IR-Rochester) noted that the bill uses language from current statutes, and that members aren't in the right place in the process to be changing the bill, after a compromise has been reached. "Don't jeopardize this health care reform effort" with a pro-life agenda, she urged. Berglin supported Kiscaden's sentiment, noting that this bill is "too important" to get bogged down by this divisive issue. The bill gained final passage by a vote of 45-18.

In other action, the Senate passed the child support bill, S.F. 217. Sponsored by Sen. Richard Cohen (DFL-St. Paul) the bill gained approval on a vote of 42-23.

Opponents of the conference committee report expressed concern that the changes weakened the Senate's version of the bill. Kiscaden opposed the report, particularly the change in the grounds for a license suspension. The report requires a person to be in arrears on child support for three months before a license suspension. The version that had left the Senate called for a

four month period of arrears before suspension. Kiscaden said that three months is too short a period of time and too punitive to have a severe restriction of this type kick in. In addition, she opposed the mandatory county administrative process in child support reporting. Cohen said that the bill encourages accountability and responsibility and will result in increased support to families and children.

Another bill sponsored by Cohen gained approval. The state department omnibus funding bill, S.F. 1678, had been sent back to conference committee due to concern about a University of Minnesota steam plant funding proposal. After committee discussion, the provision remained in the bill. Other provisions include a decrease in funding to the Dept. of Administration for the statewide systems project, now totaling \$29 million. The bill appropriates \$271 million annually for state government, including \$76 million to the Dept. of Revenue, \$24 million to the Attorney General, and \$3 million to public broadcasting. In addition, the bill limits the amount of fees and penalties that are collected by the state. Despite concern about the steam plant, the final version was approved by a vote of 37-25.

S.F. 1246, authored by Sen. Phil Riveness (DFL-Bloomington) also gained approval. The bill, a government restructuring measure, makes government more accessible, efficient, and less costly, Riveness said. Moving toward reform and innovation, he continued, the bill downsizes some bureaucracy and cuts out \$540,000 in legislative commissions. Among the commissions eliminated are the commissions on Employee Relations, Child Protection, and Long Term Care. We will have to prioritize and decide what is really critical, said Riveness. The bill also abolishes more than 400 annual reports for the Legislature, repeals 457 rules, eliminates and reorganizes a number of agencies, and establishes a citizen advocacy program within the Dept. of Administration. "We're moving towards better services for less money," Riveness stated. The bill passed, 58-6.

### K-12, tax bills adopted

During the waning hours of the official last day of the 1995 Legislative Session, the Senate approved both the omnibus tax and the K-12 funding bills. The education funding bill, however, stalled out in the House of Representatives and is under further consideration during a scheduled Special Session.

In the last hour before adjournment Mon., May 22, Sen. Lawrence Pogemiller

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(DFL-Mpls.) presented H.F. 1562, the \$5.8 billion K-12 education funding bill. He explained that the conference committee reached an impasse in negotiations when the House conferees refused to meet a final time. The Senate conferees proceeded to draw up a complete bill containing provisions already agreed upon by the committee. Pogemiller said that the committee "made extremely reasonable compromises" to develop a bill that contained the best provisions of the Senate bill and fine-tuned House provisions.

"This bill is a better bill" than the one the Senate passed before conference committee, he said. "The governor will sign this bill if it is adopted tonight."

Pogemiller outlined the major provisions of the bill, which provides \$1.95 billion for FY 96, \$2.36 billion for FY 97, and \$430 million for special education for the biennium. Pogemiller explained that the bill also collapses the funding formula in FY 97 as part of the reform measures.

The property tax levy recognition shift is set at 48 percent as a compromise provision from conference discussions, representing an increase from the current 37 percent. The Senate originally set the shift at 44 percent.

The bill also contains several provisions supported by the governor, including a \$220 million budget reserve, or the so-called "rainy day" fund. Another article of the bill reduces the pupil unit weighting for secondary students for the 98-99 biennium, and caps K-12 appropriations at \$2.9 billion and \$3.07 billion for FY 98 and FY 99 respectively.

