

STATE OF MINNESOTA

# Journal of the Senate

EIGHTY-FIRST LEGISLATURE

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NINETY-SECOND DAY

St. Paul, Minnesota, Tuesday, March 21, 2000

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

## CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Steve Loopstra.

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

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

The President declared a quorum present.

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

## MEMBERS EXCUSED

Senator Johnson, D.H. was excused from the Session of today.

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2563, 3534 and 2699.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 20, 2000

**FIRST READING OF HOUSE BILLS**

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

**H.F. No. 2563:** A bill for an act relating to liens; modifying mechanics' lien penalties; creating a civil cause of action; authorizing attorney fees; providing that proceeds are exempt from execution; imposing criminal penalties; amending Minnesota Statutes 1998, sections 514.02, subdivision 1, and by adding a subdivision; and 550.37, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2381, now on General Orders.

**H.F. No. 3534:** A bill for an act relating to agriculture; changing certain requirements and enforcement procedures for agricultural contracts; amending Minnesota Statutes 1998, sections 17.90, by adding a subdivision; and 17.91; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 3070, now on General Orders.

**H.F. No. 2699:** A bill for an act relating to public administration; appropriating money for health and human services, agriculture, environment and natural resources, criminal justice, state government, and economic development; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; providing penalties; amending Minnesota Statutes 1998, sections 13.82, subdivision 3b; 15.0591, subdivision 2; 15A.0815, subdivisions 2 and 3; 16A.10, by adding a subdivision; 16A.11, subdivision 3; 16A.124, by adding a subdivision; 16A.126, subdivision 2; 16B.052; 16B.31, by adding a subdivision; 16B.335, subdivision 5; 16B.42, subdivisions 2 and 3; 16B.48, subdivision 4; 16B.485; 17A.03, subdivision 5; 18E.04, subdivision 4; 41A.09, subdivision 3a; 41B.03, subdivisions 1 and 2; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 2; 41B.045, subdivision 2; 43A.38, subdivision 1; 60H.03, by adding a subdivision; 80A.122, by adding a subdivision; 80A.28, subdivision 1; 85A.02, subdivision 5a; 103E.011, by adding a subdivision; 115B.17, subdivision 19; 119A.05, subdivision 1; 119A.37, subdivision 4; 120B.22, subdivision 1; 121A.15, subdivisions 4 and 10; 125A.74, subdivisions 1 and 2; 138.17, subdivision 10; 144.551, subdivision 1; 144A.071, by adding a subdivision; 169.01, subdivision 1; 169.121, subdivision 3b; 169.129, by adding a subdivision; 169.21, subdivisions 2 and 3; 169.89, subdivision 2; 179A.18, subdivision 1; 181.932, subdivision 1; 182.661, subdivision 1; 182.666, subdivision 2, and by adding a subdivision; 193.143; 198.03, subdivision 1; 221.173; 242.41; 242.43; 242.44; 254B.03, subdivision 1; 256.01, by adding a subdivision; 256.011, subdivision 3; 256.741, by adding a subdivision; 256.955, subdivisions 1 and 2; 256.9753, subdivision 3; 256.995, subdivision 1; 256B.431, by adding subdivisions; 256B.69, subdivision 5d; 256J.08, by adding a subdivision; 256J.15, by adding a subdivision; 256J.32, by adding a subdivision; 256J.40; 256J.45, subdivision 3; 256J.46, by adding subdivisions; 256J.47, subdivision 1; 256J.49, subdivision 13; 256J.50, subdivisions 5 and 7; 256J.52, by adding a subdivision; 256L.05, subdivision 5; 257.75, subdivision 6; 268.362, subdivision 2; 345.31, by adding a subdivision; 345.39, subdivision 1; 349A.02, subdivision 1; 352.91, subdivision 3c, and by adding subdivisions; 352D.02, subdivision 1; 352D.04, subdivision 2; 356.30, subdivision 1; 383B.225, subdivision 2; 390.005, subdivision 3; 390.33, subdivision 1; 422A.101, subdivision 3; 471.345, by adding a subdivision; 490.121, subdivision 4, and by adding a subdivision; 490.123, subdivisions 1a and 1b; 490.124, subdivision 1; 518B.01, subdivision 21; 609.02, subdivisions 3 and 4a; 609.03; 609.033; 609.0331; 609.0332, subdivision 1; 609.034; 609.135, by adding a subdivision; 609.2231, subdivision 1; 609.378, subdivision 1; 611A.07, subdivision 1; 611A.32, subdivisions 1, 2, 3, and 5; 611A.33; 611A.34, subdivisions 1, 2, and 3; 611A.345; 611A.35; 611A.36, subdivisions 1 and 2; 626.556, by adding a subdivision; 629.342, subdivision 2; and 629.72, subdivision 6; Minnesota Statutes 1999 Supplement, sections 3.971, subdivision 8; 10A.01, subdivisions 2 and 21; 13.99, subdivision 108, and by adding a subdivision; 15.059, subdivision 5a; 16A.103, subdivision 1; 16A.129, subdivision 3; 16B.616, subdivisions 3 and 4; 62J.535, subdivision 2; 62J.694, subdivision 2; 116.073, subdivision 1; 116J.421, subdivision 2; 119B.011, subdivision 15; 119B.02, subdivision 1; 125B.21, subdivision 1; 144.395, by adding a

subdivision; 144.396, subdivisions 11 and 12; 144A.04, subdivision 5; 147.09; 169.121, subdivisions 3, 3d, and 3f; 169.1217, subdivision 7; 169.129, subdivision 1; 179A.04, subdivision 3; 181.932, subdivision 2; 214.01, subdivision 2; 241.272, subdivision 6; 242.192; 256.01, subdivision 2; 256.019; 256.955, subdivisions 4, 8, and 9; 256B.0916, subdivision 1; 256B.69, subdivision 5b; 256D.03, subdivision 4; 256J.02, subdivision 2; 256J.08, subdivision 86; 256J.21, subdivision 2; 256J.26, subdivision 1; 256J.33, subdivision 4; 256J.34, subdivisions 1 and 4; 256J.46, subdivisions 1, 2, and 2a; 256J.52, subdivisions 3 and 5; 256J.56; 256L.07, subdivision 1; 326.105; 473.3993, subdivision 3; 609.135, subdivision 2; 626.556, subdivision 2; and 626.558, subdivision 1; Laws 1997, chapter 200, article 1, section 5, subdivision 3; Laws 1997, chapter 225, article 4, section 4, as amended; Laws 1998, chapter 389, article 16, section 31, subdivision 2, as amended; Laws 1999, chapter 216, article 1, sections 2, subdivision 3; 9; 14; Laws 1999, chapter 223, article 1, section 6, subdivision 1; article 2, section 81, as amended; article 3, section 8; Laws 1999, chapter 231, sections 2, subdivision 2; 6, as amended; 11, subdivision 3; Laws 1999, chapter 245, article 1, section 2, subdivisions 3, 5, and 10; article 4, section 121; and Laws 1999, chapter 250, article 1, sections 11; 14, subdivision 3; 18; and 116; proposing coding for new law in Minnesota Statutes, chapters 3; 5; 10A; 16A; 41B; 43A; 85; 136F; 144; 145; 169; 181; 182; 198; 242; 252; 256J; 256K; 260B; 326; 345; 473; and 611A; proposing coding for new law as Minnesota Statutes, chapter 146A; repealing Minnesota Statutes 1998, sections 16B.37, subdivisions 1, 2, and 3; 16B.88; 16E.01, subdivisions 2 and 3; 16E.03, subdivisions 1 and 3; 16E.04, subdivision 1; 16E.05; 16E.06; 16E.07, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 136F.59, subdivision 3; 168A.40, subdivisions 1 and 3; 184A.01; 184A.02; 184A.03; 184A.04; 184A.05; 184A.06; 184A.07; 184A.08; 184A.09; 184A.10; 184A.11; 184A.12; 184A.13; 184A.14; 184A.15; 184A.16; 184A.17; 184A.18; 184A.19; 184A.20; 241.41; 241.42; 241.43; 241.44; 241.441; 241.45; 256J.46, subdivision 1a; 352.91, subdivision 4; 465.795; 465.796; 465.797, subdivisions 2, 3, 4, 5, 6, and 7; 465.7971; 465.798; 465.799; 465.801; 465.802; 465.803; 465.81; 465.82, subdivisions 1, 2, and 3; 465.83; 465.84; 465.85; 465.86; 465.87; and 465.88; Minnesota Statutes 1999 Supplement, sections 16E.01, subdivision 1; 16E.02; 16E.03, subdivisions 2, 4, 5, 6, 7, and 8; 16E.04, subdivision 2; 16E.07, subdivision 4; 16E.08; 43A.318; 144.396, subdivision 13; 168A.40, subdivision 2; 465.797, subdivisions 1 and 5a; and 465.82, subdivision 4; Laws 1997, chapter 203, article 7, section 27; Laws 1999, chapter 135, section 9; Laws 1999, chapter 245, article 5, section 24; and Laws 1999, chapter 250, article 1, section 15, subdivision 4; Minnesota Rules, parts 3800.3810; 7672.0100; 7672.0200; 7672.0300; 7672.0400; 7672.0500; 7672.0600; 7672.0700; 7672.0800; 7672.0900; 7672.1000; 7672.1100; 7672.1200; 7672.1300; 7674.0100; 7674.0200; 7674.0300; 7674.0400; 7674.0500; 7674.0600; 7674.0700; 7674.0800; 7674.0900; 7674.1000; 7674.1100; and 7674.1200.

Senator Moe, R.D. moved that H.F. No. 2699 be laid on the table. The motion prevailed.

## REPORTS OF COMMITTEES

### SUSPENSION OF RULES

Senator Moe, R.D. moved that Joint Rule 2.03 be suspended as it relates to the Committee Report on S.F. No. 2847. The motion prevailed.

Senator Moe, R.D. moved that the Committee Report at the Desk be now adopted.

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

**S.F. No. 2847:** A bill for an act relating to health; modifying provisions for application for and distribution of medical education funds; amending Minnesota Statutes 1999 Supplement, section 62J.692, subdivisions 1, 3, and 4.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1999 Supplement, section 62J.692, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) "Accredited clinical training" means the clinical training provided by a medical education program that is accredited through an organization recognized by the department of education or the health care financing administration as the official accrediting body for that program, or another national body who reviews the accrediting organizations for multiple disciplines and whose standards for recognizing accrediting organizations are reviewed and approved by the commissioner of health, in consultation with the medical education and research advisory committee.

(b) "Commissioner" means the commissioner of health.

(c) "Clinical medical education program" means the accredited clinical training of physicians (medical students and residents), doctor of pharmacy practitioners, doctors of chiropractic, dentists, advanced practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), and physician assistants.

(d) "Sponsoring institution" means a hospital, school, or consortium located in Minnesota that sponsors and maintains primary organizational and financial responsibility for a clinical medical education program in Minnesota and which is accountable to the accrediting body.

(e) "Teaching institution" means a hospital, medical center, clinic, or other organization that conducts a clinical medical education program in Minnesota.

(f) "Trainee" means a student or resident involved in a clinical medical education program.

(g) "Eligible trainee FTEs" means the number of trainees, as measured by full-time equivalent counts, that are at training sites located in Minnesota with a medical assistance provider number where training occurs in either an inpatient or ambulatory patient care setting and where the training is funded, in part, by patient care revenues.

Sec. 2. Minnesota Statutes 1999 Supplement, section 62J.692, subdivision 3, is amended to read:

Subd. 3. [APPLICATION PROCESS.] (a) A clinical medical education program conducted in Minnesota by a teaching institution is eligible for funds under subdivision 4 if the program:

(1) is funded, in part, by patient care revenues;

(2) occurs in patient care settings that face increased financial pressure as a result of competition with nonteaching patient care entities; and

(3) emphasizes primary care or specialties that are in undersupply in Minnesota.

(b) Applications must be submitted to the commissioner by a sponsoring institution on behalf of an eligible clinical medical education program and must be received by ~~September 30~~ October 31 of each year for distribution in the following year. An application for funds must contain the following information:

(1) the official name and address of the sponsoring institution and the official name and site address of the clinical medical education programs on whose behalf the sponsoring institution is applying;

(2) the name, title, and business address of those persons responsible for administering the funds;

(3) for each clinical medical education program for which funds are being sought; the type and

specialty orientation of trainees in the program; the name, site address, and medical assistance provider number of each training site used in the program; the total number of trainees at each training site; and the total number of eligible trainee FTEs at each site; and

~~(4) audited clinical training costs per trainee for each clinical medical education program where available or estimates of clinical training costs based on audited financial data;~~

~~(5) a description of current sources of funding for clinical medical education costs, including a description and dollar amount of all state and federal financial support, including Medicare direct and indirect payments;~~

~~(6) other revenue received for the purposes of clinical training; and~~

~~(7) other supporting information the commissioner deems necessary to determine program eligibility based on the criteria in paragraph (a) and to ensure the equitable distribution of funds.~~

(c) An application must include the information specified in clauses (1) to (3) for each clinical medical education program on an annual basis for three consecutive years. After that time, an application must include the information specified in clauses (1) to (3) in the first year of each biennium:

(1) audited clinical training costs per trainee for each clinical medical education program when available or estimates of clinical training costs based on audited financial data;

(2) a description of current sources of funding for clinical medical education costs, including a description and dollar amount of all state and federal financial support, including Medicare direct and indirect payments; and

(3) other revenue received for the purposes of clinical training.

(d) An applicant that does not provide information requested by the commissioner shall not be eligible for funds for the current funding cycle.

Sec. 3. Minnesota Statutes 1999 Supplement, section 62J.692, subdivision 4, is amended to read:

Subd. 4. [DISTRIBUTION OF FUNDS.] (a) The commissioner shall annually distribute medical education funds to all qualifying applicants based on the following criteria:

(1) total medical education funds available for distribution;

(2) total number of eligible trainee FTEs in each clinical medical education program; and

(3) the statewide average cost per trainee as determined by the application information provided in the first year of the biennium, by type of trainee, in each clinical medical education program.

(b) Funds distributed shall not be used to displace current funding appropriations from federal or state sources.

(c) Funds shall be distributed to the sponsoring institutions indicating the amount to be distributed to each of the sponsor's clinical medical education programs based on the criteria in this subdivision and in accordance with the commissioner's approval letter. Each clinical medical education program must distribute funds to the training sites as specified in the commissioner's approval letter. Sponsoring institutions, which are accredited through an organization recognized by the department of education or the health care financing administration, may contract directly with training sites to provide clinical training. To ensure the quality of clinical training, those accredited sponsoring institutions must:

(1) develop contracts specifying the terms, expectations, and outcomes of the clinical training conducted at sites; and

(2) take necessary action if the contract requirements are not met. Action may include the withholding of payments under this section or the removal of students from the site.

(d) Any funds not distributed in accordance with the commissioner's approval letter must be returned to the medical education and research fund within 30 days of receiving notice from the commissioner. The commissioner shall distribute returned funds to the appropriate training sites in accordance with the commissioner's approval letter.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

And when so amended the bill do pass.

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

Joint Rule 2.03 suspended. Amendments adopted. Report adpted.

## SECOND READING OF SENATE BILLS

S.F. No. 2847 was read the second time.

## MOTIONS AND RESOLUTIONS

Remaining on the Order of Business of Motions and Resolutions, Senator Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

## CALENDAR

**S.F. No. 2770:** A bill for an act relating to crime prevention; increasing maximum fines for petty misdemeanor and misdemeanor offenses; amending Minnesota Statutes 1998, sections 169.89, subdivision 2; 609.02, subdivisions 3 and 4a; 609.03; 609.033; 609.0331; 609.0332, subdivision 1; and 609.034.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Knutson	Neuville	Samuelson
Belanger	Hottinger	Krentz	Olson	Scheevel
Berg	Janezich	Langseth	Ourada	Scheid
Berglin	Johnson, D.E.	Larson	Pappas	Solon
Betzold	Johnson, D.J.	Lesewski	Pariseau	Stevens
Day	Junge	Lessard	Piper	Stumpf
Dille	Kelley, S.P.	Limmer	Pogemiller	Terwilliger
Fischbach	Kelly, R.C.	Lourey	Ranum	Vickerman
Flynn	Kierlin	Marty	Ring	Wiener
Foley	Kinkel	Metzen	Robertson	Wiger
Frederickson	Kiscaden	Moe, R.D.	Robling	Ziegler
Hanson	Kleis	Murphy	Sams	

So the bill passed and its title was agreed to.

## RECESS

Senator Moe, R.D. moved that the Senate do now recess until 10:15 a.m. The motion prevailed.

The hour of 10:15 a.m. having arrived, the President called the Senate to order.

### CALL OF THE SENATE

Senator Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Senator Moe, R.D. moved that H.F. No. 2699 be taken from the table.

**H.F. No. 2699:** A bill for an act relating to public administration; appropriating money for health and human services, agriculture, environment and natural resources, criminal justice, state government, and economic development; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; providing penalties; amending Minnesota Statutes 1998, sections 13.82, subdivision 3b; 15.0591, subdivision 2; 15A.0815, subdivisions 2 and 3; 16A.10, by adding a subdivision; 16A.11, subdivision 3; 16A.124, by adding a subdivision; 16A.126, subdivision 2; 16B.052; 16B.31, by adding a subdivision; 16B.335, subdivision 5; 16B.42, subdivisions 2 and 3; 16B.48, subdivision 4; 16B.485; 17A.03, subdivision 5; 18E.04, subdivision 4; 41A.09, subdivision 3a; 41B.03, subdivisions 1 and 2; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 2; 41B.045, subdivision 2; 43A.38, subdivision 1; 60H.03, by adding a subdivision; 80A.122, by adding a subdivision; 80A.28, subdivision 1; 85A.02, subdivision 5a; 103E.011, by adding a subdivision; 115B.17, subdivision 19; 119A.05, subdivision 1; 119A.37, subdivision 4; 120B.22, subdivision 1; 121A.15, subdivisions 4 and 10; 125A.74, subdivisions 1 and 2; 138.17, subdivision 10; 144.551, subdivision 1; 144A.071, by adding a subdivision; 169.01, subdivision 37; 169.121, subdivision 3b; 169.129, by adding a subdivision; 169.21, subdivisions 2 and 3; 169.89, subdivision 2; 179A.18, subdivision 1; 181.932, subdivision 1; 182.661, subdivision 1; 182.666, subdivision 2, and by adding a subdivision; 193.143; 198.03, subdivision 1; 221.173; 242.41; 242.43; 242.44; 254B.03, subdivision 1; 256.01, by adding a subdivision; 256.011, subdivision 3; 256.741, by adding a subdivision; 256.955, subdivisions 1 and 2; 256.9753, subdivision 3; 256.995, subdivision 1; 256B.431, by adding subdivisions; 256B.69, subdivision 5d; 256J.08, by adding a subdivision; 256J.15, by adding a subdivision; 256J.32, by adding a subdivision; 256J.40; 256J.45, subdivision 3; 256J.46, by adding subdivisions; 256J.47, subdivision 1; 256J.49, subdivision 13; 256J.50, subdivisions 5 and 7; 256J.52, by adding a subdivision; 256L.05, subdivision 5; 257.75, subdivision 6; 268.362, subdivision 2; 345.31, by adding a subdivision; 345.39, subdivision 1; 349A.02, subdivision 1; 352.91, subdivision 3c, and by adding subdivisions; 352D.02, subdivision 1; 352D.04, subdivision 2; 356.30, subdivision 1; 383B.225, subdivision 2; 390.005, subdivision 3; 390.33, subdivision 1; 422A.101, subdivision 3; 471.345, by adding a subdivision; 490.121, subdivision 4, and by adding a subdivision; 490.123, subdivisions 1a and 1b; 490.124, subdivision 1; 518B.01, subdivision 21; 609.02, subdivisions 3 and 4a; 609.03; 609.033; 609.0331; 609.0332, subdivision 1; 609.034; 609.135, by adding a subdivision; 609.2231, subdivision 1; 609.378, subdivision 1; 611A.07, subdivision 1; 611A.32, subdivisions 1, 2, 3, and 5; 611A.33; 611A.34, subdivisions 1, 2, and 3; 611A.345; 611A.35; 611A.36, subdivisions 1 and 2; 626.556, by adding a subdivision; 629.342, subdivision 2; and 629.72, subdivision 6; Minnesota Statutes 1999 Supplement, sections 3.971, subdivision 8; 10A.01, subdivisions 2 and 21; 13.99, subdivision 108, and by adding a subdivision; 15.059, subdivision 5a; 16A.103, subdivision 1; 16A.129, subdivision 3; 16B.616, subdivisions 3 and 4; 62J.535, subdivision 2; 62J.694, subdivision 2; 116.073, subdivision 1; 116J.421, subdivision 2; 119B.011, subdivision 15; 119B.02, subdivision 1; 125B.21, subdivision 1; 144.395, by adding a subdivision; 144.396, subdivisions 11 and 12; 144A.04, subdivision 5; 147.09; 169.121, subdivisions 3, 3d, and 3f; 169.1217, subdivision 7; 169.129, subdivision 1; 179A.04, subdivision 3; 181.932, subdivision 2; 214.01, subdivision 2; 241.272, subdivision 6; 242.192; 256.01, subdivision 2; 256.019; 256.955, subdivisions 4, 8, and 9; 256B.0916, subdivision 1; 256B.69, subdivision 5b; 256D.03, subdivision 4; 256J.02, subdivision 2; 256J.08, subdivision 86; 256J.21, subdivision 2; 256J.26, subdivision 1; 256J.33, subdivision 4; 256J.34, subdivisions 1 and 4;