Sen. Jane Ranum (DFL-Mpls.) successfully offered an amendment to the bill creating a new Dept. of Children, Families and Learning. The amendment is a scaled back version of a bill previously approved by the Senate, she explained. The amendment consolidates a variety of programs related to children and child care currently overseen by different agencies. The Dept. of Education is officially abolished on Sept. 30 and replaced by the new department. Child care programs and the Children's Trust Fund will be transferred from the Dept. of Human Services; the teen pregnancy prevention program will be transferred from Office of Strategic and Long-Range Planning; child abuse and child victims services will be transferred from the Dept. of Corrections; and the drug policy and violence prevention programs will be transferred from the Dept. of Public Safety. The Head Start program also will be contained in the new department.

After minimal discussion by some members who said the Senate was not fully aware of all of the provisions contained in

the massive funding bill, the Senate approved the bill on a 42-18 vote.

Sen. Douglas Johnson (DFL-Cook) and Sen. John Hottinger (DFL-Mankato) alternatively explained the omnibus tax bill, H.F. 1864, and noted some changes made in conference committee.

Within the sales and excise tax section, the committee agreed to a House provision removing the sales tax on the sale of race horses. Other provisions include the application of the gas tax to ethanol blends, modifications to the boundaries of the Minneapolis downtown taxing area, and exempts from sales taxes a certain percentage of purchases of materials used in construction of agricultural processing facilities, correctional facilities, and indoor ice arenas.

Hottinger reviewed the property tax section of the bill which included a reduction in the tax rate for recreational property. The so-called cabin tax does not take affect until FY 98 and represents a \$24 million loss in tax revenue beginning the 98-99 biennium.

The committee made some changes in taxes on wind energy property. Wind energy facilities constructed between January 1991 and '95 are exempted from some taxes. The committee also refined and compromised the provisions for taxes on the wind turbines, Hottinger said.

Johnson briefly outlined the bill's article on state finance authorizing the commissioner of finance to issue up to \$400 million in state revenue bonds to pay for the Cambridge State Bank judgement. And the bill sets the state's cash flow account at \$350 million.

Hottinger also outlined major provisions in the economic development section, specifically regarding tax increment financing provisions. The bill specifies that new businesses receiving tax incentives must include measurable goals for jobs and wages and requires biennial review by the Dept. of Trade and Economic Development. Provisions requiring more stringent "but-for" tests before a TIF district is created also was included in the bill.

The Senate passed the bill with a 61-1 roll-call vote.

Members also passed the \$2.58 billion transportation funding bill, S.F. 371, with little discussion and a final vote of 47-19.

Sen. Gen Olson (IR-Minnetrissa) briefly described one of the bill's provisions which allows the construction of one additional lane on each roadway of I-394 near the Penn Avenue interchange, preservation of the additional lane on the eastbound lane between Penn Avenue and Dunwoody Boulevard, and the erection of continuous noise barriers between Wirth Parkway and

Penn Avenue on the westbound lanes, and between Madeira Avenue and Wirth Parkway on the eastbound lanes.

The House amendments essentially contained the funding for the entire transportation and transit operations. The bill did not contain a gas-tax provision, covered by many Senators from Greater Minnesota.

One of the omnibus game and fish bills, S.F. 621, also received approval from the Senate after a provision relating to shooting ranges was deleted.

Sen. Bob Lessard (DFL-Int'l. Falls) presented the bill, explaining that the conference committee report contained some changes to the provision allowing continued operation of established shooting ranges despite encroaching development. Sen. Jane Krentz (DFL-May Township) objected to the provision, saying that it was not included in either bill before the conference committee. She moved that the report be rejected; the Senate adopted the motion 36-31.

Later in the evening, Lessard moved that the Senate accept the report with the shooting range article removed. The Senate passed the bill 64-1.

## Legislative gopher

Now there is a new way to get information about the Minnesota Legislature. In a joint effort, the Legislative Reference Library, the Office of the Revisor of Statutes, the Senate and the House of Representatives have established a "gopher" information server.