256J.46, subdivisions 1, 2, and 2a; 256J.52, subdivisions 3 and 5; 256J.56; 256L.07, subdivision 1; 326.105; 473.3993, subdivision 3; 609.135, subdivision 2; 626.556, subdivision 2; and 626.558, subdivision 1; Laws 1997, chapter 200, article 1, section 5, subdivision 3; Laws 1997, chapter 225, article 4, section 4, as amended; Laws 1998, chapter 389, article 16, section 31, subdivision 2, as amended; Laws 1999, chapter 216, article 1, sections 2, subdivision 3; 9; 14; Laws 1999, chapter 223, article 1, section 6, subdivision 1; article 2, section 81, as amended; article 3, section 8; Laws 1999, chapter 231, sections 2, subdivision 2; 6, as amended; 11, subdivision 3; Laws 1999, chapter 245, article 1, section 2, subdivisions 3, 5, and 10; article 4, section 121; and Laws 1999, chapter 250, article 1, sections 11; 14, subdivision 3; 18; and 116; proposing coding for new law in Minnesota Statutes, chapters 3; 5; 10A; 16A; 41B; 43A; 85; 136F; 144; 145; 169; 181; 182; 198; 242; 252; 256J; 256K; 260B; 326; 345; 473; and 611A; proposing coding for new law as Minnesota Statutes, chapter 146A; repealing Minnesota Statutes 1998, sections 16B.37, subdivisions 1, 2, and 3; 16B.88; 16E.01, subdivisions 2 and 3; 16E.03, subdivisions 1 and 3; 16E.04, subdivision 1; 16E.05; 16E.06; 16E.07, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 136F.59, subdivision 3; 168A.40, subdivisions 1 and 3; 184A.01; 184A.02; 184A.03; 184A.04; 184A.05; 184A.06; 184A.07; 184A.08; 184A.09; 184A.10; 184A.11; 184A.12; 184A.13; 184A.14; 184A.15; 184A.16; 184A.17; 184A.18; 184A.19; 184A.20; 241.41; 241.42; 241.43; 241.44; 241.441; 241.45; 256J.46, subdivision 1a; 352.91, subdivision 4; 465.795; 465.796; 465.797, subdivisions 2, 3, 4, 5, 6, and 7; 465.7971; 465.798; 465.799; 465.801; 465.802; 465.803; 465.81; 465.82, subdivisions 1, 2, and 3; 465.83; 465.84; 465.85; 465.86; 465.87; and 465.88; Minnesota Statutes 1999 Supplement, sections 16E.01, subdivision 1; 16E.02; 16E.03, subdivisions 2, 4, 5, 6, 7, and 8; 16E.04, subdivision 2; 16E.07, subdivision 4; 16E.08; 43A.318; 144.396, subdivision 13; 168A.40, subdivision 2; 465.797, subdivisions 1 and 5a; and 465.82, subdivision 4; Laws 1997, chapter 203, article 7, section 27; Laws 1999, chapter 135, section 9; Laws 1999, chapter 245, article 5, section 24; and Laws 1999, chapter 250, article 1, section 15, subdivision 4; Minnesota Rules, parts 3800.3810; 7672.0100; 7672.0200; 7672.0300; 7672.0400; 7672.0500; 7672.0600; 7672.0700; 7672.0800; 7672.0900; 7672.1000; 7672.1100; 7672.1200; 7672.1300; 7674.0100; 7674.0200; 7674.0300; 7674.0400; 7674.0500; 7674.0600; 7674.0700; 7674.0800; 7674.0900; 7674.1000; 7674.1100; and 7674.1200.

### SUSPENSION OF RULES

Senator Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2699 and that the rules of the Senate be so far suspended as to give H.F. No. 2699 its second and third reading and place it on its final passage. The motion prevailed.

Senator Kleis raised a point of order as to the constitutionality of H.F. No. 2699.

The President ruled that the point of order was not well taken.

H.F. No. 2699 was read the second time.

Senator Samuelson moved to amend H.F. No. 2699 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2699, and insert the language after the enacting clause, and the title, of S.F. No. 3798, the first engrossment.

The motion prevailed. So the amendment was adopted.

Senator Price moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 247, line 6, delete "act" and insert "article" in both places

The motion prevailed. So the amendment was adopted.

Senator Ourada moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 228, after line 25, insert:

"Sec. 34. Minnesota Statutes 1998, section 43A.17, subdivision 9, is amended to read:

Subd. 9. [POLITICAL SUBDIVISION COMPENSATION LIMIT.] The salary and the value of all other forms of compensation of a person employed by a statutory or home rule charter city, county, town, metropolitan or regional agency, or other political subdivision of this state excluding a school district, or employed under section 422A.03, may not exceed 95 percent of the salary of the governor as set under section 15A.082, except as provided in this subdivision. Deferred compensation and payroll allocations to purchase an individual annuity contract for an employee are included in determining the employee's salary. Other forms of compensation which shall be included to determine an employee's total compensation are all other direct and indirect items of compensation which are not specifically excluded by this subdivision. Other forms of compensation which shall not be included in a determination of an employee's total compensation for the purposes of this subdivision are:

(1) employee benefits that are also provided for the majority of all other full-time employees of the political subdivision, vacation and sick leave allowances, health and dental insurance, disability insurance, term life insurance, and pension benefits or like benefits the cost of which is borne by the employee or which is not subject to tax as income under the Internal Revenue Code of 1986;

(2) dues paid to organizations that are of a civic, professional, educational, or governmental nature; and

(3) reimbursement for actual expenses incurred by the employee which the governing body determines to be directly related to the performance of job responsibilities, including any relocation expenses paid during the initial year of employment.

The value of other forms of compensation shall be the annual cost to the political subdivision for the provision of the compensation. The salary of a medical doctor or doctor of osteopathy occupying a position that the governing body of the political subdivision has determined requires an M.D. or D.O. degree is excluded from the limitation in this subdivision. The salaries of public hospital executive directors, public hospital pharmacists, and public hospital psychologists are excluded from the limitation in this subdivision. The commissioner may increase the limitation in this subdivision for a position that the commissioner has determined requires special expertise necessitating a higher salary to attract or retain a qualified person. The commissioner shall review each proposed increase giving due consideration to salary rates paid to other persons with similar responsibilities in the state and nation. The commissioner may not increase the limitation until the commissioner has presented the proposed increase to the legislative coordinating commission and received the commission's recommendation on it. The recommendation is advisory only. If the commission does not give its recommendation on a proposed increase within 30 days from its receipt of the proposal, the commission is deemed to have recommended approval."

Reorder the sections in sequence and correct the internal references

Amend the title accordingly

### CALL OF THE SENATE

Senator Betzold imposed a call of the Senate for the balance of the proceedings on H.F. No. 2699. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Ourada amendment.

The roll was called, and there were yeas 25 and nays 33, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, D.E.	Larson	Ourada	Scheid
Berg	Kelly, R.C.	Metzen	Pariseau	Stevens
Day	Kierlin	Neuville	Robling	Terwilliger
Fischbach	Kleis	Oliver	Sams	Vickerman
Hottinger	Knutson	Olson	Scheevel	Ziegler

Those who voted in the negative were:

Anderson	Hanson	Krentz	Pappas	Samuelson
Berglin	Higgins	Langseth	Piper	Spear
Betzold	Janezich	Lesewski	Price	Stumpf
Cohen	Johnson, D.J.	Lessard	Ranum	Wiener
Flynn	Kelley, S.P.	Lourey	Ring	Wiger
Foley	Kinkel	Marty	Robertson	
Frederickson	Kiscaden	Murphy	Runbeck	

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

Senator Price moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 217, line 25, delete "recycled"

Page 217, delete line 26 and insert "products under this section,"

Page 217, line 32, delete "environmentally preferable" and after "products" insert "under this section"

Page 217, line 33, delete "reporting benchmarks for recycled"

Page 217, line 34, delete "content or other environmentally preferable products,"

Page 217, line 36, delete "benchmarks" and insert "objectives of this section"

The motion prevailed. So the amendment was adopted.

Senator Frederickson moved to amend H.F. No. 2699, as amended by the Senate, adopted March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 214, after line 23, insert:

"Sec. 12. Minnesota Statutes 1998, section 16A.641, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] When authorized by a law enacted in accordance with the constitution, article XI, sections 5 and 7, the commissioner may sell and issue general obligation bonds of the state evidencing public debt incurred for any purpose stated in those sections. The full faith, credit, and taxing powers of the state are irrevocably pledged for the prompt and full payment of the bonds and interest. The decision of the commissioner on when to sell bonds must be based on the funding needs of the capital projects, the timing of the bond issue to achieve the most favorable interest rates, managing cash flow requirements for debt service, and other factors the state's bond counsel recommends be considered."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Krentz moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 174, lines 48 and 63, after "This" insert "is a one-time" and after "appropriation" insert "and"

Page 175, lines 6, 16, 26, and 37, after "This" insert "is a one-time" and after "appropriation" insert "and"

Page 175, line 50, delete "appropriation"

Page 176, line 36, after "This" insert "is a one-time" and after "appropriation" insert "and"

Page 207, line 26, after "Statutes" insert "1998"

The motion prevailed. So the amendment was adopted.

Senator Ziegler moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 177, after line 28, insert:

"Sec. 9. Minnesota Statutes 1998, section 41A.09, subdivision 3a, is amended to read:

Subd. 3a. [PAYMENTS.] (a) The commissioner of agriculture shall make cash payments to producers of ethanol, anhydrous alcohol, and wet alcohol located in the state. These payments shall apply only to ethanol, anhydrous alcohol, and wet alcohol fermented in the state and produced at plants that have begun production by June 30, 2000. For the purpose of this subdivision, an entity that holds a controlling interest in more than one ethanol plant is considered a single producer. The amount of the payment for each producer's annual production is:

(1) except as provided in paragraph (b), for each gallon of ethanol or anhydrous alcohol produced on or before June 30, 2000, or ten years after the start of production, whichever is later, 20 cents per gallon; and

(2) for each gallon produced of wet alcohol on or before June 30, 2000, or ten years after the start of production, whichever is later, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon.

The producer payments for anhydrous alcohol and wet alcohol under this section may be paid to either the original producer of anhydrous alcohol or wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(b) If the level of production at an ethanol plant increases due to an increase in the production capacity of the plant and the increased production begins by June 30, 2000, the payment under paragraph (a), clause (1), applies to the additional increment of production until ten years after the increased production began. Once a plant's production capacity reaches 15,000,000 gallons per year, no additional increment will qualify for the payment.

(c) The commissioner shall make payments to producers of ethanol or wet alcohol in the amount of 1.5 cents for each kilowatt hour of electricity generated using closed-loop biomass in a cogeneration facility at an ethanol plant located in the state. Payments under this paragraph shall be made only for electricity generated at cogeneration facilities that begin operation by June 30, 2000 2002. The payments apply to electricity generated on or before the date ten years after the producer first qualifies for payment under this paragraph. Total payments under this paragraph in any fiscal year may not exceed \$750,000. For the purposes of this paragraph:

(1) "closed-loop biomass" means any organic material from a plant that is planted for the purpose of being used to generate electricity or for multiple purposes that include being used to generate electricity; and

(2) "cogeneration" means the combined generation of:

(i) electrical or mechanical power; and

(ii) steam or forms of useful energy, such as heat, that are used for industrial, commercial, heating, or cooling purposes.

(d) Except for new production capacity approved under paragraph (i), clause (1), the total payments under paragraphs (a) and (b) to all producers may not exceed \$34,000,000 in a fiscal year. Total payments under paragraphs (a) and (b) to a producer in a fiscal year may not exceed \$3,000,000.

(e) By the last day of October, January, April, and July, each producer shall file a claim for payment for ethanol, anhydrous alcohol, and wet alcohol production during the preceding three calendar months. A producer with more than one plant shall file a separate claim for each plant. A producer shall file a separate claim for the original production capacity of each plant and for each additional increment of production that qualifies under paragraph (b). A producer that files a claim under this subdivision shall include a statement of the producer's total ethanol, anhydrous alcohol, and wet alcohol production in Minnesota during the quarter covered by the claim, including anhydrous alcohol and wet alcohol produced or received from an outside source. A producer shall file a separate claim for any amount claimed under paragraph (c). For each claim and statement of total ethanol, anhydrous alcohol, and wet alcohol production filed under this subdivision, the volume of ethanol, anhydrous alcohol, and wet alcohol production or amounts of electricity generated using closed-loop biomass must be examined by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.

(f) Payments shall be made November 15, February 15, May 15, and August 15. A separate payment shall be made for each claim filed. The total quarterly payment to a producer under this paragraph, excluding amounts paid under paragraph (c), may not exceed \$750,000. Except for new production capacity approved under paragraph (i), clause (1), if the total amount for which all other producers are eligible in a quarter under paragraphs (a) and (b) exceeds \$8,500,000, the commissioner shall make payments for production capacity that is subject to this restriction in the order in which the portion of production capacity covered by each claim went into production.

(g) If the total amount for which all producers are eligible in a quarter under paragraph (c) exceeds the amount available for payments, the commissioner shall make payments in the order in which the plants covered by the claims began generating electricity using closed-loop biomass.

(h) After July 1, 1997, new production capacity is only eligible for payment under this subdivision if the commissioner receives:

(1) an application for approval of the new production capacity;

(2) an appropriate letter of long-term financial commitment for construction of the new production capacity; and

(3) copies of all necessary permits for construction of the new production capacity.

The commissioner may approve new production capacity based on the order in which the applications are received.

(i) After April 22, 1998, the commissioner may only approve: (1) up to 12,000,000 gallons of new production capacity at one plant that has not previously received approval or payment for any production capacity; or (2) new production capacity at existing plants not to exceed planned expansions reported to the commissioner by February 1997. The commissioner may not approve any new production capacity after July 1, 1998.

(j) For the purposes of this subdivision "new production capacity" means annual ethanol production capacity that was not allowed under a permit issued by the pollution control agency prior to July 1, 1997, or for which construction did not begin prior to July 1, 1997."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Johnson, D.J. moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 173, line 24, delete "5,414,000" and insert "5,614,000"

Page 174, after line 54, insert:

"\$200,000 is from the state forest suspense account for transfer to the University of Minnesota Duluth for the purpose of funding the inventory conducted pursuant to this section and is available until expended. Because the University of Minnesota is a land grant university, and because most of the state-owned land to be inventoried is granted land, the chancellor of the University of Minnesota Duluth is requested to direct the School of Business and Economics to conduct an inventory of state-owned land located within the Boundary Waters Canoe Area for the purpose of providing the legislature and state officers with more precise information as to the nature, extent, and value of the land. The inventory must include the following: (1) a list of the tracts of state-owned land within the area, together with the available legal description by government tract, insofar as possible; (2) the number of linear feet of shoreline in each tract, together with a general description of that shoreline, whether it is rocky, sandy, or swampy, or some other descriptive system that generally describes the shoreland; (3) the acreage of each tract; (4) a general description of the surface of each tract, including topography and the predominant vegetative cover for each tract and any known unique surface features, such as areas of virgin and other old growth timber; and (5) using available real estate market value information and accepted real estate valuation techniques, assign estimates of the value for each tract, exclusive of minerals and mineral interests, using each of the real estate valuation techniques adopted for the inventory. For the purposes of this paragraph, "state-owned land" is defined as any class of state-owned land, whether it is granted land such as school, university, swampland, or internal improvement, or whether it is tax-forfeited, acquired, or state-owned land of any other classification. At the request of the university, the commissioner of natural resources shall

promptly provide the university with all published maps, whether federal, state, or county, together with a descriptive list of state-owned land in the area, using available legal descriptions, forest inventories, and other factual information, published data, and photographs that are necessary for the university's inventory. From these maps, lists, data, and other information, the university is requested to prepare a report of its inventory. The legislature requests that the University of Minnesota submit the report to the legislature by January 15, 2002."

The motion prevailed. So the amendment was adopted.

Senator Lessard. moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 197, after line 28, insert:

"Sec. 36. Minnesota Statutes 1999 Supplement, section 268.035, subdivision 20, is amended to read:

Subd. 20. [NONCOVERED EMPLOYMENT.] "Noncovered employment" means:

(1) employment for the United States government or an instrumentality thereof, including military service;

(2) employment for an Indian, an Indian-controlled employer, and Indian tribe, or any wholly controlled subsidiaries or subdivisions, if the employment is performed on an Indian reservation or Indian Trust Land;

(3) employment for a state, other than Minnesota, or a political subdivision or instrumentality thereof;

(4) employment for a foreign government;

(5) employment for an instrumentality wholly owned by a foreign government, if the employment is of a character similar to that performed in foreign countries by employees of the United States government or an instrumentality thereof and the United States Secretary of State has certified that the foreign government grants an equivalent exemption to similar employment performed in the foreign country by employees of the United States government and instrumentalities thereof;

(6) employment covered under United States Code, title 45, section 351, the Railroad Unemployment Insurance Act;

(7) employment covered by a reciprocal arrangement between the commissioner and another state or the federal government which provides that all employment performed by an individual for an employer during the period covered by the reciprocal arrangement is considered performed entirely within another state;

(8) employment for a church or convention or association of churches, or an organization operated primarily for religious purposes that is operated, supervised, controlled, or principally supported by a church or convention or association of churches described in United States Code, title 26, section 501(c)(3) of the federal Internal Revenue Code and exempt from income tax under section 501(a);

(9) employment of a duly ordained or licensed minister of a church in the exercise of a ministry or by a member of a religious order in the exercise of duties required by the order, for Minnesota or a political subdivision or an organization described in United States Code, title 26, section 501(c)(3) of the federal Internal Revenue Code and exempt from income tax under section 501(a);

(10) employment of an individual receiving rehabilitation of "sheltered" work in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or a program providing "sheltered" work for individuals who because of an impaired physical or mental capacity cannot be readily absorbed in the competitive labor market. This clause applies only to services performed for Minnesota or a political subdivision or an organization described in United States Code, title 26, section 501(c)(3) of the federal Internal Revenue Code and exempt from income tax under section 501(a) in a facility certified by the rehabilitation services branch of the department or in a day training or habilitation program licensed by the department of human services;

(11) employment of an individual receiving work relief or work training as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof. This clause applies only to employment for Minnesota or a political subdivision or an organization described in United States Code, title 26, section 501(c)(3) of the federal Internal Revenue Code and exempt from income tax under section 501(a). This clause shall not apply to programs that require reemployment compensation coverage for the participants;

(12) employment for Minnesota or a political subdivision as an elected official, a member of a legislative body, or a member of the judiciary;

(13) employment as a member of the Minnesota national guard or air national guard;

(14) employment for Minnesota, a political subdivision, or instrumentality thereof, as an employee serving only on a temporary basis in case of fire, flood, tornado, or similar emergency, except for smokechasers employed by the department of natural resources;

(15) employment as an election official or election worker for Minnesota or a political subdivision, but only if the compensation for that employment was less than \$1,000 in a calendar year;

(16) employment for Minnesota that is a major policy making or advisory position in the unclassified service, including those positions established pursuant to section 43A.08, subdivision 1a;

(17) employment for a political subdivision of Minnesota that is a nontenured major policy making or advisory position;

(18) domestic employment in a private household, local college club, or local chapter of a college fraternity or sorority performed for a person, only if the wages paid in any calendar quarter in either the current or preceding calendar year to all individuals in domestic employment totaled less than \$1,000.