Information about weekly meeting schedules, member biographies, the full text of bills, House Journals and information on the legislative process may all be found on the Legislative Gopher.

There are several ways to access the Legislative Gopher. For gopher administrators: Point your gopher to URL:gopher://gopher.revisor.leg.state.mn.us (Port 70).

This is the root server for the House and Senate Legislative Gopher. For individuals or systems with gopher client software: Point your gopher client to gopher.revisor.leg.state.mn.us (Port 70). For users without gopher client software: Telnet to consultant.micro.umn.edu (the University of Minnesota Gopher), login: gopher. Or, via dial access, 612-626-2400 (also the U of M gopher), access>consultant.micro.umn.edu, login: gopher. Follow this path through the menus: Other Gopher and Information Servers/North America/U.S./Minnesota/Minnesota Legislature.

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# Floor action

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## *The Minnesota Senate Week at a Glance*

### **Bills granted concurrence and repassage May 12, 1995**

- S.F. 273-Price: Provides for the classification of water supply systems and wastewater treatment facilities and certification of operators by the Department of Health and the Pollution Control Agency. 58-0  
S.F. 526-Lessard: Modifies the local approval requirements for the Nashwauk area ambulance district law. 60-1

### **Conference committee reports adopted and repassed May 12, 1995**

- S.F. 16-Betzold: Modifies provisions relating to the administration and prescription of neuroleptic medications. 61-0

### **Bills granted concurrence and repassage May 15, 1995**

- S.F. 910-Marty: Eliminates the Telecommunication Access for Communication-Impaired Persons Board, creates telecommunication access duties for the Dept. of Public Service and Dept. of Human Services and specifies the memberships of regional service for deaf and hard of hearing advisory committees. 57-0  
S.F. 1173-Chandler: Regulates the sale of local telecommunications exchange service territory. 56-6

### **Conference committee reports adopted and repassed May 15, 1995**

- H.F. 323-Johnson, J.B: Makes landlords the bill payer and customer of record for single meter multi-unit residential buildings. 61-3  
H.F. 990-Anderson: Provides warranties for new assistive devices. 60-4

### **Bills granted final passage on Special Orders May 15, 1995**

- H.F. 1450-Reichgott Junge: Amends the living will form to include provisions for organ donations and allows a durable power of attorney for health care to include provisions for organ donations. Laid on the table.  
H.F. 528-Wiener: Restricts eligibility for communication devices for communication-impaired person in a residential care facility when the facility already provides or is require to provide comparable telephone service. 62-0

### **Bills granted concurrence and repassage May 16, 1995**

- S.F. 732-Betzold: Enacts the Revised Article 8 of the Uniform Commercial Code proposed by the National Conference of Commissioners on Uniform State Laws and regulates investment securities. 57-0  
S.F. 467-Mondale: Provides for coordination and consolidation of public safety radio communications systems, provides governance and finance of the state and regional elements of a regionwide public safety radio communication system, extends the public safety channel moratorium, authorizes the use of 911 emergency telephone service fees for costs of the regionwide public safety radio communication system and authorizes the issuance of bonds by the Metropolitan Council. 63-1  
S.F. 537-Murphy: Provides conditions for validity of state contracts, requires refund of the drivers license fee if a qualified applicant does not receive a license within six weeks of application, provides for issuance of license without regard to whether the fee has been refunded and requires the Legislative Audit Commission to study drivers license and identification card programs. 57-5

### **Bills granted final passage on Special Orders May 16, 1995**

- H.F. 1450-Reichgott Junge: Amends the living will form to include provisions for organ donations and allows a durable power of attorney for health care to include provisions for organ donations. 60-2