"Domestic employment" includes all service in the operation and maintenance of a private household, for a local college club, or local chapter of a college fraternity or sorority as distinguished from service as an employee in the pursuit of an employer's trade or business;

(19) employment of an individual by a son, daughter, or spouse, and employment of a child under the age of 18 by the child's father or mother;

(20) employment of an inmate of a custodial or penal institution;

(21) employment for a school, college, or university by a student who is enrolled and is regularly attending classes at the school, college, or university;

(22) employment of an individual who is enrolled as a student in a full-time program at a nonprofit or public educational institution that maintains a regular faculty and curriculum and has a regularly organized body of students in attendance at the place where its educational activities are carried on, taken for credit at the institution, that combines academic instruction with work experience, if the employment is an integral part of the program, and the institution has so certified to the employer, except that this clause shall not apply to employment in a program established for or on behalf of an employer or group of employers;

(23) employment of university, college, or professional school students in an internship or other training program with the city of St. Paul or the city of Minneapolis pursuant to Laws 1990, chapter 570, article 6, section 3;

(24) employment for a hospital by a patient of the hospital. "Hospital" means an institution that has been licensed by the department of health as a hospital;

(25) employment as a student nurse for a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in an accredited nurses' training school;

(26) employment as an intern for a hospital by an individual who has completed a four-year course in an accredited medical school;

(27) employment as an insurance salesperson, by other than a corporate officer, if all the compensation for the employment is solely by way of commission. The word "insurance" shall include an annuity and an optional annuity;

(28) employment as an officer of a township mutual insurance company or farmer's mutual insurance company operating pursuant to chapter 67A;

(29) employment as a real estate salesperson, by other than a corporate officer, if all the compensation for the employment is solely by way of commission;

(30) employment as a direct seller as defined in United States Code, title 26, section 3508;

(31) employment of an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(32) casual employment performed for an individual, other than domestic employment under clause (18), that does not promote or advance that employer's trade or business;

(33) employment in "agricultural employment" unless considered "covered agricultural employment" under subdivision 11; or

(34) if employment during one-half or more of any pay period was covered employment, all the employment for the pay period shall be considered covered employment; but if during more than one-half of any pay period the employment was noncovered employment, then all of the employment for the pay period shall be considered noncovered employment. "Pay period" means a period of not more than a calendar month for which a payment or compensation is ordinarily made to the employee by the employer."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Neuville moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 182, after line 7, insert:

"Sec. 11. Minnesota Statutes 1998, section 85.015, subdivision 8, is amended to read:

Subd. 8. [SAKATAH SINGING HILLS TRAIL, BLUE EARTH, LE SUEUR, AND RICE, AND GOODHUE COUNTIES.] (a) The trail shall originate at mile post 4.1 of the Chicago and Northwestern Railway Company right-of-way in the junction of Benning, Blue Earth county, and shall extend in a northeasterly direction along the railroad right-of-way to mile post 46.01 of the Chicago and Northwestern Railway at a point commonly known as Faribault Junction in Rice county, a distance of approximately 42 miles, and there terminate.

(b) Additional trails may be established that extend the Sakatah Singing Hills trail system to include connections to the cities of Dundas and Northfield in Rice county and Cannon Falls in Goodhue county.

(c) The trail shall be developed primarily for riding and hiking. Motorized vehicles, except snowmobiles, are prohibited from the trail."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Sams moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 208, after line 35, insert:

"Sec. 48. [ADMINISTRATION TO PREPARE PLANS; RELOCATION OF DEPARTMENT OF AGRICULTURE PRINCIPAL OFFICES.]

The commissioner of administration, in consultation with the commissioner of agriculture, shall develop comprehensive plans and timelines for relocation of the principal offices of the department of agriculture to a location outside the metropolitan counties listed in Minnesota Statutes, section 473.121, subdivision 4. The relocation must be completed no later than June 30, 2003, the date on which the current lease on the agriculture department headquarters at 90 West Plato Blvd., Saint Paul, MN expires."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Wiener moved to amend the Sams amendment to H.F. No. 2699 as follows:

Page 1, line 9, delete "develop" and insert "consider possible"

Page 1, line 13, delete everything after the period

Page 1, delete lines 14 to 16

The question was taken on the adoption of the Wiener amendment to the Sams amendment.

The roll was called, and there were yeas 20 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Krentz	Oliver	Robertson
Berglin	Kelly, R.C.	Laidig	Ourada	Runbeck
Betzold	Kiscaden	Marty	Price	Wiener
Cohen	Knutson	Metzen	Ranum	Wiger

Those who voted in the negative were:

Belanger	Berg	Day	Dille	Fischbach
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Flynn	Junge	Lourey	Ring	Stevens
Frederickson	Kierlin	Moe, R.D.	Robling	Stumpf
Hanson	Kinkel	Neuville	Sams	Vickerman
Higgins	Kleis	Olson	Samuelson	Ziegler
Hottinger	Langseth	Pappas	Scheevel	
Janezich	Larson	Pariseau	Scheid	
Johnson, D.E.	Lesewski	Piper	Solon	
Johnson, D.J.	Lessard	Pogemiller	Spear	

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

The question was taken on the adoption of the Sams amendment.

The roll was called, and there were yeas 44 and nays 19, as follows:

Those who voted in the affirmative were:

Belanger	Higgins	Knutson	Olson	Samuelson
Berg	Hottinger	Langseth	Pappas	Scheevel
Day	Janezich	Lesewski	Pariseau	Solon
Dille	Johnson, D.E.	Lessard	Piper	Spear
Fischbach	Johnson, D.J.	Lourey	Pogemiller	Stevens
Flynn	Junge	Metzen	Price	Stumpf
Foley	Kierlin	Moe, R.D.	Ring	Vickerman
Frederickson	Kinkel	Murphy	Robling	Ziegler
Hanson	Kleis	Neuville	Sams	

Those who voted in the negative were:

Anderson	Kelly, R.C.	Limmer	Ranum	Terwilliger
Berglin	Kiscaden	Marty	Robertson	Wiener
Betzold	Krentz	Oliver	Runbeck	Wiger
Cohen	Laidig	Ourada	Scheid	

The motion prevailed. So the amendment was adopted.

Senator Neuville moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 174, line 6, after the period, insert "At least 87 percent of this appropriation must be allocated for expenditure in regional and local area offices."

The motion prevailed. So the amendment was adopted.

Senator Stevens moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 176, after line 40, insert:

"Sec. 8. Minnesota Statutes 1998, section 17.4988, subdivision 2, is amended to read:

Subd. 2. [AQUATIC FARMING LICENSE.] (a) The annual fee for an aquatic farming license is ~~\$275~~ \$70.

(b) The aquatic farming license may contain endorsements for the rights and privileges of the following licenses under the game and fish laws. The endorsement must be made upon payment of the license fee prescribed in section 97A.475 for the following licenses:

- (1) minnow dealer license;
- (2) minnow retailer license for sale of minnows as bait;
- (3) minnow exporting license;

(4) aquatic farm vehicle endorsement, which includes a minnow dealer vehicle license, a minnow retailer vehicle license, an exporting minnow vehicle license, and a fish vendor license;

(5) sucker egg taking license; and

(6) game fish packers license."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Stevens then moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 173, line 32, after the period, insert "As a condition of acceptance of payment from this appropriation, the Mille Lacs Band must agree to comply with all United States Supreme Court decisions relating to the 1837 Treaty and the Mille Lacs Reservation."

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

Senator Stevens then moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 173, line 24, delete "5,414,000" and insert "5,866,000"

Page 173, after line 41, insert:

"\$452,000 is for reimbursement for the counties of Kanabec, Mille Lacs, Morrison, Becker, Sherburne, Aitkin, Isanti, Chisago, and Pine for legal costs incurred by the counties in the 1837 Treaty litigation. The reimbursement amount to each county shall be proportional, based on the county's share of the total legal costs incurred by the counties in the litigation."

Senator Stevens then moved to amend the third Stevens amendment to H.F. No. 2699 as follows:

Page 1, line 9, delete "Becker" and insert "Benton"

The motion prevailed. So the amendment was adopted.

Senator Samuelson moved to amend the third Stevens amendment to H.F. No. 2699 as follows:

Page 1, line 9, after "Aitkin," insert "Crow Wing,"

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

The question recurred on the third Stevens amendment, as amended.

The roll was called, and there were yeas 17 and nays 48, as follows:

Those who voted in the affirmative were:

Berg	Knutson	Neuville	Robling	Ziegler
Fischbach	Larson	Olson	Samuelson	
Kierlin	Lessard	Ourada	Scheevel	
Kleis	Limmer	Pariseau	Stevens	

Those who voted in the negative were:

Anderson	Higgins	Krentz	Oliver	Scheid
Belanger	Hottinger	Laidig	Pappas	Solon
Berglin	Janezich	Langseth	Piper	Spear
Betzold	Johnson, D.E.	Lesewski	Pogemiller	Stumpf
Cohen	Johnson, D.J.	Lourey	Price	Terwilliger
Dille	Junge	Marty	Ranum	Vickerman
Flynn	Kelley, S.P.	Metzen	Ring	Wiener
Foley	Kelly, R.C.	Moe, R.D.	Robertson	Wiger
Frederickson	Kinkel	Murphy	Runbeck	
Hanson	Kiscaden	Novak	Sams	

The motion did not prevail. So the third Stevens amendment, as amended, was not adopted.

Senator Day moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 4, after line 51, insert:

"[INFORMATION TO PHARMACY PROVIDERS.] The commissioner shall provide to participating pharmacies information on the medical assistance reimbursement rates as necessary under Minnesota Statutes, section 256B.0625, subdivision 13c, within the current appropriations."

Page 22, after line 30, insert:

"Sec. 7. Minnesota Statutes 1998, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13c. [PHARMACY PROVIDERS.] (a) In addition to the vendor and provider requirements for participation in the medical assistance program, a pharmacy may participate in the medical assistance program as a covered provider if the pharmacy agrees to charge Medicare beneficiaries a price for prescription drugs that does not exceed the medical assistance reimbursement rate.

(b) Medicare beneficiaries must provide a valid prescription and a Medicare card. Medicare beneficiaries may not receive any medical assistance reimbursement rate for over-the-counter drugs or compounded prescriptions.

(c) The commissioner shall monitor pharmacy compliance and make annual reports to the legislature on pharmacy compliance.

(d) This subdivision is effective until the federal Medicare program provides prescription drug coverage to all Medicare recipients in Minnesota. The commissioner shall notify the legislature when prescription drug coverage is added to the Medicare program.

**EFFECTIVE DATE:** This section is effective for prescriptions dispensed on or after July 1, 2000."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Samuelson moved to amend the Day amendment to H.F. No. 2699 as follows:

Page 1, after line 34, insert:

"(e) This subdivision does not apply to pharmacies that are the only pharmacy located within a United States postal zip code area in Minnesota."

The motion prevailed. So the amendment was adopted.

The question recurred on the adoption of the Day amendment, as amended.

The roll was called, and there were yeas 14 and nays 46, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lesewski	Olson	Stevens
Day	Kleis	Limmer	Pariseau	Ziegler
Fischbach	Knutson	Oliver	Scheevel	

Those who voted in the negative were:

Anderson	Hottinger	Laidig	Pappas	Spear
Berg	Janezich	Langseth	Piper	Stumpf
Berglin	Johnson, D.E.	Larson	Pogemiller	Terwilliger
Betzold	Johnson, D.J.	Lessard	Price	Vickerman
Cohen	Junge	Lourey	Ranum	Wiener
Dille	Kelley, S.P.	Marty	Ring	Wiger
Flynn	Kelly, R.C.	Metzen	Sams	
Foley	Kierlin	Moe, R.D.	Samuelson	
Hanson	Kinkel	Murphy	Scheid	
Higgins	Krentz	Novak	Solon	

The motion did not prevail. So the amendment, as amended, was not adopted.

Senator Piper moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 14, after line 9, insert:

"Section 1. Minnesota Statutes 1998, section 121A.15, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivisions 3, 4, and 10, no person over two months old may be allowed to enroll or remain enrolled in any elementary or secondary school or child care facility in this state until the person has submitted to the administrator or other person having general control and supervision of the school or child care facility, one of the following statements:

(1) a statement from a physician or a public clinic which provides immunizations stating that the person has received immunization, consistent with medically acceptable standards, against measles after having attained the age of 12 months, rubella, diphtheria, tetanus, pertussis, polio, mumps, haemophilus influenza type b, and hepatitis B, and varicella; or

(2) a statement from a physician or a public clinic which provides immunizations stating that the person has received immunizations, consistent with medically acceptable standards, against measles after having attained the age of 12 months, rubella, mumps, and haemophilus influenza type b, and varicella and that the person has commenced a schedule of immunizations for diphtheria, tetanus, pertussis, polio, and hepatitis B and which indicates the month and year of each immunization received.

Sec. 2. Minnesota Statutes 1998, section 121A.15, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS FROM IMMUNIZATIONS.] (a) If a person is at least seven years old and has not been immunized against pertussis, the person must not be required to be immunized against pertussis.

(b) If a person is at least 18 years old and has not completed a series of immunizations against poliomyelitis, the person must not be required to be immunized against poliomyelitis.

(c) If a statement, signed by a physician or a public clinic, is submitted to the administrator or other person having general control and supervision of the school or child care facility stating that

an immunization is ~~contraindicated~~ not indicated for medical reasons or that laboratory confirmation of the presence of adequate immunity exists, the immunization specified in the statement need not be required.

(d) If a notarized statement signed by the minor child's parent or guardian or by the emancipated person is submitted to the administrator or other person having general control and supervision of the school or child care facility stating that the person has not been immunized as prescribed in subdivision 1 because of the conscientiously held beliefs of the parent or guardian of the minor child or of the emancipated person, the immunizations specified in the statement shall not be required. This statement must also be forwarded to the commissioner of the department of health.

(e) If the person is under 15 months, the person is not required to be immunized against measles, rubella, or mumps.

(f) If a person is at least five years old and has not been immunized against haemophilus influenza type b, the person is not required to be immunized against haemophilus influenza type b.

(g) If a person is under 18 months, the person is not required to be immunized against varicella.

Sec. 3. Minnesota Statutes 1998, section 121A.15, subdivision 4, is amended to read:

Subd. 4. [SUBSTITUTE IMMUNIZATION STATEMENT.] (a) A person who is enrolling or enrolled in an elementary or secondary school or child care facility may substitute a statement from the emancipated person or a parent or guardian if the person is a minor child in lieu of the statement from a physician or public clinic which provides immunizations. If the statement is from a parent or guardian or emancipated person, the statement must indicate the month and year of each immunization given.

(b) In order for the statement to be acceptable for a person who is enrolling in an elementary school and who is six years of age or younger, it must indicate that the following was given: no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination; no less than four doses of vaccine for poliomyelitis, unless the third dose was given after the fourth birthday, then three doses are minimum; no less than five doses of vaccine for diphtheria, tetanus, and pertussis, unless the fourth dose was given after the fourth birthday, then four doses are minimum; and no less than three doses of vaccine for hepatitis B; and no less than one dose of vaccine for varicella.

(c) In order for the statement to be consistent with subdivision 10 and acceptable for a person who is enrolling in an elementary or secondary school and is age seven through age 19, the statement must indicate that the person has received no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination, and no less than three doses of vaccine for poliomyelitis, diphtheria, tetanus, and hepatitis B.

(d) In order for the statement to be acceptable for a person who is enrolling in a secondary school, and who was born after 1956 and is 20 years of age or older, the statement must indicate that the person has received no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination, and no less than one dose of vaccine for diphtheria and tetanus within the preceding ten years.

(e) In order for the statement to be acceptable for a person who is enrolling in a child care facility and who is at least 15 months old but who has not reached five years of age, it must indicate that the following were given: no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination; no less than one dose of vaccine for haemophilus influenza type b given at or after the first birthday; no less than four doses of vaccine for diphtheria, tetanus, and pertussis; and no less than three doses of vaccine for poliomyelitis; and no less than one dose of vaccine for varicella if the person is at least 18 months old.

(f) In order for the statement to be acceptable for a person who is enrolling in a child care facility and who is five or six years of age, it must indicate that the following was given: no less than one dose of vaccine each for measles, mumps, and rubella given separately or in

combination; no less than four doses of vaccine for diphtheria, tetanus, and pertussis; ~~and no less than three doses of vaccine for poliomyelitis; and no less than one dose of vaccine for varicella.~~

(g) In order for the statement to be acceptable for a person who is enrolling in a child care facility and who is seven years of age or older, the statement must indicate that the person has received no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination and consistent with subdivision 10, and no less than three doses of vaccine for poliomyelitis, diphtheria, and tetanus.

(h) The commissioner of health, on finding that any of the above requirements are not necessary to protect the public's health, may suspend for one year that requirement.

Sec. 4. Minnesota Statutes 1998, section 121A.15, subdivision 8, is amended to read:

Subd. 8. [REPORT.] The administrator or other person having general control and supervision of the elementary or secondary school shall file a report with the commissioner on all persons enrolled in the school. The superintendent of each district shall file a report with the commissioner for all persons within the district receiving instruction in a home school in compliance with sections 120A.22 and 120A.24. The parent of persons receiving instruction in a home school shall submit the statements as required by subdivisions 1, 2, 3, and 4 to the superintendent of the district in which the person resides by October 1 of each school year. The school report must be prepared on forms developed jointly by the commissioner of health and the commissioner of children, families, and learning and be distributed to the local districts by the commissioner of health. The school report must state the number of persons attending the school, the number of persons who have not been immunized according to subdivision 1 or 2, and the number of persons who received an exemption under subdivision 3, clause (c) or (d). The school report must be filed with the commissioner of children, families, and learning within 60 days of the commencement of each new school term. Upon request, a district must be given a 60-day extension for filing the school report. The commissioner of children, families, and learning shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The administrator or other person having general control and supervision of the child care facility shall file a report with the commissioner of human services on all persons enrolled in the child care facility. The child care facility report must be prepared on forms developed jointly by the commissioner of health and the commissioner of human services and be distributed to child care facilities by the commissioner of health. The child care facility report must state the number of persons enrolled in the facility, the number of persons with no immunizations, the number of persons who received an exemption under subdivision 3, clause (c) or (d), and the number of persons with partial or full immunization histories. The child care facility report must be filed with the commissioner of human services by November 1 of each year. The commissioner of human services shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The report required by this subdivision is not required of a family child care or group family child care facility, for prekindergarten children enrolled in any elementary or secondary school provided services according to ~~sections 125A.05 and 125A.06~~ section 125A.03, nor for child care facilities in which at least 75 percent of children in the facility participate on a one-time only or occasional basis to a maximum of 45 hours per child, per month.

Sec. 5. Minnesota Statutes 1998, section 121A.15, subdivision 9, is amended to read:

Subd. 9. [DEFINITIONS.] As used in this section the following terms have the meanings given them.

(a) "Elementary or secondary school" includes any public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17, or nonpublic school, church, or religious organization, or home school in which a child is provided instruction in compliance with sections 120A.22 and 120A.24.

(b) "Person enrolled in any elementary or secondary school" means a person born after 1956 and enrolled in grades kindergarten through 12, and a child with a disability receiving special instruction and services as required in ~~sections section~~ 125A.03 ~~to 125A.24 and 125A.65,~~ excluding a child being provided services according to section 125A.05, ~~paragraph (c), or 125A.06, paragraph (d) paragraph (a), clauses (3) and (7).~~

(c) "Child care facility" includes those child care programs subject to licensure under chapter 245A, and Minnesota Rules, chapters 9502 and 9503.

(d) "Family child care" means child care for no more than ten children at one time of which no more than six are under school age. The licensed capacity must include all children of any caregiver when the children are present in the residence.

(e) "Group family child care" means child care for no more than 14 children at any one time. The total number of children includes all children of any caregiver when the children are present in the residence.

Sec. 6. Minnesota Statutes 1998, section 121A.15, subdivision 10, is amended to read:

Subd. 10. [REQUIREMENTS FOR IMMUNIZATION STATEMENTS.] (a) A statement required to be submitted under subdivisions 1, 2, and 4 to document evidence of immunization shall include month, day, and year for immunizations administered after January 1, 1990.

~~(a) For persons enrolled in grades 7 and 12 during the 1996-1997 school term, the statement must indicate that the person has received a dose of tetanus and diphtheria toxoid no earlier than 11 years of age.~~

~~(b) Except as specified in paragraph (e), for persons enrolled in grades 7, 8, and 12 during the 1997-1998 school term, the statement must indicate that the person has received a dose of tetanus and diphtheria toxoid no earlier than 11 years of age.~~

~~(e) (b) Except as specified in paragraph (e) (d), for persons enrolled in grades 7 through 12 during the 1998-1999 school term and for each year thereafter, the statement must indicate that the person has received a dose of tetanus and diphtheria toxoid no earlier than 11 years of age.~~

~~(d) (c) For persons enrolled in grades 7 through 12 during the 1996-1997 school year and for each year thereafter, the statement must indicate that the person has received at least two doses of vaccine against measles, mumps, and rubella, given alone or separately and given not less than one month apart. Beginning with the 2001-2002 school year, persons entering kindergarten must also meet this requirement.~~

~~(e) (d) A person who has received at least three doses of tetanus and diphtheria toxoids, with the most recent dose given after age six and before age 11, is not required to have additional immunization against diphtheria and tetanus until ten years have elapsed from the person's most recent dose of tetanus and diphtheria toxoid.~~

~~(f) (e) The requirement for hepatitis B vaccination shall apply to persons enrolling in kindergarten beginning with the 2000-2001 school term.~~

~~(g) (f) The requirement for hepatitis B vaccination shall apply to persons enrolling in grade 7 beginning with the 2001-2002 school term.~~

~~(g) The requirement for varicella vaccination shall apply to persons enrolling in a child care facility beginning September 1, 2002."~~

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Ziegler moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 46, line 35, delete "II and"

Page 46, line 36, after "I" insert "and II"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 38, as follows:

Those who voted in the affirmative were:

Belanger	Kierlin	Lesewski	Pariseau	Terwilliger
Berg	Kiscaden	Limmer	Robertson	Vickerman
Day	Kleis	Neuville	Robling	Ziegler
Dille	Knutson	Oliver	Runbeck	
Fischbach	Laidig	Olson	Scheevel	
Frederickson	Larson	Ourada	Stevens	

Those who voted in the negative were:

Anderson	Hottinger	Langseth	Pappas	Scheid
Berglin	Johnson, D.E.	Lessard	Piper	Solon
Betzold	Johnson, D.J.	Lourey	Pogemiller	Spear
Cohen	Junge	Marty	Price	Stumpf
Flynn	Kelley, S.P.	Metzen	Ranum	Wiener
Foley	Kelly, R.C.	Moe, R.D.	Ring	Wiger
Hanson	Kinkel	Murphy	Sams	
Higgins	Krentz	Novak	Samuelson	

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

Senator Stevens moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 67, after line 13, insert:

"Sec. 10. Minnesota Statutes 1998, section 256J.15, is amended by adding a subdivision to read:

Subd. 3. [ELIGIBILITY AFTER CASE CLOSURE DUE TO NONCOMPLIANCE.] (a) An applicant who is a member of an assistance unit whose MFIP case was closed due to noncompliance under section 256J.46, subdivision 1, paragraph (b), clause (3), and who applies for MFIP assistance within six months of the date of the case closure is considered to be a new applicant unit for purposes of the property limitations under section 256J.20 and the payment of assistance provisions under section 256J.24, subdivision 8. The county agency must also use the initial income test under section 256J.21, subdivision 3, in determining the applicant's eligibility for assistance.

(b) Notwithstanding section 256J.24, subdivisions 5 to 7 and 9, for an applicant who is eligible for MFIP under this subdivision, for each of the first three months on MFIP the assistance unit's grant shall be reduced by ten percent of the applicable MFIP standard of need for an assistance unit of the same size, with the residual amount of the grant paid to the assistance unit.

**EFFECTIVE DATE:** This section is effective January 1, 2001.

Pages 74 to 77, delete section 15 and insert:

"Sec. 16. Minnesota Statutes 1998, section 256J.40, is amended to read:

256J.40 [FAIR HEARINGS.]

Subdivision 1. [FAIR HEARING PROCESS.] Caregivers receiving a notice of intent to sanction or a notice of adverse action that includes a sanction, reduction in benefits, suspension of benefits, denial of benefits, or termination of benefits may request a fair hearing. A request for a fair hearing must be submitted in writing to the county agency or to the commissioner and must be mailed within 30 days after a participant or former participant receives written notice of the

agency's action or within 90 days when a participant or former participant shows good cause for not submitting the request within 30 days. A former participant who receives a notice of adverse action due to an overpayment may appeal the adverse action according to the requirements in this section. Issues that may be appealed are:

- (1) the amount of the assistance payment;
- (2) a suspension, reduction, denial, or termination of assistance;
- (3) the basis for an overpayment, the calculated amount of an overpayment, and the level of recoupment;
- (4) the eligibility for an assistance payment; and
- (5) the use of protective or vendor payments under section 256J.39, subdivision 2, clauses (1) to (3).

A county agency must not reduce, suspend, or terminate payment when an aggrieved participant requests a fair hearing prior to the effective date of the adverse action or within ten days of the mailing of the notice of adverse action, whichever is later, unless the participant requests in writing not to receive continued assistance pending a hearing decision. Assistance issued pending a fair hearing is subject to recovery under section 256J.38 when as a result of the fair hearing decision the participant is determined ineligible for assistance or the amount of the assistance received. A county agency may increase or reduce an assistance payment while an appeal is pending when the circumstances of the participant change and are not related to the issue on appeal. The commissioner's order is binding on a county agency. No additional notice is required to enforce the commissioner's order.

A county agency shall reimburse appellants for reasonable and necessary expenses of attendance at the hearing, such as child care and transportation costs and for the transportation expenses of the appellant's witnesses and representatives to and from the hearing. Reasonable and necessary expenses do not include legal fees. Fair hearings must be conducted at a reasonable time and date by an impartial referee employed by the department. The hearing may be conducted by telephone or at a site that is readily accessible to persons with disabilities.

The appellant may introduce new or additional evidence relevant to the issues on appeal. Recommendations of the appeals referee and decisions of the commissioner must be based on evidence in the hearing record and are not limited to a review of the county agency action.

Subd. 2. [EXCEPTION; AUTOMATIC HEARING.] No written request is required to initiate a fair hearing under subdivision 1 if the participant is otherwise subject to case closure due to noncompliance under section 256J.46, subdivision 1, paragraph (b), clause (3).

**EFFECTIVE DATE:** This section is effective January 1, 2001.

Sec. 17. Minnesota Statutes 1999 Supplement, section 256J.46, subdivision 1, is amended to read:

Subdivision 1. [SANCTIONS FOR PARTICIPANTS NOT COMPLYING WITH PROGRAM REQUIREMENTS.] (a) A participant who fails without good cause to comply with the requirements of this chapter, and who is not subject to a sanction under subdivision 2, shall be subject to a sanction as provided in this subdivision.

For purposes of this section, an occurrence of noncompliance means a failure by a participant, without good cause, to comply with the requirements of this chapter. Each month that a participant fails to comply with a requirement of this chapter must be considered a separate occurrence of noncompliance for which the assistance unit's grant must be sanctioned as provided in this section. In applying a sanction to a two-parent assistance unit, each occurrence of noncompliance by either participant shall be considered a separate occurrence of noncompliance for which the assistance unit is subject to sanction.

A sanction under this subdivision becomes effective the month following the month in which a required notice is given. A sanction must not be imposed when a participant comes into compliance with the requirements for orientation under section 256J.45 or third-party liability for medical services under section 256J.30, subdivision 10, prior to the effective date of the sanction. A sanction must not be imposed when a participant comes into compliance with the requirements for employment and training services under sections 256J.49 to 256J.72 ten days prior to the effective date of the sanction. ~~For purposes of this subdivision, each month that a participant fails to comply with a requirement of this chapter shall be considered a separate occurrence of noncompliance.~~ A participant who has had one or more sanctions imposed must remain in compliance with the provisions of this chapter for six months in order for a subsequent occurrence of noncompliance to be considered a first occurrence.

(b) Sanctions for noncompliance shall be imposed as follows:

(1) ~~For the first occurrence of noncompliance by a participant in a single-parent household or by one participant in a two-parent household~~ an assistance unit, the assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an assistance unit of the same size with the residual grant paid to the participant. The reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that the participant returns to compliance.

(2) ~~For a second or subsequent or third occurrence of noncompliance, or when both participants in a two-parent household are out of compliance at the same time,~~ the assistance unit's shelter costs shall be vendor paid up to the amount of the cash portion of the MFIP grant for which the ~~participant's~~ assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment of the assistance unit's shelter costs. The residual amount of the grant after vendor payment, if any, must be reduced by an amount equal to 30 percent of the MFIP standard of need for an assistance unit of the same size before the residual grant is paid to the assistance unit. The reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that ~~a the~~ participant in a one-parent household assistance unit returns to compliance. In a two-parent household assistance unit, the grant reduction must be in effect for a minimum of one month and shall be removed in the month following the month both participants return to compliance. The vendor payment of shelter costs and, if applicable, utilities shall be removed six months after the month in which the participant or participants return to compliance.

(3) For a fourth occurrence of noncompliance, the assistance unit's MFIP case must be closed, for both the cash and food portions of MFIP assistance. This case closure must be in effect for a minimum of one full month. A county may not impose a case closure under this clause before an automatic fair hearing is held as required by section 256J.40, subdivision 2. The hearing may only be waived in writing. If a participant waives the right to this hearing, or the participant or the participant's representative fails to appear at the hearing, the case closure must be imposed.

(c) ~~No later than during the second month that~~ Before a sanction under paragraph (b), clause (2), is in effect due to noncompliance with employment services (1), may be imposed, the ~~participant's case file must be reviewed to determine if:~~ job counselor must initiate personal contact with the participant by attempting to have either a personal meeting or a telephone conversation with the participant. The job counselor shall thoroughly review the exemption categories and good cause exception categories to determine if the participant falls under one or more of these categories. The participant's case file must also be reviewed by county staff or employment and training service provider staff other than the participant's current job counselor to determine if:

(i) the continued noncompliance can be explained and mitigated by providing a needed preemployment activity, as defined in section 256J.49, subdivision 13, clause (16);

(ii) the participant qualifies for a good cause exception under section 256J.57; or

(iii) the participant qualifies for an exemption under section 256J.56.

If the lack of an identified activity can explain the noncompliance, the county must work with the participant to provide the identified activity, and the county must restore the participant's grant amount to the full amount for which the assistance unit is eligible. The grant must be restored retroactively to the first day of the month in which the participant was found to lack preemployment activities or to qualify for an exemption or good cause exception.

If the participant is found to qualify for a good cause exception or an exemption, the county must restore the participant's grant to the full amount for which the assistance unit is eligible.

(d) At the county agency's option, the provisions of this paragraph may be followed in place of the provisions in paragraph (e). During the month that a sanction is in effect for a second occurrence of noncompliance, the participant may be offered a face-to-face intervention in the participant's home by a county representative who is knowledgeable about family intervention strategies. During this intervention the participant's needs and possible reasons for noncompliance must be assessed, and an identification of existing resources that could be used to assist the participant to return to compliance must be made. The information gathered during this intervention must be reported to the participant's job counselor, along with any recommendations for referrals to existing resources or modifications to the activities in the participant's approved plan under section 256J.52. The county representative who conducts the intervention required under this paragraph may be an existing county staff person, staff from a nonprofit agency, or a trained paraprofessional.

(e) Before a sanction may be imposed under paragraph (b), clause (2), for a second occurrence of noncompliance, the participant's case must be reviewed by the county agency. If this review confirms that the sanction process under this subdivision has been appropriately implemented, the county must attempt to contact the participant, through a written notice and by telephone, to offer a face-to-face meeting with county staff or employment and training service provider staff, unless the participant received a face-to-face meeting as part of the personal contact and case file review provisions under paragraph (c). If the participant received a face-to-face meeting under paragraph (c), the county must meet the requirements in this paragraph as a case file review, but no additional face-to-face meeting with the participant is required.

If the participant does not respond to the written notice and cannot be reached by phone, a county representative must attempt to visit the participant at the participant's home before imposing the sanction under paragraph (b), clause (2).

The face-to-face meeting must be conducted by staff other than the participant's current job counselor. At this meeting the participant's plan and the continued noncompliance must be reviewed, and the staff must:

- (1) identify the specific requirements the participant is not complying with and what the participant must do to comply;
- (2) determine if the participant qualifies for a good cause exception under section 256J.57;
- (3) determine if the participant qualifies for an exemption under section 256J.56;
- (4) seek to determine the appropriateness of the activities in the participant's plan;
- (5) explain what will happen if the participant continues to remain out of compliance with program requirements;
- (6) identify other resources that may be available to meet the needs of the participant's family;  
and
- (7) inform the participant of the right to appeal the sanction under section 256J.40, subdivision 1.

All contacts with the participant and attempts to contact the participant regarding the sanction must be documented in the case file. If the participant is found to qualify for a good cause exception or an exemption, the county must restore the participant's grant to the full amount for

which the assistance unit is eligible. If one or more of the activities in the participant's plan is no longer appropriate, the plan must be revised to reflect that determination, and the sanction under paragraph (b), clause (2), may not be imposed. If the participant does not respond to the county's efforts to establish face-to-face contact, or when contacted chooses not to comply with the program's requirements and does not qualify for a good cause exception or an exemption, the sanction under paragraph (b), clause (2), must be imposed.

**EFFECTIVE DATE:** This section is effective January 1, 2001.

Sec. 18. Minnesota Statutes 1999 Supplement, section 256J.46, subdivision 2, is amended to read:

Subd. 2. [SANCTIONS FOR REFUSAL TO COOPERATE WITH SUPPORT REQUIREMENTS.] An MFIP caregiver whose only noncompliance with a program requirement is due to noncooperation with support requirements under section 256.741 is not subject to sanction as specified in subdivision 1. The grant of an MFIP caregiver who refuses to cooperate, as determined by the child support enforcement agency, with support requirements under section 256.741, shall be subject to sanction as specified in this subdivision. The assistance unit's grant must be reduced by 25 percent of the applicable MFIP standard of need. The residual amount of the grant, if any, must be paid to the caregiver. A sanction under this subdivision becomes effective the first month following the month in which a required notice is given. A sanction must not be imposed when a caregiver comes into compliance with the requirements under section 256.741 prior to the effective date of the sanction. The sanction shall be removed in the month following the month that the caregiver cooperates with the support requirements. Each month that an MFIP caregiver fails to comply with the requirements of section 256.741 must be considered a separate occurrence of noncompliance. An MFIP caregiver who has had one or more sanctions imposed under this subdivision must remain in compliance with the requirements of section 256.741 for six months in order for a subsequent sanction to be considered a first occurrence.

**EFFECTIVE DATE:** This section is effective January 1, 2001.

Sec. 19. Minnesota Statutes 1999 Supplement, section 256J.46, subdivision 2a, is amended to read:

Subd. 2a. [DUAL SANCTIONS.] (a) Notwithstanding the provisions of subdivisions 1 and 2, for a participant subject to a sanction for refusal to comply with child support requirements under subdivision 2 and subject to a concurrent sanction for refusal to cooperate with other program requirements under subdivision 1, sanctions shall be imposed in the manner prescribed in this subdivision.

A participant who has had one or more sanctions imposed under this subdivision must remain in compliance with the provisions of this chapter for six months in order for a subsequent occurrence of noncompliance to be considered a first occurrence. Any vendor payment of shelter costs or utilities under this subdivision must remain in effect for six months after the month in which the participant is no longer subject to sanction under subdivision 1.

(b) If the participant was subject to sanction for:

~~(i) noncompliance under subdivision 1 before being subject to sanction for noncooperation under subdivision 2; or~~

~~(ii) noncooperation under subdivision 2 before being subject to sanction for noncompliance under subdivision 1;~~

under either subdivision 1 or 2 before being subject to sanction under the other of those subdivisions, the participant shall be sanctioned as provided in subdivision 1, paragraph (b), clause clauses (2) and (3), and the requirement that the county conduct a review as specified in subdivision 1, paragraph (c), remains in effect.

(c) A participant who first becomes subject to sanction under both subdivisions 1 and 2 in the same month is subject to sanction as follows:

(i) in the first month of noncompliance and noncooperation, the participant's grant must be reduced by 25 percent of the applicable MFIP standard of need, with any residual amount paid to the participant;

(ii) in the second and subsequent months of noncompliance and noncooperation, the participant shall be sanctioned as provided in subdivision 1, paragraph (b), ~~clause~~ clauses (2) and (3).

The requirement that the county conduct a review as specified in subdivision 1, paragraph (c), remains in effect.

(d) A participant remains subject to sanction under subdivision 2 if the participant:

(i) returns to compliance and is no longer subject to sanction under subdivision 1; or

(ii) has the sanction under subdivision 1, paragraph (b), removed upon completion of the review under subdivision 1, paragraph (c).

A participant remains subject to sanction under subdivision 1, paragraph (b), if the participant cooperates and is no longer subject to sanction under subdivision 2.

**EFFECTIVE DATE:** This section is effective January 1, 2001.

Sec. 20. Minnesota Statutes 1998, section 256J.46, is amended by adding a subdivision to read:

Subd. 3. [SANCTION STATUS AFTER CASE CLOSURE DUE TO NONCOMPLIANCE.] An applicant whose MFIP case was closed due to noncompliance under subdivision 1, paragraph (b), clause (3), who applies for MFIP assistance within six months of the date of the case closure, and who is determined to be eligible for MFIP assistance, is considered to have a first occurrence of noncompliance under subdivision 1. The applicant must remain in compliance with the provisions of this chapter in order for a subsequent occurrence of noncompliance to be considered a first occurrence.

**EFFECTIVE DATE:** This section is effective January 1, 2001."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Berg	Kleis	Limmer	Robling	Stevens
Day	Knutson	Neuville	Runbeck	Vickerman
Fischbach	Krentz	Oliver	Sams	Wiener
Frederickson	Larson	Olson	Samuelson	Wiger
Kierlin	Lesewski	Ourada	Scheevel	Ziegler
Kiscaden	Lessard	Pariseau	Scheid	

Those who voted in the negative were:

Anderson	Hanson	Kelly, R.C.	Novak	Solon
Belanger	Higgins	Kinkel	Pappas	Spear
Berglin	Hottinger	Laidig	Piper	Stumpf
Betzold	Janezich	Langseth	Pogemiller	Terwilliger
Cohen	Johnson, D.E.	Lourey	Price	
Dille	Johnson, D.J.	Marty	Ranum	
Flynn	Junge	Metzen	Ring	
Foley	Kelley, S.P.	Moe, R.D.	Robertson	

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

Senator Fischbach moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 247, after line 7, insert:

"ARTICLE 11  
INFORMED CONSENT

Section 1. [145.4241] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] As used in sections 145.4241 to 145.4246, the following terms have the meaning given them.