### **Conference committee reports adopted and repassed May 16, 1995**

- H.F. 1132-Solon: Omnibus liquor bill. Provides restrictions on brewers who have retail on-sale licenses, imposes licensing and permitting requirements, requires a license for charging for possession of alcoholic beverages, requires a permit to allow consumption and display of all alcoholic beverages, authorizes additional licenses in Minneapolis, authorizes Clay and St. Louis Counties to issue on-sale licenses, defines home brewing equipment, lists items that may be sold in exclusive liquor stores and repeals the requirement for a permit for transportation of alcoholic beverages. 63-1  
H.F. 1055-Price: Eliminates the position of Board of Water and Soil Resources secretary, increases board members' compensation, sets forth duties of advisory committees, sets forth rule approval procedure, sets guidelines for management plans, provides for exemptions from review, appeals from rules and permits decisions and orders, and provides for informal dispute resolution. 58-3  
S.F. 1134-Solon: Financial institutions bill. Regulates notices, electronic financial terminals, and mergers with subsidiaries, sets forth the powers and duties of the commissioner of commerce, sets reporting and records requirements, regulates lending powers and the powers and duties of institutions, detached facilities and interstate banking, makes technical changes, regulates mortgage

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prepayments, allows written waivers of the right to prepay without penalty under certain circumstances, clarifies the definition of franchise and permits a delinquency and collections charge. 64-0

### **Conference committee reports rejected May 16, 1995**

**S.F. 1678-Cohen:** Appropriates money for the general legislative and administrative expenses of state government, provides for the transfer of money in the state treasury, and fixes and limits the amount of fees, penalties and other costs to be collected.

### **Bills granted final passage on Special Orders May 17, 1995**

**H.F. 1211-Moe:** Exempts certain public transit bus manufacturers from requirements for posting public contractors' performance bonds. 44-1

### **Bills granted concurrence and repassage May 17, 1995**

**S.F. 258-Piper:** Relates to the board of medical practice and regulates physician assistants. 54-2

**S.F. 1170-Mondale:** Requires licensure or certification of geoscientists, adds geoscientists to the Board of Architecture, Engineering Land Surveying, Landscape Architecture and Interior Design and provides duties for the board.

### **Conference committee reports adopted and repassed May 17, 1995**

**S.F. 381-Betzold:** Provides greater flexibility in the appointment of members to the armory building commission, authorizes the state armory building commission to use funds for construction, clarifies which municipalities may provide sites for armories, changes provisions for disposal of unused armory sites, clarifies the authority for levying taxes for armory construction and clarifies the authority for conveyance of armories to the state. 49-0

**S.F. 734-Chandler:** Telecommunications, regulates the 911 system, imposes requirements on private switch telephone service and imposes a civil penalty. 45-6

**S.F. 188-Samuels:** Permits use of an appropriation to relocate athletic fields and facilities at Brainerd Technical College. 48-1

**H.F. 2-Metzen:** Provides that vehicle emissions testing need not be done until a vehicle is five years older than its model year. 65-0

**S.F. 1110-Samuels:** Omnibus health and human services funding bill. 56-11

### **Bills granted concurrence and repassage May 18, 1995**

**S.F. 801-Berglin:** Recodifies and modifies provisions relating to lead abatement law. 51-0

### **Conference committee reports adopted and repassed May 18, 1995**

**S.F. 257-Morse:** Provides that the office of soil and water conservation district supervisor is compatible with city and township offices in a district not located in whole or in part in Anoka, Hennepin, Ramsey or Washington County. 54-5

**S.F. 255-Hanson:** Regulates persons who may do elevator work. 61-0

**H.F. 1856-Stumpf:** Omnibus higher education funding bill. Appropriates money for education and related purposes to the higher education services office, the State Board of Technical Colleges, the State Board for Community Colleges, the State University Board, the Board of Regents of the University of Minnesota and the Mayo Medical Foundation. 67-0

**H.F. 479-Morse:** Makes additions and deletions to state parks, establishes a new state park and deletes two state waysides. 56-0

**H.F. 1105-Krentz:** Changes certain presumptions in paternity cases and allows husbands to join in a recognition of parentage. 52-3

**S.F. 1033-Oliver:** Makes changes relating to insurance solvency, regulates disclosure, reinsurance, capital stock, managing general agents and contracts issued on a variable basis. 52-0

**S.F. 1670-** Jobs, Energy and Community Development omnibus funding bill. 40-22

**S.F. 106-Morse:** Environment and natural resources omnibus funding bill. 44-22

**H.F. 96-Hottinger:** Prohibits provisions that grant the health carrier a subrogation right, except where the covered person has been fully compensated from another source. 53-0

### **Bills failing to gain final passage on Special Orders May 18, 1995**

**S.F. 836-Solon:** Regulates rent to own purchase agreements, regulates cash price and finance charges and provides for the application of other law. 26-37 Reconsidered. Laid on the table.

### **Bills granted final passage on Special Orders May 18, 1995**

**S.F. 999-Riveness:** Adds certain human services obligations to the requirement that state agencies promptly pay their bills. 62-0

**S.F. 1701-Kelly:** Provides for payment of claims against the state. 47-0

### **Conference committee reports adopted and repassed May 19, 1995**

**S.F. 1204-Betzold:** Regulates rental vehicle no-fault auto insurance coverages, determines when a vehicle is rented, modifies the right to compensation for loss of use of a damaged rented motor vehicle and provides for limits of liability for motor vehicle lessors. 52-2

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- H.F. 1207-Murphy: Increases the maximum length allowed for operation of certain vehicle combinations. 43-7  
H.F. 1700-Beckman: Appropriates money for the judicial branch, public safety, public defense, corrections and for other criminal justice agencies and purposes, changes various criminal laws and penalties and modifies juvenile justice provisions. 53-10  
S.F. 512-Spear: Makes changes to the Vulnerable Adults Reporting Act, imposes penalties, increases licensing fees for certain facilities, requires reports of convictions to the commissioner and requires a report to the Legislature. 62-0

### **Bills granted final passage on Special Orders May 19, 1995**

- H.F. 1040-Morse: Provides various retirement benefit increases and related modifications, requires collateralization and requires an investment authority statement. 42-12  
H.F. 642-Novak: Workers' compensation bill. Modifies provisions relating to insurance, procedures and benefits, and provides penalties. 37-28  
S.F. 1406-Terwilliger: Establishes and modifies salary limits for public officials and requires an evaluation of agency head responsibilities. 35-30  
S.F. 302-Kelly: Increases the minimum wage. 35-29

### **Bills granted concurrence and repassage May 22, 1995**

- S.F. 845-Berglin: MinnesotaCare bill. Expands provisions of health care, establishes requirements for integrated service networks, modifies requirements for health plan companies, repeals the regulated all-payer option, modifies universal coverage and insurance reform provisions, revises the research and data initiatives, expands eligibility for the MinnesotaCare program, creates the prescription drug purchasing authority, establishes a drug purchasing benefit program for senior citizens, extends the health care commission and regional coordinating boards, makes technical changes, provides penalties and appropriates money. 45-18  
S.F. 259-Merriam: Regulates the use of genetic testing by insurers. 62-0  
S.F. 1122-Lessard: Establishes a program for funding response actions to address environmental contamination from drycleaning facilities. 63-0  
S.F. 371-Olson: Omnibus transportation funding bill. 47-19