Subd. 2. [ABORTION.] "Abortion" means the use or prescription of any instrument, medicine, drug, or any other substance or device to intentionally terminate the pregnancy of a female known to be pregnant, with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus.

Subd. 3. [ATTEMPT TO PERFORM AN ABORTION.] "Attempt to perform an abortion" means an act, or an omission of a statutorily required act, that, under the circumstances as the actor believes them to be, constitutes a substantial step in a course of conduct planned to culminate in the performance of an abortion in Minnesota in violation of sections 145.4241 to 145.4246.

Subd. 4. [MEDICAL EMERGENCY.] "Medical emergency" means any condition that, on the basis of the physician's good faith clinical judgment, complicates the medical condition of a pregnant female to the extent that:

- (1) an immediate abortion of her pregnancy is necessary to avert her death; or
- (2) a 24-hour delay in performing an abortion creates a serious risk of substantial and irreversible impairment of a major bodily function.

Subd. 5. [PHYSICIAN.] "Physician" means a person licensed under chapter 147.

Subd. 6. [PROBABLE GESTATIONAL AGE OF THE UNBORN CHILD.] "Probable gestational age of the unborn child" means what will, in the judgment of the physician, with reasonable probability, be the gestational age of the unborn child at the time the abortion is planned to be performed.

Sec. 2. [145.4242] [INFORMED CONSENT.]

No abortion shall be performed in this state except with the voluntary and informed consent of the female upon whom the abortion is to be performed. Except in the case of a medical emergency, consent to an abortion is voluntary and informed only if:

(1) the female is told the following, by telephone or in person, by the physician who is to perform the abortion or by a referring physician, at least 24 hours before the abortion:

- (i) the name of the physician who will perform the abortion;
- (ii) the particular medical risks associated with the particular abortion procedure to be employed including, when medically accurate, the risks of infection, hemorrhage, breast cancer, danger to subsequent pregnancies, and infertility;
- (iii) the probable gestational age of the unborn child at the time the abortion is to be performed;  
and
- (iv) the medical risks associated with carrying her child to term.

The information required by this clause may be provided by telephone without conducting a physical examination or tests of the patient, in which case the information required to be provided may be based on facts supplied the physician by the female and whatever other relevant information is reasonably available to the physician. It may not be provided by a tape recording,

but must be provided during a consultation in which the physician is able to ask questions of the female and the female is able to ask questions of the physician. If a physical examination, tests, or the availability of other information to the physician subsequently indicate, in the medical judgment of the physician, a revision of the information previously supplied to the patient, that revised information may be communicated to the patient at any time prior to the performance of the abortion. Nothing in this section may be construed to preclude provision of required information in a language understood by the patient through a translator;

(2) the female is informed, by telephone or in person, by the physician who is to perform the abortion, by a referring physician, or by an agent of either physician at least 24 hours before the abortion:

(i) that medical assistance benefits may be available for prenatal care, childbirth, and neonatal care;

(ii) that the father is liable to assist in the support of her child, even in instances when the father has offered to pay for the abortion; and

(iii) that she has the right to review the printed materials described in section 145.4243. The physician or the physician's agent shall orally inform the female that the materials have been provided by the state of Minnesota and that they describe the unborn child and list agencies that offer alternatives to abortion. If the female chooses to view the materials, they shall either be given to her at least 24 hours before the abortion or mailed to her at least 72 hours before the abortion by certified mail, restricted delivery to addressee, which means the postal employee can only deliver the mail to the addressee.

The information required by this clause may be provided by a tape recording if provision is made to record or otherwise register specifically whether the female does or does not choose to review the printed materials;

(3) the female certifies in writing, prior to the abortion, that the information described in this section has been furnished her, and that she has been informed of her opportunity to review the information referred to in clause (2); and

(4) prior to the performance of the abortion, the physician who is to perform the abortion or the physician's agent receives a copy of the written certification prescribed by clause (3).

### Sec. 3. [145.4243] [PRINTED INFORMATION.]

(a) Within 90 days after the effective date of sections 145.4241 to 145.4246, the department of health shall cause to be published, in English and in each language that is the primary language of two percent or more of the state's population, the following printed materials in such a way as to ensure that the information is easily comprehensible:

(1) geographically indexed materials designed to inform the female of public and private agencies and services available to assist a female through pregnancy, upon childbirth, and while the child is dependent, including adoption agencies, which shall include a comprehensive list of the agencies available, a description of the services they offer, and a description of the manner, including telephone numbers, in which they might be contacted or, at the option of the department of health, printed materials including a toll-free, 24-hours-a-day telephone number that may be called to obtain, orally, such a list and description of agencies in the locality of the caller and of the services they offer; and

(2) materials designed to inform the female of the probable anatomical and physiological characteristics of the unborn child at two-week gestational increments from the time when a female can be known to be pregnant to full term, including any relevant information on the possibility of the unborn child's survival and pictures or drawings representing the development of unborn children at two-week gestational increments, provided that any such pictures or drawings must contain the dimensions of the fetus and must be realistic and appropriate for the stage of pregnancy depicted. The materials shall be objective, nonjudgmental, and designed to convey only accurate scientific information about the unborn child at the various gestational ages. The material

shall also contain objective information describing the methods of abortion procedures commonly employed, the medical risks commonly associated with each procedure, the possible detrimental psychological effects of abortion, the medical risks commonly associated with each procedure, and the medical risks commonly associated with carrying a child to term.

(b) The materials referred to in this section must be printed in a typeface large enough to be clearly legible. The materials required under this section must be available at no cost from the department of health upon request and in appropriate number to any person, facility, or hospital.

Sec. 4. [145.4244] [PROCEDURE IN CASE OF MEDICAL EMERGENCY.]

When a medical emergency compels the performance of an abortion, the physician shall inform the female, prior to the abortion if possible, of the medical indications supporting the physician's judgment that an abortion is necessary to avert her death or that a 24-hour delay in conformance with section 145.4242 creates a serious risk of substantial and irreversible impairment of a major bodily function.

Sec. 5. [145.4245] [REMEDIES.]

Subdivision 1. [CIVIL REMEDIES.] Any person upon whom an abortion has been performed or the parent of a minor upon whom an abortion has been performed may maintain an action against the person who performed the abortion in knowing or reckless violation of sections 145.4241 to 145.4246 for actual and punitive damages. Any person upon whom an abortion has been attempted without complying with sections 145.4241 to 145.4246 may maintain an action against the person who attempted to perform the abortion in knowing or reckless violation of sections 145.4241 to 145.4246 for actual and punitive damages.

Subd. 2. [ATTORNEY FEES.] If judgment is rendered in favor of the plaintiff in any action described in this section, the court shall also render judgment for a reasonable attorney's fee in favor of the plaintiff against the defendant. If judgment is rendered in favor of the defendant and the court finds that the plaintiff's suit was frivolous and brought in bad faith, the court shall also render judgment for a reasonable attorney's fee in favor of the defendant against the plaintiff.

Subd. 3. [PROTECTION OF PRIVACY IN COURT PROCEEDINGS.] In every civil action brought under sections 145.4241 to 145.4246, the court shall rule whether the anonymity of any female upon whom an abortion has been performed or attempted shall be preserved from public disclosure if she does not give her consent to such disclosure. The court, upon motion or sua sponte, shall make such a ruling and, upon determining that her anonymity should be preserved, shall issue orders to the parties, witnesses, and counsel and shall direct the sealing of the record and exclusion of individuals from courtrooms or hearing rooms to the extent necessary to safeguard her identity from public disclosure. Each order must be accompanied by specific written findings explaining why the anonymity of the female should be preserved from public disclosure, why the order is essential to that end, how the order is narrowly tailored to serve that interest, and why no reasonable, less restrictive alternative exists. In the absence of written consent of the female upon whom an abortion has been performed or attempted, anyone, other than a public official, who brings an action under subdivision 1, shall do so under a pseudonym. This section may not be construed to conceal the identity of the plaintiff or of witnesses from the defendant.

Sec. 6. [145.4246] [SEVERABILITY.]

If any one or more provision, section, subsection, sentence, clause, phrase, or word of sections 145.4241 to 145.4246 or the application thereof to any person or circumstance is found to be unconstitutional, the same is hereby declared to be severable and the balance of sections 145.4241 to 145.4246 shall remain effective notwithstanding such unconstitutionality. The legislature hereby declares that it would have passed sections 145.4241 to 145.4246, and each provision, section, subsection, sentence, clause, phrase, or word thereof, irrespective of the fact that any one or more provision, section, subsection, sentence, clause, phrase, or word be declared unconstitutional.

Sec. 7. [APPROPRIATION.]

\$167,000 is appropriated from the general fund to the commissioner of health in fiscal year 2001 to provide the information as specified in Minnesota Statutes, section 145.4243. Of this appropriation, \$15,000 shall be considered one-time funding and shall not become part of the base level funding for the 2002-2003 biennium."

Amend the title accordingly

Senator Hottinger questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Neuville appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Marty	Piper	Solon
Berglin	Janezich	Metzen	Pogemiller	Spear
Betzold	Junge	Moe, R.D.	Price	Stevens
Cohen	Kelley, S.P.	Murphy	Ranum	Wiener
Flynn	Kiscaden	Novak	Ring	
Foley	Krentz	Oliver	Robertson	
Higgins	Lourey	Pappas	Scheid	

Those who voted in the negative were:

Belanger	Johnson, D.E.	Laidig	Olson	Scheevel
Berg	Johnson, D.J.	Langseth	Ourada	Stumpf
Day	Kelly, R.C.	Larson	Pariseau	Terwilliger
Dille	Kierlin	Lesewski	Robling	Vickerman
Fischbach	Kinkel	Lessard	Runbeck	Wiger
Frederickson	Kleis	Limmer	Sams	Ziegler
Hanson	Knutson	Neuville	Samuelson	

So the decision of the President was not sustained.

Senator Hottinger moved to amend the Fischbach amendment to H.F. No. 2699 as follows:

Page 1, delete lines 12 to 25

Page 1, line 26, delete "4" and insert "2"

Page 1, line 35, delete "5" and insert "3"

Page 1, delete line 37

Page 2, delete lines 1 to 4 and insert:

"Subd. 4. [PROBABLE GESTATIONAL AGE OF THE EMBRYO OR FETUS.] "Probable gestational age of the embryo or fetus" means what, in the judgment of the physician based upon the physician's examination and the woman's medical history, is with reasonable probability the gestational age of the embryo or fetus at the time the abortion is planned to be performed."

Page 2, delete lines 6 to 36 and insert:

"Subdivision 1. [REQUIREMENTS FOR INFORMED CONSENT.] (a) Except in the case of a medical emergency or when an abortion is performed pursuant to a court order, and in addition to any other consent required by the laws of this state, no abortion shall be performed unless the woman is informed by the physician who is to perform the abortion or the physician's agent of the following:

(1) the probable gestational age of the embryo or fetus at the time the abortion is to be performed;

- (2) the type of procedure to be used and the medical risks associated with that procedure;
- (3) the medical risks associated with carrying the fetus to term; and
- (4) that the woman has the right to review printed materials prepared by the state, which:
  - (i) describe fetal development;
  - (ii) list agencies that offer alternatives to abortion and services to assist a woman through pregnancy and while the child is dependent;
  - (iii) describe medical assistance benefits that may be available for prenatal care, childbirth, and neonatal care; and
  - (iv) describe mechanisms available for obtaining child support payments.
- (b) This information may be provided by telephone without conducting a physical examination or tests on the woman in which case the information required to be provided may be based on facts supplied by the woman and other relevant information as reasonably available to the physician or the physician's agent.

Subd. 2. [CERTIFICATION.] Before an abortion is performed, the woman must certify in writing that:

- (1) she has been provided with the information described in subdivision 1;
- (2) she has had an opportunity to review the printed materials described in section 145.4243; and
- (3) she has had the opportunity to ask questions about the materials and the procedure to be performed.

Subd. 3. [INFORMATION NOT LIMITED.] Nothing in this section shall limit the information that may be provided by the physician who is to perform the abortion or by the physician's agent to the woman on whom the abortion is to be performed.

Subd. 4. [WAITING PERIOD.] (a) If a woman chooses to review the printed materials described in section 145.4243, the abortion shall not be performed sooner than one hour after the woman receives the printed materials.

(b) If the clinic or other health care facility where the abortion is to be performed mails the printed materials described in section 145.4243 to the woman on whom the abortion is to be performed, or the woman obtains the information at a county health department, the woman must certify in writing, before the abortion is performed, that she received the printed materials more than one hour before the abortion is scheduled to be performed.

Subd. 5. [MENTALLY INCOMPETENT.] If a woman on whom an abortion is to be performed has been adjudicated as mentally incompetent by a court of competent jurisdiction, the information described in subdivision 1, clauses (1) to (4), must be offered to her spouse if the woman is married, or to her parent, legal guardian, or conservator if the woman is not married. The spouse, parent, legal guardian, or conservator who receives the information must sign the certification required in subdivision 2.

Subd. 6. [MAINTENANCE OF RECORDS.] For three years after an abortion is performed, the clinic or other health care facility at which the abortion is performed must maintain the woman's signed certification required under subdivision 2 or, in the case of a mentally incompetent woman, the signed certification of the woman's parent, legal guardian, or conservator."

Page 3, delete lines 1 to 35

Page 4, delete lines 1 to 36

Page 5, delete lines 1 to 5 and insert:

"Subdivision 1. [CONTENT OF MATERIALS.] (a) By January 1, 2002, the commissioner of health shall develop the following printed materials:

(1) geographically indexed materials designed to inform the woman of public and private agencies and services available to assist a woman through pregnancy, upon childbirth, and while the child is dependent, including adoption agencies. These materials must include a comprehensive list of the agencies available, a description of the services they offer, and a description of the manner in which they may be contacted, including telephone numbers. At the option of the commissioner, this information may be provided through a toll-free, 24-hour-a-day number that may be called to obtain a list and description of the agencies and services available within the locality of the caller;

(2) materials designed to inform the woman of the probable anatomical and physiological characteristics of the embryo or fetus at the probable gestational age of the embryo or fetus of the woman. The materials must be objective, nonjudgmental, and designed to convey only accurate scientific information about the embryo or fetus at the various gestational ages;

(3) materials designed to inform the woman that medical assistance benefits may be available for prenatal care, childbirth, and neonatal care by providing the names, addresses, and phone numbers of appropriate agencies that provide or have information on these benefits; and

(4) materials designed to inform the woman of the mechanisms available for obtaining child support payments.

(b) The development of these printed materials described in this subdivision is not subject to rulemaking under chapter 14.

Subd. 2. [FORM, AVAILABILITY OF MATERIALS.] The materials described in this section must be easily comprehensible, printed in a typeface large enough to be clearly legible, and must be printed in every language that is the primary language of one percent or more of the residents in the state. The commissioner of health must make the materials available upon request for duplication by any person, facility, or hospital. The materials described in this section may also be made available by the commissioner of health through a secure Web site on the Internet."

Pages 5 and 6, delete sections 4 to 6 and insert:

"Sec. 4. Minnesota Statutes 1998, section 145.412, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] It shall be unlawful to willfully perform an abortion unless the abortion is performed:

(1) by a physician licensed to practice medicine pursuant to chapter 147, or a physician in training under the supervision of a licensed physician;

(2) in a hospital or abortion facility if the abortion is performed after the first trimester;

(3) in a manner consistent with the lawful rules promulgated by the state commissioner of health; and

(4) with the consent of the woman submitting to the abortion after a full explanation of the procedure and effect of the abortion, and upon compliance with sections 145.4241 to 145.4243.

Sec. 5. [145.928] [HEALTHY WOMEN CAMPAIGN.]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish and maintain a statewide toll-free telephone number available seven days a week to provide information and referrals to local community resources to assist women and families through pregnancy, childbirth, and while the child is dependent.

Subd. 2. [INFORMATION.] The toll-free telephone number must provide information and assistance in accessing community resources on the following topics:

- (1) family planning;
- (2) prenatal care, including the need for an initial risk screening and assessment;
- (3) adoption;
- (4) health education, including the importance of good nutrition during pregnancy and the risks associated with alcohol and tobacco use during pregnancy;
- (5) available social services, including medical assistance benefits for prenatal care, childbirth, and neonatal care;
- (6) legal assistance in obtaining child support; and
- (7) community support services and other resources to enhance family strengths and reduce the possibility of family violence.

Subd. 3. [WEB SITE.] The commissioner shall design and maintain a secure Web site to provide the information described under subdivision 2. The Web site shall provide the toll-free information and referral telephone number described under subdivision 1.

Subd. 4. [NONPROFIT ENTITY.] The commissioner may contract with a nonprofit entity to establish and maintain the toll-free telephone number described in subdivision 1 or to design the Web site described in subdivision 3."

The question was taken on the adoption of the Hottinger amendment to the Fischbach amendment.

Senator Ourada moved that those not voting be excused from voting. The motion did not prevail.

Senator Berg moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 33 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Marty	Piper	Solon
Berglin	Janezich	Metzen	Pogemiller	Spear
Betzold	Junge	Moe, R.D.	Price	Terwilliger
Cohen	Kelley, S.P.	Murphy	Ranum	Wiener
Flynn	Kiscaden	Novak	Ring	Wiger
Foley	Krentz	Oliver	Robertson	
Higgins	Lourey	Pappas	Scheid	

Those who voted in the negative were:

Belanger	Johnson, D.E.	Laidig	Olson	Scheevel
Berg	Johnson, D.J.	Langseth	Ourada	Stumpf
Day	Kelly, R.C.	Larson	Pariseau	Vickerman
Dille	Kierlin	Lesewski	Robling	Ziegler
Fischbach	Kinkel	Lessard	Runbeck	
Frederickson	Kleis	Limmer	Sams	
Hanson	Knutson	Neuville	Samuelson	

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

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

Senator Samuelson moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 48, line 9, delete "may constitute" and insert "constitutes" and delete everything after "plan"

Page 48, delete line 10

Page 48, line 11, delete everything before "only"

Page 52, after line 23, insert:

"(h) A property payment rate increase is allowable under this subdivision only if all of the additional space made available as a result of bed layaways or delicensure is utilized to reduce the number of beds per room or provide more common space for nursing facility uses or is devoted to other activities related to operation of the nursing facility, and is not converted to other nonnursing facility uses."

Page 55, line 15, delete "for"

Page 55, delete line 16

Page 55, line 17, delete everything before "only"

The motion prevailed. So the amendment was adopted.

Senator Samuelson then moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 7, line 25, after "commissioner" insert "to contract with the entities indicated in clauses (1) and (2)"

Page 7, line 27, delete "to be transferred to" and insert "for"

Page 7, line 33, delete "to be transferred to" and insert "for"

Page 9, line 58, delete "TANF MAINTENANCE OF EFFORT"

Page 10, line 54, after "commissioner" insert "of the Minnesota housing finance agency"

Page 11, line 1, after "commissioner" insert "of the Minnesota housing finance agency"

Page 11, line 11, after "commissioner" insert "of the Minnesota housing finance agency"

Page 11, line 38, after "grant" insert "for the fiscal year beginning July 1, 2000,"

Page 12, line 2, delete "tax year 1999"

Page 12, line 4, delete "year 2000" and insert "years beginning October 1, 1999"

Page 12, line 7, delete "During"

Page 12, delete line 8

Page 12, line 11, before the comma, insert "attributable to state fiscal years 2000 to 2003"

Page 12, line 12, before the colon, insert "attributable to state fiscal years 2000 to 2003"

Page 12, after line 16, insert:

"(c) Of the TANF reimbursements drawn in the 2000-2001 biennium under paragraph (b), the commissioner is appropriated \$64,500,000 in order to replace maintenance of effort funds transferred to the housing finance agency and general funds directed to the extended learning initiative under this subdivision. The balance of

the TANF reimbursements for the working family credit in state fiscal years 2000 and 2001 and all of the reimbursements in fiscal years 2002 and 2003 shall be deposited in the state's general fund."