### **Conference committee reports adopted and repassed May 22, 1995**

- S.F. 399-Knutson: Provides for forfeiture of snowmobile, all-terrain vehicles and motorboats for designated, DWI-related offenses, extends vehicle forfeiture law by expanding the definition of prior conviction to include other types of vehicles, restricts issuance of limited driver's license and imposes penalties. 51-7  
H.F. 365-Chandler: Regulating priorities of no-fault auto insurance coverage for taxis. 35-28  
H.F. 1478-Sams: Requires notice to the commissioner of agriculture and other actions before an agency adopts or repeals rules that affect farming operations, provides for development of best management practices for feedlots, changes requires for animal feedlot permits and sewage treatment system licenses, allow composting of sheep carcasses, regulates administrative rulemaking, revises the procedures for the adoption and review of agency rules, requires fees to cover costs and makes technical changes. 61-0  
S.F. 579-Chandler: Regulates charitable organizations and regulates filing statements. 55-8  
S.F. 281-Flynn: Clarifies language and changes obsolete references relating to metropolitan governance. 55-9  
S.F. 538-Murphy: Requires the refund of license fees to applicants if licenses are not issued within six weeks. 63-0  
S.F. 1444-Solon: Provides for the sale of tax forfeited land in St. Louis, Koochiching, Hennepin and Fillmore Counties, authorizes conveyance of state lands to the city of Eveleth, authorizes conveyance of lots within the Mississippi headwaters corridor and authorizes the sale of land to the city of Mankato. 56-7  
S.F. 507-Novak: Modifies the petroleum tank release cleanup program, provides for payment for a site assessment prior to tank removal, modifies reimbursement provisions, adds requirements for tank monitoring, establishes registration requirements, modifies program and liability provisions and clarifies liability for oil discharges. 65-0  
S.F. 557-Flynn: Authorizes the Legislative Commission on Employee relations to modify compensation for managerial positions in the Higher Education Board, modifies provisions relating to arbitrators and ratifies certain labor agreements. 66-0  
H.F. 628-Kiscaden: Creates a presumption of refusal or neglect in certain termination of parental rights cases. 60-0  
S.F. 1551-Johnson, J.B.: Provides loans and incentives for agricultural energy resources development for family farms and cooperatives. 61-1  
H.F. 980-Anderson: Clarifies language relating to controlled substance and other crimes, clarifies the elements of murder in the first degree, witness tampering and burglary in the first degree, provides that a motor vehicle is subject to forfeiture if it was used to flee a peace officer in violation of law, provides procedures for prosecuting attorneys to follow when filing complaints against owners whose buildings are alleged nuisances, amendment the elements of manslaughter in the first degree, manslaughter in the second degree, and receiving profits from prostitution, requires reports on wounds received from gunshots, expands the definition of electronic incapacitation device and increases the penalty for its unauthorized use, authorizes sentencing courts to order the payment of restitution to victim assistance programs, provides penalties for engaging in acts relating to civil disorders, clarifies the definition of "theft," clarifies the prerequisites for obtaining a search warrant, adds a fine provisions to the terroristic threats crime, authorizes peace officers to detain probationers based on an order from the chief executive officer of a community corrections agency, requires certain information to be gathered from crime victims and presented at bail hearings, requires

- notification to victims of bail hearings, requires notification to local law enforcement agencies of the pretrial release of certain defendants, codifies the establishment of a criminal alert network, prohibits the dissemination of false or misleading information on the criminal alert network and clarifies the procedures governing disposition of seized animals. 39-26
- S.F. 992-Kiscaden:** Reinstates certain advisory councils and a task force and requires a report. 56-0
- S.F. 462-Johnson, J.B.:** Waste management amendments. Implements the transfer of solid waste management duties of the Metropolitan Council to the Office of Environmental Assistance, and provides for the management of waste. 52-14
- S.F. 1246-Riveness:** Abolishes periodic reports, repeals obsolete rules of the Dept. of Agriculture, Dept. of Commerce, Dept. of Health, Dept. of Public Safety, Dept. of Public Service, Dept. of Revenue and the Pollution Control Agency, removes internal references to repealed rules, provides a deadline for actions by state and local government agencies, clarifies statutory waiver requirements with respect to the Housing Finance Agency for the civil service pilot project, requires legislative review of agency reorganization efforts, modifies provisions relating to data classification, modifies provisions relating to workers compensation premium collection, modifies provisions relating to employment classifications, procedures and benefits, provides penalties, establishes a task force to recommend a governmental structure for environmental and natural resource functions and services, requires the establishment of an employee participation committee before agency restructuring, provides for appointments, abolishes the Transportation Regulation Board, transfers TRB functions to other agencies, establishes pilot projects to improve the efficiency and effectiveness of state agencies, and authorizes waivers of rules and policies. 58-6
- S.F. 1393-Pogemiller:** Provides conditions and requirements for the issuance of debt and use of proceeds, authorizes the use of capital improvement bonds for indoor ice arenas, and exempts issuance of certain debt from election requirements, modifies loans to political subdivisions for fire or rescue purposes, authorizes operation of recreational facilities, authorizes continuing disclosure agreements, provides for funding of self-insurance by political subdivisions provides for the issuance of temporary obligations, modifies issuance and lease procedures, renames and modifies technical provisions relating to incentives in enterprise zones. 53-8
- S.F. 1678-Cohen:** Appropriates money for the general legislative and administrative expenses of state government, provides for the transfer of money in the state treasury, fixes and limits the amount of fees, penalties and other costs to be collected. 37-25
- S.F. 1019-Mondale:** Establishes the Metropolitan Livable Communities Fund and provides for fund distribution, reduces the levy authority of the Metro Mosquito Control Commission, provides for revenue sharing, regulates employee layoffs by the Metropolitan Mosquito Control District and authorizes an economic vitality and housing initiative. 57-1
- S.F. 127-Terwilliger:** Provides conveyance of tax-forfeited lands in Eden Prairie, Champlin and Corcoran, and provides for sale of state land in Minnetonka. 59-0
- S.F. 217-Cohen:** Provides for enforcement of child support obligations, expands enforcement remedies for child support, authorizes programs, provides for resolution of custody and visitation disputes, creates a central child support payment center, modifies child support data collection and publication, imposes penalties, changes provisions relating to recognition of parentage, adds provisions for administrative proceedings, modifies children's supervised visitation facilities, and provides for studies. 43-23
- S.F. 1520-Lessard:** Extends the notification requirements for land farming contaminated soil to unorganized townships. 62-0
- S.F. 440-Hottinger:** Regulates insurance coverages, regulates notice and enforcement provisions, regulates licensees, regulates the comprehensive health association, increases the lifetime benefit limit, makes technical changes, provides for certain breast cancer coverage, and prohibits rate differentials within the same town or city. 61-0
- S.F. 1279-Finn:** Omnibus data practices provisions, provides for the classification of and access to government data, clarifies data provisions, recodifies statutes on crime of domestic assault, provides for an information policy training program, indexes statutes that restrict data access and are located outside Chap. 13, prescribes penalties and appropriates money. 56-0
- H.F. 1864-Johnson, D.J.:** Omnibus tax bill, adopts federal income tax law changes, modifies tax rates, credits, refunds, bases, and exemptions, modifies property tax exemption, valuation and classification provisions, provides for deduction of property tax refunds from property taxes, modifies or restricts certain requirements or uses of tax increment financing, modifies certain motor vehicle registration taxes, establishes a sales tax advisory council, authorizes certain local taxes, special districts and other local authority, modifies provisions relating to local excise taxes, modifies duties imposed on local units of government and the Dept. of Revenue, authorizes issuance of bonds and tax anticipation certificates, modifies taconite occupation and production provisions; modifies the duties of the Board of Government Innovation and Cooperation, changes aids to local governments, modifies revenue recapture rules, changes the property tax treatment of wind property, adjusts the amount of the budget reserve, provides for dedication of certain revenues, makes technical changes, corrections and clarifications, makes tax policy, collection and administrative changes and imposes penalties. 53-13
- S.F. 979-Johnston:** Regulates hazardous material transporters, requires fingerprints of motor carrier managers for criminal background checks, makes technical changes related to calculating proportional mileage under the international registration plan, specifies violations that may result in suspension or revocation of permit, makes technical changes relating to hazardous waste transporter licenses, provides for disposition of fees collected for hazardous material registration, licensing and permitting, regulates security and fare policies for metropolitan transit buses and requires a sound abatement study. 60-1
- H.F. 265-Berg:** Makes technical amendments to eliminate references to teleracing facilities, regulates testing facilities for the testing of gambling devices, regulates bingo and lawful purpose expenditures, regulates credit and sales to delinquent organizations, and provides for contributions to compulsive gambling programs. 60-1
- H.F. 1040-Morse:** Provides various benefit increases and related modifications and requires collateralization and investment authority statements. 65-0
- S.F. 621-Lessard:** Omnibus game and fish bill, establishes a hunting heritage week, provides procedures for seizure and confiscation