Page 12, line 17, delete "(c)" and insert "(b)"

Page 12, line 19, delete "(d)" and insert "(c)"

Page 12, line 21, delete "(e)" and insert "(d)"

Page 23, line 19, delete "90" and insert "91"

Page 26, line 32, delete "FORMULA" and insert "FORM"

Page 27, line 8, before "facility" insert "nursing"

Page 66, line 14, delete "and"

Page 66 after line 14, insert:

"(12) reimbursements for the working family credit under section 290.0691; and"

Page 66, line 15, delete "(12)" and insert "(13)"

The motion prevailed. So the amendment was adopted.

Senator Kleis moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 17, delete line 21 and insert:

"(1) is a Medicare enrollee;"

Page 18, after line 12, insert:

"Sec. 5. Minnesota Statutes 1999 Supplement, section 256.955, subdivision 4, is amended to read:

Subd. 4. [APPLICATION PROCEDURES AND COORDINATION WITH MEDICAL ASSISTANCE.] Applications and information on the program must be made available at county social service agencies, health care provider offices, and agencies and organizations serving senior citizens and persons with disabilities. ~~Senior citizens~~ Individuals shall submit applications and any information specified by the commissioner as being necessary to verify eligibility directly to the county social service agencies:

(1) ~~beginning January 1, 1999,~~ the county social service agency shall determine medical assistance spenddown eligibility of individuals who qualify for the ~~senior-citizen~~ prescription drug program of individuals; and

(2) program payments will be used to reduce the spenddown obligations of individuals who are determined to be eligible for medical assistance with a spenddown as defined in section 256B.056, subdivision 5.

Seniors Qualified individuals who are eligible for medical assistance with a spenddown shall be financially responsible for the deductible amount up to the satisfaction of the spenddown. No deductible applies once the spenddown has been met. Payments to providers for prescription drugs for persons eligible under this subdivision shall be reduced by the deductible.

County social service agencies shall determine an applicant's eligibility for the program within 30 days from the date the application is received. Eligibility begins the month after approval.

Sec. 6. Minnesota Statutes 1999 Supplement, section 256.955, subdivision 8, is amended to read:

Subd. 8. [REPORT.] The commissioner shall annually report to the legislature on the ~~senior~~ citizen prescription drug program. The report must include demographic information on enrollees, per-prescription expenditures, total program expenditures, hospital and nursing home costs avoided by enrollees, any savings to medical assistance and Medicare resulting from the provision of prescription drug coverage under Medicare by health maintenance organizations, other public and private options for drug assistance to the ~~senior~~ covered population, any hardships caused by the annual deductible, and any recommendations for changes in the ~~senior~~ prescription drug program."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 36, as follows:

Those who voted in the affirmative were:

Belanger	Fischbach	Knutson	Olson	Scheevel
Berg	Flynn	Laidig	Ourada	Terwilliger
Berglin	Frederickson	Larson	Pariseau	Ziegler
Day	Kierlin	Lesewski	Robling	
Dille	Kleis	Limmer	Sams	

Those who voted in the negative were:

Anderson	Johnson, D.J.	Metzen	Ranum	Stumpf
Betzold	Junge	Moe, R.D.	Ring	Vickerman
Cohen	Kelley, S.P.	Murphy	Robertson	Wiener
Foley	Kelly, R.C.	Novak	Runbeck	Wiger
Higgins	Kiscaden	Pappas	Samuelson	
Hottinger	Langseth	Piper	Scheid	
Janezich	Lessard	Pogemiller	Solon	
Johnson, D.E.	Marty	Price	Spear	

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

Senator Kiscaden moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 38, after line 1, insert:

"Sec. 3. Minnesota Statutes 1998, section 252.28, is amended by adding a subdivision to read:

Subd. 3b. [OLMSTED COUNTY LICENSING EXEMPTION.] (a) Notwithstanding subdivision 3, the commissioner may license service sites each accommodating up to five residents moving from a 43-bed intermediate care facility for persons with mental retardation or related conditions located in Olmsted county that is closing under section 252.292.

(b) Notwithstanding the provisions of any other state law or administrative rule, the rate provisions of section 256I.05, subdivision 1, apply to the exception in this subdivision."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Anderson moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 10, line 1, after the period, insert "The program funded by this transfer shall be known as the "Bruce F. Vento Year 2000 Affordable Housing Program.""

The motion prevailed. So the amendment was adopted.

Senator Berg moved to amend the Hottinger amendment to H.F. No. 2699 adopted by the Senate March 21, 2000, as follows:

Page 2, lines 21 and 29, delete "one hour" and insert "24 hours"

The question was taken on the adoption of the Berg amendment to the Hottinger amendment.

Senator Knutson moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 35 and nays 30, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, D.E.	Laidig	Neuville	Sams
Berg	Johnson, D.J.	Langseth	Oliver	Samuelson
Day	Junge	Larson	Olson	Scheevel
Dille	Kelly, R.C.	Lesewski	Ourada	Stumpf
Fischbach	Kierlin	Lessard	Pariseau	Terwilliger
Frederickson	Kleis	Limmer	Robling	Vickerman
Hanson	Knutson	Murphy	Runbeck	Ziegler

Those who voted in the negative were:

Anderson	Higgins	Krentz	Pappas	Robertson
Berglin	Hottinger	Lourey	Piper	Scheid
Betzold	Janezich	Marty	Pogemiller	Solon
Cohen	Kelley, S.P.	Metzen	Price	Spear
Flynn	Kinkel	Moe, R.D.	Ranum	Wiener
Foley	Kiscaden	Novak	Ring	Wiger

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

Senator Pariseau moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 155, after line 15, insert:

"Sec. 33. Minnesota Statutes 1998, section 609.11, subdivision 5, is amended to read:

Subd. 5. [FIREARM.] (a) Unless a longer mandatory minimum sentence is otherwise required by law and except as otherwise provided in paragraph (b), (c), or (d), any defendant convicted of an offense listed in subdivision 9 in which the defendant or an accomplice, at the time of the offense, had in possession or used, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm, shall be committed to the commissioner of corrections for a term of imprisonment of not less than three ten years, nor more than notwithstanding the maximum sentence otherwise provided by law. Any defendant convicted of a second or subsequent offense in which the defendant or an accomplice, at the time of the offense, had in possession or used a firearm shall be committed to the commissioner of corrections for not less than five years, nor more than the maximum sentence provided by law.

(b) Unless a longer mandatory minimum sentence is otherwise required by law and except as otherwise provided in paragraph (c) or (d), any defendant convicted of an offense listed in subdivision 9 in which the defendant or an accomplice discharged a firearm during the commission of the offense shall be committed to the commissioner of corrections for a term of imprisonment of not less than 20 years, notwithstanding the maximum sentence otherwise provided by law.

(c) Unless a longer mandatory minimum sentence is otherwise required by law and except as otherwise provided in paragraph (d), any defendant convicted of an offense listed in subdivision 9 in which the defendant or an accomplice discharged a firearm during the commission of the offense, and as a result of the discharge great bodily harm or death was inflicted upon any person other than the defendant or accomplice, shall be committed to the commissioner of corrections for a term of imprisonment of not less than 25 years nor more than life, notwithstanding the maximum sentence otherwise provided by law.

(d) Any defendant convicted of violating section 609.165 or 624.713, subdivision 1, clause (b), shall be committed to the commissioner of corrections for not less than five years, nor more than the maximum sentence provided by law.

Sec. 34. Minnesota Statutes 1998, section 609.11, subdivision 7, is amended to read:

Subd. 7. [PROSECUTOR SHALL ESTABLISH.] Whenever reasonable grounds exist to believe that the defendant or an accomplice used a firearm or other dangerous weapon or had in possession a firearm, at the time of commission of an offense listed in subdivision 9, the prosecutor shall, at the time of trial or at the plea of guilty, present on the record all evidence tending to establish that fact unless it is otherwise admitted on the record. The question of whether the defendant or an accomplice, at the time of commission of an offense listed in subdivision 9, used a firearm or other dangerous weapon or had in possession a firearm shall be determined by the court on the record at the time of a verdict or finding of guilt at trial or the entry of a plea of guilty based upon the record of the trial or the plea of guilty. The court shall determine on the record at the time of sentencing whether the defendant has been convicted of a second or subsequent offense in which the defendant or an accomplice, at the time of commission of an offense listed in subdivision 9, used a ~~firearm or other dangerous weapon or had in possession a firearm.~~

Sec. 35. Minnesota Statutes 1998, section 609.11, subdivision 8, is amended to read:

Subd. 8. [MOTION BY PROSECUTOR.] (a) Except as otherwise provided in paragraph (b), prior to the time of sentencing, the prosecutor may file a motion to have the defendant sentenced without regard to the mandatory minimum sentences established by this section. The motion shall be accompanied by a statement on the record of the reasons for it. When presented with the motion, or on its own motion, the court may sentence the defendant without regard to the mandatory minimum sentences established by this section if the court finds substantial and compelling reasons to do so. A sentence imposed under this subdivision is a departure from the sentencing guidelines.

(b) The court may not, on its own motion or the prosecutor's motion, sentence a defendant without regard to the mandatory minimum sentences established by ~~this section:~~

(1) subdivision 4, if the defendant previously has been convicted of an offense listed in subdivision 9 in which the defendant used or possessed a ~~firearm or other dangerous weapon;~~ or

(2) subdivision 5, regardless of the defendant's prior record.

Sec. 36. Minnesota Statutes 1998, section 609.11, subdivision 10, is amended to read:

Subd. 10. [REPORT ON CRIMINAL CASES INVOLVING A FIREARM.] ~~Beginning on July 1, 1994,~~ Every county attorney shall collect and maintain the following information on criminal complaints and prosecutions within the county attorney's office in which the defendant is alleged to have committed an offense listed in subdivision 9 while possessing or using a firearm:

(1) whether the case was charged or dismissed;

(2) whether the defendant was convicted of the offense or a lesser offense; and

(3) whether the mandatory minimum sentence required under this section was imposed and executed ~~or was waived by the prosecutor or court.~~

No later than July 1 of each year, ~~beginning on July 1, 1995,~~ the county attorney shall forward this information to the sentencing guidelines commission upon forms prescribed by the commission."

Page 172, after line 19, insert:

"Sec. 61. [PUBLIC AWARENESS CAMPAIGN.]

The commissioner of public safety shall conduct a public awareness campaign regarding the sentencing provisions in Minnesota Statutes, section 609.11, subdivision 5. The campaign must include public service announcements in the broadcast and print media and through the Internet."

Page 172, after line 25, insert:

"(c) Minnesota Statutes 1998, section 609.11, subdivision 1, is repealed."

Page 172, lines 27 and 30, delete "57" and insert "62"

Page 172, line 29, delete "Section 33 is" and insert "Sections 33 to 37 and section 62, paragraph (c), are" and delete "applies" and insert "apply"

Page 172, lines 32 and 35, delete "34 to 36" and insert "38 to 40"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Spear questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Pariseau appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 40 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Kinkel	Murphy	Sams
Berg	Hottinger	Krentz	Novak	Samuelson
Berglin	Janezich	Langseth	Pappas	Solon
Betzold	Johnson, D.E.	Lessard	Piper	Spear
Cohen	Johnson, D.J.	Lourey	Pogemiller	Stumpf
Flynn	Junge	Marty	Price	Vickerman
Foley	Kelley, S.P.	Metzen	Ranum	Wiener
Hanson	Kelly, R.C.	Moe, R.D.	Ring	Wiger

Those who voted in the negative were:

Belanger	Kierlin	Lesewski	Ourada	Scheevel
Day	Kleis	Limmer	Pariseau	Ziegler
Dille	Knutson	Neuville	Robertson	
Fischbach	Laidig	Oliver	Robling	
Frederickson	Larson	Olson	Runbeck	

So the decision of the President was sustained.

Senator Runbeck moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 138, delete lines 53 and 54

Page 139, delete lines 1 to 4

Pages 152 and 153, delete section 29

Pages 154 and 155, delete section 31

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

Reorder the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 8 and nays 52, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Marty	Runbeck	Stumpf
Dille	Kierlin	Oliver		

Those who voted in the negative were:

Belanger	Janezich	Langseth	Pappas	Scheevel
Berglin	Johnson, D.E.	Larson	Pariseau	Scheid
Betzold	Johnson, D.J.	Lesewski	Piper	Solon
Cohen	Junge	Lessard	Pogemiller	Spear
Day	Kelley, S.P.	Limmer	Price	Vickerman
Fischbach	Kelly, R.C.	Lourey	Ranum	Wiener
Flynn	Kinkel	Metzen	Ring	Wiger
Frederickson	Kleis	Neuville	Robertson	Ziegler
Hanson	Knutson	Novak	Robling	
Higgins	Krentz	Olson	Sams	
Hottinger	Laidig	Ourada	Samuelson	

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

Senator Anderson moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 172, after line 19, insert:

"Sec. 57. [CAPITOL SECURITY EMPLOYEES.]

Employees of the capitol security division on the effective date of Minnesota Statutes, section 299N.02, must be retained as classified employees of the capitol police department, except as might be provided by the collective bargaining agreement between the state and the exclusive representative of those employees."

Reorder the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Janezich moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 111, line 58, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

Page 112, lines 13, 21, and 35, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

Page 113, line 9, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

Page 115, lines 10 and 13, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

Page 115, lines 16 and 18, delete "56,500,000" and insert "2,000,000"

Page 115, line 43, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

Page 116, lines 2, 8, and 13, after the period, insert "This is a one-time appropriation and is not added to the agency's budget base."

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

The motion prevailed. So the amendment was adopted.

Senator Johnson, D.J. moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 111, after line 53, insert:

"\$1,000,000 is for grants to owners or operators of convenience stores to provide assistance in paying the cost of acquiring and installing or upgrading security cameras in convenience stores.

To the extent that money is available under this appropriation, a grant must be made if the commissioner is satisfied that the applicant meets the following requirements:

(1) the applicant is the owner or operator of a convenience store as defined in Minnesota Statutes, section 299G.19, subdivision 1, which was open for business no later than the date of final enactment of this act; and

(2) when installed or upgraded, the security camera meets the requirements of Minnesota Statutes, section 299G.19, subdivision 2, and is installed or upgraded no later than January 1, 2003.

A grant under this provision is limited to 50 percent of the cost of acquisition and installation or upgrading of the security camera and may not exceed \$5,000 per convenience store.

The appropriation in this section remains available until expended. This is a one-time appropriation and is not added to the budget base of the department."

Page 129, after line 32, insert:

"Sec. 14. [299G.19] [CONVENIENCE STORE SECURITY.]

Subdivision 1. [DEFINITION; CONVENIENCE STORE.] As used in this section, "convenience store" means a place of business primarily engaged in the retail sale of groceries, or both groceries and gasoline. Convenience store does not include a business that always has at least five employees on the premises or has at least 10,000 square feet of retail floor space.

Subd. 2. [SECURITY CAMERA SYSTEM MINIMUM REQUIREMENTS.] (a) A convenience store must install security cameras with auto-iris lenses. Recording devices must be capable of retrieving an image of sufficient quality to assist in offender identification. Cameras must be placed to record the cash register area and all entry and exit doors to the convenience store that are not normally locked and connected to a working alarm system. Cameras installed to observe the entrance and exits must be placed and lenses fixed so that the entrance or exit is completely visible in the field of view. Cameras must be installed so that the whole person is not less than 70 percent of the field of view. Cameras installed to observe the cash register area must be placed to provide an optimum view of the customer, clerk, and transaction area. Cameras and other video recording equipment must be in good working order at all times. Cameras and other video security devices such as sequencers and multiplexers must be compatible with the recording device.

(b) If a convenience store uses a VHS recorder, then the recorder must be a commercial grade VHS deck. Camera activity must be recorded continuously. Recording times must not exceed 24 hours. The recorder must have a minimum of 240 lines of resolution and four heads. All recordings must have time and date stamp. The store must use a commercial grade VHS tape. An individual tape must not be reused more than 20 times. The recording device tapes or other recording media must be maintained in a secure environment. Tapes or other recorded media must be available to law enforcement for a minimum period of seven days.

(c) The technical specifications provided in this subdivision are minimum standards and do not preclude a convenience store from installing equipment that exceeds the standard. A convenience store must post a conspicuous sign stating that the property is under camera surveillance.

Subd. 3. [OTHER MEASURES.] Every convenience store shall be equipped with the following security devices and standards:

- (i) height markers at the entrance of the store which display height measures; and
- (ii) a silent alarm to law enforcement or a private security agency.

Subd. 4. [TRAINING PROGRAMS.] The owner or principal operator of a convenience store shall provide robbery deterrence and safety training by an approved curriculum to its retail employees within 60 days of employment. The commissioner of public safety shall approve, after consultation with interested parties, training curriculum for purposes of this subdivision.

Subd. 5. [PENALTIES.] Violations of this section are subject to the penalties and remedies provided in section 8.31, except subdivision 3a."

Page 137, after line 14, insert:

"Section 14 is effective January 1, 2001, for all convenience stores constructed or placed into service on or after that date, or convenience stores with no current security camera surveillance. Section 14 is effective January 1, 2003, for all other convenience stores."

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

Re-number the sections in sequence and correct the internal references

Amend the title accordingly

Senator Runbeck moved to amend the Johnson, D.J. amendment to H.F. No. 2699 as follows:

Page 1, line 18, after "store" insert "open from 11:00 p.m. to 5:00 a.m."

The question was taken on the adoption of the Runbeck amendment to the Johnson, D.J. amendment.

The roll was called, and there were yeas 7 and nays 56, as follows:

Those who voted in the affirmative were:

Hanson	Kinkel	Limmer	Oliver	Runbeck
Kierlin	Kiscaden			

Those who voted in the negative were:

Anderson	Higgins	Langseth	Ourada	Scheevel
Belanger	Hottinger	Larson	Pappas	Scheid
Berg	Janezich	Lesewski	Pariseau	Solon
Berglin	Johnson, D.E.	Lessard	Piper	Stumpf
Betzold	Johnson, D.J.	Lourey	Pogemiller	Vickerman
Cohen	Junge	Marty	Price	Wiener
Day	Kelley, S.P.	Metzen	Ranum	Wiger
Dille	Kelly, R.C.	Moe, R.D.	Ring	Ziegler
Fischbach	Kleis	Murphy	Robertson	
Flynn	Knutson	Neuville	Robling	
Foley	Krentz	Novak	Sams	
Frederickson	Laidig	Olson	Samuelson	

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

The question was taken on the adoption of the Johnson, D.J. amendment.

The roll was called, and there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Krentz	Novak	Robling
Belanger	Higgins	Laidig	Oliver	Sams
Berg	Hottinger	Langseth	Olson	Samuelson
Berglin	Janezich	Larson	Ourada	Scheevel
Betzold	Johnson, D.E.	Lesewski	Pappas	Scheid
Cohen	Johnson, D.J.	Lessard	Pariseau	Solon
Day	Junge	Lourey	Piper	Stumpf
Dille	Kelley, S.P.	Marty	Pogemiller	Vickerman
Fischbach	Kelly, R.C.	Metzen	Price	Wiener
Flynn	Kinkel	Moe, R.D.	Ranum	Wiger
Foley	Kleis	Murphy	Ring	Ziegler
Frederickson	Knutson	Neuville	Robertson	

Those who voted in the negative were:

Kierlin	Limmer	Runbeck
---------	--------	---------

The motion prevailed. So the amendment was adopted.

Senator Flynn moved to amend H.F. No. 2699, as amended by the Senate March 21, 2000, as follows:

(The text of the amended House File is identical to S.F. No. 3798.)

Page 137, after line 9, insert:

"(a) Minnesota Statutes 1999 Supplement, section 16C.065, is repealed."

Page 137, line 10, before "Minnesota" insert "(b)"

Page 137, line 14, after the period, insert "Section 18, paragraph (a), is effective the day following final enactment."

The motion prevailed. So the amendment was adopted.

H.F. No. 2699 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Limmer

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Senator Samuelson moved that S.F. No. 3798, No. 125 on General Orders, be stricken and laid on the table. The motion prevailed.

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

### REPORTS OF COMMITTEES

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

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

**S.F. No. 3116:** A bill for an act relating to creditors' remedies; regulating garnishments, executions, and levies; revising forms; regulating service; defining terms; providing notification; increasing the dollar amount of attorneys' execution levies; making various housekeeping and technical changes; amending Minnesota Statutes 1998, sections 550.051, subdivision 1; 550.136, subdivision 6; 550.143, subdivisions 3, 7, and 8; 551.01; 551.04, subdivisions 4, 6, and 9; 551.05, subdivisions 1a and 5; 551.06, subdivisions 9 and 10; 571.72, subdivision 2; 571.74; 571.75, subdivision 2; 571.82, subdivision 1; 571.912; 571.914, subdivision 2; 571.921; and 571.925; proposing coding for new law in Minnesota Statutes, chapter 551.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1998, section 550.051, subdivision 1, is amended to read:

Subdivision 1. [TIME PERIODS.] The writ of execution expires 180 days after its issuance by the court administrator. A levy that is served with a writ of execution that has expired is void. If the officer or creditor's attorney having the writ levies upon property or earnings before the expiration of 180 days, the officer or creditor's attorney may retain the writ until the officer sells the property or completes the levy upon earnings in the manner prescribed by law. Any levy properly served in accordance with this chapter or chapter 551 prior to the expiration of the writ shall be processed in accordance with the appropriate statutory section until completion, without

regard for the date of expiration of the writ. Upon a demand of the judgment creditor or the creditor's attorney within 180 days, the officer shall pay to the judgment creditor or the judgment creditor's attorney all money collected upon execution after deducting the officer's fees. Upon expiration of the writ or full satisfaction of the judgment, if earlier, the officer shall make a full inventory of the property levied on and return it with the execution.

Sec. 2. Minnesota Statutes 1998, section 550.136, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:

(a) "earnings" means:

(1) compensation paid or payable to an employee for personal service whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program;

(2) compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2; or

(3) maintenance as defined in section 518.54, subdivision 3.

(b) "disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld, including amounts required by court order to be withheld for child support obligations;

(c) "employee" means an individual who performs services subject to the right of the employer to control both what is done and how it is done; and

(d) "employer" means a person for whom an individual performs services as an employee.

Sec. 3. Minnesota Statutes 1999 Supplement, section 550.136, subdivision 6, is amended to read:

Subd. 6. [EARNINGS EXEMPTION NOTICE.] Before the first levy on earnings under this chapter, the judgment creditor shall serve upon the judgment debtor no less than ten days before the service of the writ of execution, a notice that the writ of execution may be served on the judgment debtor's employer. The notice must: (1) be substantially in the form set forth below; (2) be served personally, in the manner of a summons and complaint, or by first class mail to the last known address of the judgment debtor; (3) inform the judgment debtor that an execution levy may be served on the judgment debtor's employer in ten days, and that the judgment debtor may, within that time, cause to be served on the judgment creditor a signed statement under penalties of perjury asserting an entitlement to an exemption from execution; (4) inform the judgment debtor of the earnings exemptions contained in section 550.37, subdivision 14; and (5) advise the judgment debtor of the relief set forth in this chapter to which the debtor may be entitled if a judgment creditor in bad faith disregards a valid claim and the fee, costs, and penalty that may be assessed against a judgment debtor who in bad faith falsely claims an exemption or in bad faith takes action to frustrate the execution process. The notice requirement of this subdivision does not apply to a levy on earnings being retained by an employer pursuant to a garnishment previously served in compliance with chapter 571.

The ten-day notice informing a judgment debtor that a writ of execution may be used to levy the earnings of an individual must be substantially in the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Judgment Creditor)  
against

DISTRICT COURT  
..... JUDICIAL DISTRICT

EXECUTION EXEMPTION



.....  
Program Case Number (if known) County .....

(3) I have been an inmate of a correctional institution within the last six months. (Specify the correctional institution and location.)

.....  
Correctional Institution Location .....

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above-named judgment creditor or the judgment creditor's attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institution within the last six months. I have mailed or delivered a copy of this form to the judgment creditor or judgment creditor's attorney.

.....  
Debtor .....  
.....  
Address .....  
.....  
Debtor Telephone Number

Sec. 4. Minnesota Statutes 1998, section 550.136, subdivision 9, is amended to read:

Subd. 9. [EXECUTION EARNINGS DISCLOSURE FORM AND WORKSHEET.] The judgment creditor shall provide to the sheriff for service upon the judgment debtor's employer an execution earnings disclosure form and an earnings disclosure worksheet with the writ of execution, that must be substantially in the form set forth below.

STATE OF MINNESOTA  
COUNTY OF.....

DISTRICT COURT  
..... JUDICIAL DISTRICT  
FILE NO.....

..... (Judgment Creditor)  
against  
..... (Judgment Debtor)  
and  
..... (Third Party)

EARNINGS  
EXECUTION  
DISCLOSURE

DEFINITIONS

"EARNINGS": For the purpose of execution, "earnings" means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement.

"DISPOSABLE EARNINGS": Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld, including amounts required by court order to be withheld for child support obligations. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

"PAYDAY": For the purpose of execution, "payday(s)" means the date(s) upon which the employer pays earnings to the debtor in the ordinary course of business. If the judgment debtor has no regular payday, payday(s) means the 15th and the last day of each month.

THE THIRD PARTY/EMPLOYER MUST ANSWER THE FOLLOWING QUESTIONS:

(1) Do you now owe, or within 70 days from the date the execution levy was served on you, will you or may you owe money to the judgment debtor for earnings?

.....  
Yes No .....

(2) Does the judgment debtor earn more than \$... per week? (this amount is the federal minimum wage per week)

.....  
Yes No .....

INSTRUCTIONS FOR COMPLETING THE EARNINGS DISCLOSURE

A. If your answer to either question 1 or 2 is "No," then you must sign the affirmation below and return this disclosure to the sheriff within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answers to both questions 1 and 2 are "Yes," you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the execution levy was served on you, YOU MUST calculate the amount of earnings to be retained by completing steps 3 through 11 on page 2, and enter the amounts on the Earnings Disclosure Worksheet. UPON REQUEST, THE EMPLOYER MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.

Each payday, you must retain the amount of earnings listed in column I on the Earnings Disclosure Worksheet.

You must pay the attached earnings and return this earnings disclosure form and the Earnings Disclosure Worksheet to the sheriff and deliver a copy of the disclosure and worksheet to the judgment debtor within ten days after the last payday that falls within the 70-day period. If the judgment is wholly satisfied or if the judgment debtor's employment ends before the expiration of the 70-day period, your disclosure and remittance should be made within ten days after the last payday for which earnings were attached.

For steps 3 through 11, "columns" refers to columns on the Earnings Disclosure Worksheet.

- (3) COLUMN A. Enter the date of judgment debtor's payday.
- (4) COLUMN B. Enter judgment debtor's gross earnings for each payday.
- (5) COLUMN C. Enter judgment debtor's disposable earnings for each payday.
- (6) COLUMN D. Enter 25 percent of disposable earnings. (Multiply column C by .25.)
- (7) COLUMN E. Enter here 40 times the hourly federal minimum wage (\$...) times the number of work weeks included in each payday. (Note: if a payday includes days in excess of whole work weeks, the additional days should be counted as a fraction of a work week equal to the number of work days in excess of a whole work week divided by the number of work days in a normal work week.)

(8) COLUMN F. Subtract the amount in column E from the amount in column C, and enter here.

(9) COLUMN G. Enter here the lesser of the amount in column D and the amount in column F.

(10) COLUMN H. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest which would reduce the amount of earnings owing to the judgment debtor. (Note: Any indebtedness to you incurred within ten days prior to your receipt of the first execution levy on a debt may not be set off against the earnings otherwise subject to this levy. Any wage assignment made by the judgment debtor within ten days prior to your receipt of the first execution levy on a debt is void.)



Column F	Other Claims	
1.....	.....	.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....

TOTAL OF COLUMN I \$......

\*If you entered any amount in column H for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of such persons, and the nature of their claim, if known.

.....

AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....

Signature

Dated: ..... (...)

Title Phone Number

Sec. 5. Minnesota Statutes 1999 Supplement, section 550.136, subdivision 10, is amended to read:

Subd. 10. [EXECUTION EARNINGS DISCLOSURE FORM AND WORKSHEET FOR CHILD SUPPORT JUDGMENTS.] The judgment creditor shall provide to the sheriff for service upon a child support judgment debtor's employer an execution earnings disclosure form and an earnings disclosure worksheet with the writ of execution, that must be substantially in the form set forth below.

STATE OF MINNESOTA  
COUNTY OF.....

DISTRICT COURT  
..... JUDICIAL DISTRICT  
FILE NO.....

..... (Judgment Creditor)  
against  
..... (Judgment Debtor)  
and  
..... (Third Party)

EARNINGS  
EXECUTION  
DISCLOSURE

DEFINITIONS

"EARNINGS": For the purpose of execution, "earnings" means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement, workers' compensation, or reemployment compensation.



(c) 60 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received); or

(d) 65 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received). (Multiply column C by .50, .55, .60, or .65, as appropriate.)

(6) COLUMN E. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest that would reduce the amount of earnings owing to the judgment debtor. (Note: Any indebtedness to you incurred within ten days prior to your receipt of the first execution levy may not be set off against the earnings otherwise subject to this levy. Any wage assignment made by the judgment debtor within ten days prior to your receipt of the first execution levy is void.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in column E if there are no claims by you or others that would reduce the amount of earnings owing to the judgment debtor.

(7) COLUMN F. Subtract the amount in column E from the amount in column D and enter here. This is the amount of earnings that you must remit for the payday for which the calculations were made.

AFFIRMATION

I, ..... (person signing Affirmation), am the third party/employer or I am authorized by the third party/employer to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature .....  
Title .....  
Telephone Number .....

EARNINGS DISCLOSURE WORKSHEET

		Debtor's Name
A Payday Date	B Gross Earnings	C Disposable Earnings
1.....	\$.....	\$.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....
D Either 50, 55, 60, or 65% of Column C	E Setoff, Lien, Adverse Interest, or	F Column D minus Column E

Other Claims

1.....	.....	.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....

TOTAL OF COLUMN F \$.....

\*If you entered any amount in column E for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of such persons, and the nature of their claim, if known.

AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....  
Signature

Dated: ..... (.....)  
Title Phone Number

Sec. 6. Minnesota Statutes 1999 Supplement, section 550.143, subdivision 3, is amended to read:

Subd. 3. [EXEMPTION NOTICE.] If the levy is on funds of a judgment debtor who is a natural person and if the funds to be levied are held on deposit at any financial institution, the judgment creditor or its attorney shall provide the sheriff with two copies of an exemption notice, which must be substantially in the form set forth below. The sheriff shall serve both copies of the exemption notice on the financial institution, along with the writ of execution. Failure of the sheriff to serve the exemption notices renders the levy void, and the financial institution shall take no action. However, if this subdivision is being used to execute on funds that have previously been garnished in compliance with section 571.71, the judgment creditor is not required to serve additional exemption notices. In that event, the execution levy shall only be effective as to the funds that were subject to the prior garnishment. Upon receipt of the writ of execution and exemption notices, the financial institution shall retain as much of the amount due under section 550.04 as the financial institution has on deposit owing to the judgment debtor, but not more than 110 percent of the amount remaining due on the judgment.

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Judgment Creditor)  
.....(Judgment Debtor)  
TO: Debtor

DISTRICT COURT  
..... JUDICIAL DISTRICT

EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (Bank or other financial institution where you have an account.)

Your account balance is \$.....

The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) relief based on need. This includes the Minnesota Family Investment Program (MFIP), Emergency Assistance (EA), Work First Program, Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) reemployment compensation, workers' compensation, or veterans' benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child and any child support paid to you; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every debtor's after tax earnings; and

(11) all of a judgment debtor's after tax earnings below 40 times the federal minimum wage.

#### TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the judgment creditor is being held in your account to give you a chance to claim an exemption.

#### TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the judgment creditor's attorney. In the event that there is no attorney for the judgment creditor, then the notice shall be sent directly to the judgment creditor. The address for the judgment creditor's attorney or the judgment creditor is set forth below. **Both copies must be mailed or delivered on the same day.**

**NOTE: You may help resolve your claim faster if you send to the creditor's attorney written proof or documents that show why your money is exempt. If you have questions regarding the documents to send as proof of an exemption, call the creditor's attorney. If you do not send written proof and the creditor's attorney has questions about your exemption claim, the creditor's attorney may object to your claim which may result in a further delay in releasing your exempt funds.**

If the financial institution does not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the

judgment creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

IF YOU CLAIM AN EXEMPTION:

- (1) nonexempt money can be turned over to the judgment creditor or sheriff;
- (2) the financial institution will keep holding the money claimed to be exempt; and
- (3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:

the institution will hold the money until a court decides if your exemption claim is valid, BUT ONLY IF the institution gets a copy of your court motion papers asserting the exemption WITHIN TEN DAYS after the objection is personally served on you, or within 13 days from the date the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

MOTION TO DETERMINE EXEMPTION:

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

PENALTIES:

If you claim an exemption in bad faith, or if the judgment creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
 .....  
 .....  
 .....  
 Name and address of (Attorney  
 for) Judgment Creditor

EXEMPTION:

- (a) Amount of exemption claim.  
 // I claim ALL the funds being held are exempt.  
 // I claim SOME of the funds being held are exempt.  
     The exempt amount is \$.....

(b) Basis for exemption.

Of the 11 categories listed above, I am in category number ..... (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

.....  
 .....  
 .....

(If the source is a type of relief based on need, list the case number and county:  
 case number: .....;  
 county: .....)

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above named creditor or its attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institute within the last six months.

I have mailed or delivered a copy of the exemption notice to the judgment creditor or judgment creditor's attorney if represented at the address indicated above.

.....  
DEBTOR

DATED:.....

.....  
.....  
DEBTOR ADDRESS

.....  
DEBTOR TELEPHONE NUMBER

Sec. 7. Minnesota Statutes 1998, section 550.143, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF OBJECTION.] (a) The written objection to the judgment debtor's claim of exemption must be in substantially the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Judgment Creditor)  
.....(Judgment Debtor)  
.....(Garnishee) (Third Party)

DISTRICT COURT  
.....JUDICIAL DISTRICT  
OBJECTION TO  
EXEMPTION CLAIM

The judgment creditor objects to your claim for exemption from garnishment, levy of execution, order for attachment (strike inapplicable language) for the following reason(s):....  
.....

Because of this objection, your financial institution will retain the funds you claimed to be exempt for an additional ten days. If you wish to request a hearing on your exemption claim, you should need to do so within ten days of your receipt of this objection from the date the objection was personally served on you, or within 13 days of the date the objection was mailed to you. You may request a hearing by completing the attached form and filing it with the court administrator.

1. The court administrator's office shall provide clerical assistance to help with the writing and filing of a Request for Hearing by any person not represented by counsel. The court administrator may charge a fee of \$1 for the filing of a Request for Hearing.
2. Upon the filing of a Request for Hearing, the court administrator shall schedule the matter for a hearing no later than five business days from the date of filing. The court administrator shall forthwith send a completed copy of the request, including the hearing date, time, and place to the adverse party and to the financial institution by first class mail.
3. If it is possible that the financial institution might not receive the request mailed from the court administrator within ten days, then you may want to personally deliver a copy of the request to the financial institution after you have filed your request with the court.
4. An order stating whether your funds are exempt shall be issued by the court within three days of the date of the hearing.

If you do not file a Request for Hearing within ten days of the date you receive this objection the objection was personally served on you, or within 13 days from the date the objection was mailed to you, your financial institution may turn your funds over to your creditor.

If you file a Request for Hearing and your financial institution receives it within ten days of the date it received this objection, your financial institution will retain your funds claimed to be exempt until otherwise ordered by the court.

.....  
Judgment Creditor or Attorney

Sec. 8. Minnesota Statutes 1998, section 550.143, subdivision 8, is amended to read:

Subd. 8. [REQUEST FOR HEARING AND NOTICE FOR HEARING.] The request for hearing accompanying the objection notice must be in substantially the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Judgment Creditor)  
.....(Judgment Debtor)  
.....(Third Party)

DISTRICT COURT  
.....JUDICIAL DISTRICT  
REQUEST FOR HEARING  
AND  
NOTICE FOR HEARING

I hereby request a hearing to resolve the exemption claim which has been made in this case regarding funds in the account of ..... (Judgment Debtor) at the ..... (Financial Institution).

.....

(JUDGMENT DEBTOR)  
.....  
(ADDRESS)  
.....  
(DEBTOR PHONE NUMBER)  
.....

HEARING DATE:.....  
HEARING PLACE:.....

TIME:.....

(Note to both parties: Bring with you to the hearing all documents and materials relevant to the exemption claim and objection. Failure to do so could delay the court's decision.)

Sec. 9. Minnesota Statutes 1998, section 551.01, is amended to read:

551.01 [ATTORNEY'S SUMMARY EXECUTION OF JUDGMENT DEBTS; WHEN AUTHORIZED.]

An attorney for a judgment creditor may execute on a money judgment by levying on indebtedness owed to the judgment debtor by a third party, pursuant to this chapter. The attorney for the judgment creditor must obtain a writ of execution issued under section 550.04 before the attorney can execute pursuant to this chapter. No more than \$5,000 ~~\$10,000~~ may be recovered by a single notice of execution levy pursuant to this section. No more than one execution may be served on a single third party by a judgment creditor each calendar day under this chapter.

Sec. 10. Minnesota Statutes 1998, section 551.04, subdivision 4, is amended to read:

Subd. 4. [SERVICE OF THIRD PARTY LEVY; NOTICE AND DISCLOSURE FORMS.] When levying upon money or earnings owed to the judgment debtor by a third party, the attorney for the judgment creditor shall serve a copy of the writ of execution upon the third party either by registered or certified mail, or by personal service. A third party levy served by registered or certified mail is effective if served at the third party's regular place of business. Along with a copy of the writ of execution, the attorney shall serve upon the third party a notice of third party levy and disclosure form that must be substantially in the form set forth below. If the levy is upon earnings, the attorney shall serve upon the third party the notice of third party levy and disclosure form as set forth in section 551.06, subdivision 9.

STATE OF MINNESOTA  
County of.....

DISTRICT COURT  
.....JUDICIAL DISTRICT  
File No.....

.....(Judgment Creditor)  
against

NOTICE OF THIRD PARTY

.....(Judgment Debtor)  
and  
.....(Third Party)

LEVY AND DISCLOSURE  
(OTHER THAN EARNINGS)

PLEASE TAKE NOTICE that pursuant to Minnesota Statutes, chapter 551, the undersigned, as attorney for the judgment creditor, hereby makes demand and levies execution upon all money due and owing by you (up to \$5,000 \$10,000) to the judgment debtor for the amount of the judgment specified below. A copy of the writ of execution issued by the court is enclosed. The unpaid judgment balance is \$.....

In responding to this levy, you are to complete the attached disclosure form and mail it to the undersigned attorney for the judgment creditor, together with your check payable to the above-named judgment creditor, for the nonexempt amount owed by you to the judgment debtor or for which you are obligated to the judgment debtor, within the time limits set forth in chapter 551.

If you are a financial institution and the judgment debtor is a natural person, two exemption notices are also enclosed pursuant to Minnesota Statutes, section 551.02. Only natural persons are entitled to exemptions under this statute.

Attorney for the Judgment Creditor  
Address  
(.....)  
Phone number

DISCLOSURE

On the .... day of ....., ....., the time of service of the execution levy herein, there was due and owing the judgment debtor from the third party the following:

(1) Money. Enter on the line below any amounts due and owing the judgment debtor, except earnings, from the third party.

.....