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of property, clarifies terms of short-term angling licenses, removes certain requirements relating to fish taken in Canada, modifies reporting requirements, modifies hours for taking certain animals, modifies provisions relating to trapping, provides for posting of waters to prohibit fishing or motorboat operation, adjusts opening and closing dates of various seasons for taking fish, expands the requirement to possess a trout and salmon stamp, modifies northern pike length limits, changes the date by which fish houses and dark houses must be removed from the ice in specific parts of the state, authorizes the use of floating turtle traps, removes time limits on sale of fish by commercial licensees, requires a plan for a firearms safety program, authorizes stocking activities, provides snowmobile licensing exemptions, specifies fishing contest regulation, modifies provisions relating to ecologically harmful species, modifies provisions relating to collector snowmobiles and all terrain vehicle weight, provides for reciprocity in game and fish violations, specifies enforcement officer powers, provides for disabled hunter permits, require information from licensees, specifies big game hunting hours, regulates checking traps, requires fish house identification, and regulates snowmobile transit. 64-1

### **Bills granted final passage on Special Orders May 22, 1995**

- H.F. 673-Oliver:** Regulates risk-based capital for insurers and enacts the model act of the National Association of Insurance Commissioners. 60-0
- H.F. 697-Solon:** Permits the sale of long-term care insurance with longer waiting periods with disclosure to purchasers. 53-2
- H.F. 1837-Merriam:** Authorizing spending to acquire and better public land and buildings, authorizes spending for other public improvements of a capital nature, authorizes the sale of state bonds, requires periodic reports on the status of authorized state bonds and reduces 1995 appropriations. 61-1
- H.F. 1567-Pogemiller:** Omnibus K-12 education funding bill, provides appropriations for education and creates a Dept. of Children. 42-18
- S.F. 1705-Flynn:** Corrects miscellaneous noncontroversial oversights, inconsistencies, ambiguities, unintended results and technical errors in legislative enactments. 58-1

### **Special Session Tuesday, May 23**

#### **Bills granted final passage on Special Orders**

- S.F. 1-Lessard:** Omnibus game and fish bill, establishes a hunting heritage week, provides procedures for seizure and confiscation of property, clarifies terms of short-term angling licenses, removes certain requirements relating to fish taken in Canada, modifies reporting requirements, modifies hours for taking certain animals, modifies provisions relating to trapping, provides for posting of waters to prohibit fishing or motorboat operation, adjusts opening and closing dates of various seasons for taking fish, expands the requirement to possess a trout and salmon stamp, modifies northern pike length limits, changes the date by which fish houses and dark houses must be removed from the ice in specific parts of the state, authorizes the use of floating turtle traps, removes time limits on sale of fish by commercial licensees, requires a plan for a firearms safety program, authorizes stocking activities, provides snowmobile licensing exemptions, specifies fishing contest regulation, modifies provisions relating to ecologically harmful species, modifies provisions relating to collector snowmobiles and all terrain vehicle weight, provides for reciprocity in game and fish violations, specifies enforcement officer powers, provides for disabled hunter permits, require information from licensees, specifies big game hunting hours, regulates checking traps, requires fish house identification, and regulates snowmobile transit. 60-0
- S.F. 2-Marty:** Makes changes in provisions relating to ethics in government, makes advisory opinions public data, clarifies definitions and prohibitions, clarifies and authorizes exceptions to the ban on gifts, requires a report by state agencies regarding salary and expenses paid for legislative matters and authorizes civil and criminal penalties. 49-12

### **Special Session Thursday, May 25**

- H.F. 1-Merriam:** Authorizes spending to acquire and better public land and buildings and other public improvements of a capital nature, authorizes the sale of state bonds, requires reports on the status of authorized and outstanding state bonds.
- H.F. 4-Pogemiller:** Omnibus K-12 education funding, provides for education general and uniform revenue, provides for transportation, special programs, community programs, facilities, organization and cooperation, excellence and other education programs, provides for libraries, establishes a Dept. of Children, families and Learning, specifies a budget reserve and provides for cost management and provides for education targeted needs revenue.

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