(2) Setoff. Enter on the line below the amount of any setoff, defense, lien, or claim which the third party claims against the amount set forth on line (1). State the facts by which such setoff, defense, lien, or claim is claimed. (Any indebtedness to you incurred by the judgment debtor within ten days prior to the receipt of the first execution levy on a debt may not be claimed as a setoff, defense, lien, or claim against the amount set forth on line (1).)

.....

(3) Exemption. Enter on the line below any amounts or property claimed by the judgment debtor to be exempt from execution.

.....

(4) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the judgment debtor's property.

.....

(5) Enter on the line below the total of lines (2), (3), and (4).

.....

(6) Enter on the line below the difference obtained (never less than zero when line (5) is subtracted from the amount on line (1)).

.....

(7) Enter on the line below 100 percent of the amount of the judgment creditor's claim which remains unpaid.

.....

(8) Enter on the line below the lesser of line (6) and line (7). You are hereby instructed to remit this amount only if it is \$10 or more.

.....

AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this nonearnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature .....  
.....  
Title .....  
.....  
Telephone Number

Sec. 11. Minnesota Statutes 1998, section 551.04, subdivision 6, is amended to read:

Subd. 6. [THIRD PARTY DISCLOSURE AND REMITTANCE.] Within 15 days after receipt of the writ of execution, unless governed by section 551.05 or 551.06, the third party shall disclose and remit to the judgment creditor's attorney as much of the amount due under section 550.04, but not more than \$5,000 \$10,000, as the third party's own debt equals to the judgment debtor. The attorney for the judgment creditor shall proceed in all other respects like the sheriff making a similar execution levy. No more than \$5,000 \$10,000 may be recovered by a single execution levy pursuant to this section.

Sec. 12. Minnesota Statutes 1998, section 551.04, subdivision 9, is amended to read:

Subd. 9. [JUDGMENT AGAINST THIRD PARTY UPON FAILURE TO DISCLOSE OR REMIT.] Judgment may be entered against a third party who has been served with a writ of execution and fails to disclose or remit the levied funds as required in this chapter. Upon order to show cause served on the third party and notice of motion supported by affidavit of facts and affidavit of service upon both the judgment debtor and third party, the court may render judgment against the third party for an amount not exceeding 100 percent of the amount claimed in the execution or \$5,000 \$10,000, whichever is less. Judgment against the third party pursuant to this section shall not bar the judgment creditor from further remedies under this chapter as a result of any subsequent defaults by the third party. The court upon good cause shown may remove the default and permit the third party to disclose or remit on just terms.

Sec. 13. [551.041] [ATTORNEY'S SUMMARY EXECUTION OF FUNDS BEING HELD PURSUANT TO GARNISHMENT SUMMONS.]

Pursuant to this section, an attorney for a judgment creditor may execute on funds retained by a garnishee under a garnishment summons served pursuant to chapter 571. No more than \$10,000 may be recovered by a single execution levy pursuant to this section. When levying upon money or earnings being retained by a garnishee pursuant to a garnishment summons, the attorney shall serve a copy of the writ of execution upon the garnishee by registered or certified mail, or by personal service. Along with a copy of the writ of execution, the attorney shall serve upon the garnishee a notice of levy on garnishee that must be substantially in the form set forth below. If the judgment creditor paid the garnishee the fee required by chapter 571, no additional fee must be paid to the garnishee for the levy. The notice of levy on garnishee may not be served until the judgment debtor's right to claim an exemption has expired under chapter 571.

STATE OF MINNESOTA  
County of.....

DISTRICT COURT  
.....JUDICIAL DISTRICT

File No.....

.....(Judgment Creditor)

against  
.....(Judgment Debtor)  
and  
.....(Garnishee)

NOTICE OF LEVY  
ON GARNISHEE

PLEASE TAKE NOTICE that pursuant to Minnesota Statutes, chapter 551, the undersigned as attorney for the judgment creditor, hereby makes demand and levies execution upon all money or earnings being retained by you (up to \$10,000) pursuant to the judgment creditor's garnishment summons dated ..... A copy of the writ of execution issued by the court is enclosed. Upon receipt of this levy, you shall remit to the judgment creditor's attorney all funds being held by you pursuant to the garnishment summons. The funds shall be remitted within 15 days after receipt of this levy.

Date:.....

Attorney for the Judgment Creditor  
Address:.....  
.....  
Phone Number:.....  
Attorney I.D. No.:.....

Sec. 14. [551.042] [MONEY DUE FROM STATE DEPARTMENTS.]

Money due or owing to any entity or person by the state on account of any employment, work, contract with, or services provided to any state department or agency is subject to attachment. The notice of third party levy and disclosure may be served upon the head of the department or agency in the same manner as other summons in that court of record, except that service may not be made by publication. Service of the notice may also be made by certified mail, return receipt requested. The disclosure shall be made by the head of the department or agency, or by some person designated by the head of the department or agency having knowledge of the facts. If payment is made pursuant to judgment against the state as a third party, a certificate of satisfaction to the extent of the payment endorsed on it shall be delivered to the head of the department or agency as a voucher for the payment.

Sec. 15. [551.043] [SALARY OF PUBLIC SERVANTS.]

The salary or wages of an official or employee of a county, town, city, or school district, or any department of these bodies, is subject to attachment. The notice of third party levy and disclosure shall be served upon the auditor, treasurer, or clerk of the body, or head of the department of the body of which that person is an official or employee. The disclosure shall be made by the officer or person so served, or by some person designated by that person having knowledge of the facts. If payment is made by the county, town, city, or school district, or any department of these bodies pursuant to a judgment against it as a third party, a certified copy of the judgment with a certificate of satisfaction to the extent of the payment endorsed on it shall be delivered to the treasurer as a voucher for the payment.

Sec. 16. Minnesota Statutes 1999 Supplement, section 551.05, subdivision 1a, is amended to read:

Subd. 1a. [EXEMPTION NOTICE.] If the writ of execution is being used by the attorney to levy funds of a judgment debtor who is a natural person and if the funds to be levied are held on deposit at any financial institution, the attorney for the judgment creditor shall serve with the writ of execution two copies of an exemption notice. The notice must be substantially in the form set forth below. Failure of the attorney for the judgment creditor to send the exemption notice renders the execution levy void, and the financial institution shall take no action. However, if this subdivision is being used to execute on funds that have previously been garnished in compliance with section 571.71, the attorney for judgment creditor is not required to serve an additional exemption notice. In that event, the execution levy shall only be effective as to the funds that were subject to the prior garnishment. Upon receipt of the writ of execution and exemption notices, the financial institution shall retain as much of the amount due under section 550.04 as the financial institution has on deposit owing to the judgment debtor, but not more than 100 percent of the amount remaining due on the judgment, or \$5,000 \$10,000, whichever is less.

The notice informing a judgment debtor that an execution levy has been used to attach funds of the judgment debtor to satisfy a claim must be substantially in the following form:

STATE OF MINNESOTA  
County of.....  
.....(Judgment Creditor)  
.....(Judgment Debtor)

DISTRICT COURT  
.....JUDICIAL DISTRICT

TO: Judgment Debtor

EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (bank or other financial institution where you have an account).

Your account balance is \$.....

The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) relief based on need. This includes the Minnesota Family Investment Program (MFIP), Work First Program, Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) reemployment compensation, workers' compensation, or veterans' benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child and any child support paid to you; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every judgment debtor's after tax earnings; or

(11) all of a judgment debtor's after tax earnings below 40 times the federal minimum wage.

TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the judgment creditor is being held in your account to give you a chance to claim an exemption.

TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the judgment creditor's attorney. The address for the judgment creditor's attorney is set forth below. **Both copies must be mailed or delivered on the same day.**

**NOTE: You may help resolve your claim faster if you send to the creditor's attorney written proof or documents that show why your money is exempt. If you have questions regarding the documents to send as proof of an exemption, call the creditor's attorney. If you do not send written proof and the creditor's attorney has questions about your exemption claim, the creditor's attorney may object to your claim which may result in a further delay in releasing your exempt funds.**

If they do not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the attorney for the judgment creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

IF YOU CLAIM AN EXEMPTION:

- (1) nonexempt money can be turned over to the judgment creditor or sheriff;
- (2) the financial institution will keep holding the money claimed to be exempt; and
- (3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:

the institution will hold the money until a court decides if your exemption claim is valid, BUT ONLY IF the institution gets a copy of your court motion papers asserting the exemption WITHIN TEN DAYS after the objection is personally served on you, or within 13 days from the date the objection is mailed or given to you. You may wish to consult an attorney at once if the judgment creditor objects to your exemption claim.

MOTION TO DETERMINE EXEMPTION:

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

PENALTIES:

If you claim an exemption in bad faith, or if the judgment creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
 .....  
 .....  
 .....  
 Name and address of (Attorney  
 for) Judgment Creditor

EXEMPTION:

- (a) Amount of exemption claim.
- // I claim ALL the funds being held are exempt.
- // I claim SOME of the funds being held are exempt.

The exempt amount is \$.....

(b) Basis for exemption.

Of the 11 categories listed above, I am in category number ..... (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

.....  
.....  
.....

(If the source is a type of relief based on need, list the case number and county:

case number: .....

county: .....

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above named judgment creditor's attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institute within the last six months.

I have mailed or delivered a copy of the exemption notice to the judgment creditor's attorney at the address indicated above.

.....  
DEBTOR

DATED:.....

.....

.....  
.....  
DEBTOR ADDRESS

.....  
DEBTOR TELEPHONE NUMBER

Sec. 17. Minnesota Statutes 1998, section 551.05, subdivision 5, is amended to read:

Subd. 5. [NOTICE OF OBJECTION.] (a) The written objection to the judgment debtor's claim of exemption must be in substantially the following form:

STATE OF MINNESOTA

County of.....

.....(Judgment Creditor)

.....(Judgment Debtor)

.....(Garnishee) (Third Party)

DISTRICT COURT  
.....JUDICIAL DISTRICT  
OBJECTION TO  
EXEMPTION CLAIM

The judgment creditor objects to your claim for exemption from garnishment, levy of execution, order for attachment (strike inapplicable language) for the following reason(s):....

.....

Because of this objection, your financial institution will retain the funds you claimed to be exempt for an additional ten days. If you wish to request a hearing on your exemption claim, you should need to do so within ten days of your receipt of this objection from the date the objection was personally served on you, or within 13 days from the date the objection was mailed to you. You may request a hearing by completing the attached form and filing it with the court administrator.

1. The court administrator's office shall provide clerical assistance to help with the writing and filing of a Request for Hearing by any person not represented by counsel. The court administrator may charge a fee of \$1 for the filing of a Request for Hearing.

2. Upon the filing of a Request for Hearing, the court administrator shall schedule the matter

for a hearing no later than five business days from the date of filing. The court administrator shall forthwith send a completed copy of the request, including the hearing date, time, and place to the adverse party and to the financial institution by first class mail.

3. If it is possible that the financial institution might not receive the request mailed from the court administrator within ten days, then you may want to personally deliver a copy of the request to the financial institution after you have filed your request with the court.

4. An order stating whether your funds are exempt shall be issued by the court within three days of the date of the hearing.

If you do not file a Request for Hearing within ten days of the date ~~you receive this the~~ objection was personally served on you, or within 13 days from the date the objection was mailed to you, your financial institution may turn your funds over to your judgment creditor.

If you file a Request for Hearing and your financial institution receives it within ten days of the date it received this objection, your financial institution will retain your funds claimed to be exempt until otherwise ordered by the court.

.....  
Attorney for Judgment Creditor

Sec. 18. Minnesota Statutes 1998, section 551.06, subdivision 9, is amended to read:

Subd. 9. [NOTICE OF LEVY ON EARNINGS, DISCLOSURE, AND WORKSHEET.] The attorney for the judgment creditor shall serve upon the judgment debtor's employer a notice of levy on earnings and an execution earnings disclosure form and an earnings disclosure worksheet with the writ of execution, that must be substantially in the form set forth below.

STATE OF MINNESOTA  
COUNTY OF.....

DISTRICT COURT  
..... JUDICIAL DISTRICT  
FILE NO.....

.....(Judgment Creditor)  
against

NOTICE OF LEVY ON  
EARNINGS AND DISCLOSURE

.....(Judgment Debtor)  
and

.....(Third Party)

PLEASE TAKE NOTICE that pursuant to Minnesota Statutes, sections 551.04 and 551.06, the undersigned, as attorney for the judgment creditor, hereby makes demand and levies execution upon all earnings due and owing by you (up to \$5,000 ~~\$10,000~~) to the judgment debtor for the amount of the judgment specified below. A copy of the writ of execution issued by the court is enclosed. The unpaid judgment balance is \$.....

This levy attaches all unpaid nonexempt disposable earnings owing or to be owed by you and earned or to be earned by the judgment debtor before and within the pay period in which the writ of execution is served and within all subsequent pay periods whose paydays occur within the 70 days after the service of this levy.

In responding to this levy, you are to complete the attached disclosure form and worksheet and mail it to the undersigned attorney for the judgment creditor, together with your check payable to the above-named judgment creditor, for the nonexempt amount owed by you to the judgment debtor or for which you are obligated to the judgment debtor, within the time limits set forth in the aforementioned statutes.

.....  
Attorney for the Judgment Creditor  
.....  
.....  
.....

Address  
(.....)  
Phone Number

**DISCLOSURE  
DEFINITIONS**

"EARNINGS": For the purpose of execution, "earnings" means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement.

"DISPOSABLE EARNINGS": Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld, including amounts required by court order to be withheld for child support obligations. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

"PAYDAY": For the purpose of execution, "payday(s)" means the date(s) upon which the employer pays earnings to the judgment debtor in the ordinary course of business. If the judgment debtor has no regular payday, payday(s) means the 15th and the last day of each month.

**THE THIRD PARTY/EMPLOYER MUST ANSWER THE FOLLOWING QUESTIONS:**

1. Do you now owe, or within 70 days from the date the execution levy was served on you, will you or may you owe money to the judgment debtor for earnings?

Yes..... No.....

2. Does the judgment debtor earn more than \$... per week? (This amount is the federal minimum wage per week.)

Yes..... No.....

**INSTRUCTIONS FOR COMPLETING THE  
EARNINGS DISCLOSURE**

A. If your answer to either question 1 or 2 is "No," then you must sign the affirmation on page 2 and return this disclosure to the judgment creditor's attorney within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answers to both questions 1 and 2 are "Yes," you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the execution levy was served on you, YOU MUST calculate the amount of earnings to be retained by completing steps 3 through 11 on page 2, and enter the amounts on the Earnings Disclosure Worksheet. UPON REQUEST, THE EMPLOYER MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.

Each payday, you must retain the amount of earnings listed in column I on the Earnings Disclosure Worksheet.

You must pay the attached earnings and return this Earnings Disclosure Form and the Earnings Disclosure Worksheet to the judgment creditor's attorney and deliver a copy to the judgment debtor within ten days after the last payday that falls within the 70-day period.

If the judgment is wholly satisfied or if the judgment debtor's employment ends before the expiration of the 70-day period, your disclosure and remittance should be made within ten days after the last payday for which earnings were attached.

For steps 3 through 11, "columns" refers to columns on the Earnings Disclosure Worksheet.

3. COLUMN A. Enter the date of judgment debtor's payday.
4. COLUMN B. Enter judgment debtor's gross earnings for each payday.
5. COLUMN C. Enter judgment debtor's disposable earnings for each payday.
6. COLUMN D. Enter 25 percent of disposable earnings. (Multiply Column C by .25.)
7. COLUMN E. Enter here 40 times the hourly federal minimum wage (\$...) times the number of work weeks included in each payday. (Note: If a pay period includes days in excess of whole work weeks, the additional days should be counted as a fraction of a work week equal to the number of work days in excess of a whole work week divided by the number of work days in a normal work week.)
8. COLUMN F. Subtract the amount in Column E from the amount in Column C, and enter here.
9. COLUMN G. Enter here the lesser of the amount in Column D and the amount in Column F.
10. COLUMN H. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest which would reduce the amount of earnings owing to the judgment debtor. (Note: Any indebtedness to you incurred within ten days prior to your receipt of the first execution levy on a debt may not be set off against the earnings otherwise subject to this levy. Any wage assignment made by the judgment debtor within ten days prior to your receipt of the first execution levy on a debt is void.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in Column H if there are no claims by you or others which would reduce the amount of earnings owing to the judgment debtor.

11. COLUMN I. Subtract the amount in Column H from the amount in Column G and enter here. This is the amount of earnings that you must retain for the payday for which the calculations were made. The total of all amounts entered in Column I is the amount to be remitted to the attorney for the judgment creditor.

AFFIRMATION

I, ..... (person signing Affirmation), am the third party/employer or I am authorized by the third party/employer to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature .....

.....  
Title

.....  
Telephone Number

EARNINGS DISCLOSURE WORKSHEET

.....

Judgment Debtor's Name

	A Payday Date	B Gross Earnings	C Disposable Earnings
1.....		\$.....	\$.....
2.....		.....	.....
3.....		.....	.....
4.....		.....	.....
5.....		.....	.....
6.....		.....	.....
7.....		.....	.....
8.....		.....	.....
9.....		.....	.....
10.....		.....	.....

  

	D 25% of Column C	E 40 X Min. Wage	F Column C minus Column E
1.....		.....	.....
2.....		.....	.....
3.....		.....	.....
4.....		.....	.....
5.....		.....	.....
6.....		.....	.....
7.....		.....	.....
8.....		.....	.....
9.....		.....	.....
10.....		.....	.....

  

	G Lesser of Column D and Column F	H Setoff, Lien, Adverse Interest, or Other Claims	I Column G minus Column H
1.....		.....	.....
2.....		.....	.....
3.....		.....	.....
4.....		.....	.....
5.....		.....	.....
6.....		.....	.....
7.....		.....	.....
8.....		.....	.....

9.....	.....	.....
10.....	.....	.....

TOTAL OF COLUMN I	\$.....
-------------------	---------

\*If you entered any amount in Column H for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of these persons, and the nature of their claim, if known.... ..

AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....	Title
Dated:.....	(.....)
Signature	Phone Number

Sec. 19. Minnesota Statutes 1999 Supplement, section 551.06, subdivision 10, is amended to read:

Subd. 10. [NOTICE OF LEVY ON EARNINGS, DISCLOSURE, AND WORKSHEET FOR CHILD SUPPORT JUDGMENT.] The attorney for the judgment creditor shall serve upon the judgment debtor's employer a notice of levy on earnings and an execution earnings disclosure form and an earnings disclosure worksheet with the writ of execution, that must be substantially in the form set forth below.

STATE OF MINNESOTA  
COUNTY OF.....

DISTRICT COURT  
..... JUDICIAL DISTRICT  
FILE NO.....

.....(Judgment Creditor)  
against

NOTICE OF LEVY ON  
EARNINGS AND DISCLOSURE

.....(Judgment Debtor)  
and  
.....(Third Party)

PLEASE TAKE NOTICE that pursuant to Minnesota Statutes, sections 551.04 and 551.06, the undersigned, as attorney for the judgment creditor, hereby makes demand and levies execution upon all earnings due and owing by you (up to \$5,000 \$10,000) to the judgment debtor for the amount of the judgment specified below. A copy of the writ of execution issued by the court is enclosed. The unpaid judgment balance is \$.....

This levy attaches all unpaid nonexempt disposable earnings owing or to be owed by you and earned or to be earned by the judgment debtor before and within the pay period in which the writ of execution is served and within all subsequent pay periods whose paydays occur within the 70 days after the service of this levy.

In responding to this levy, you are to complete the attached disclosure form and worksheet and mail it to the undersigned attorney for the judgment creditor, together with your check payable to the above-named judgment creditor, for the nonexempt amount owed by you to the judgment debtor or for which you are obligated to the judgment debtor, within the time limits set forth in the aforementioned statutes.

.....  
Attorney for the Judgment Creditor  
.....



For steps 2 through 8, "columns" refers to columns on the Earnings Disclosure Worksheet.

(2) COLUMN A. Enter the date of judgment debtor's payday.

(3) COLUMN B. Enter judgment debtor's gross earnings for each payday.

(4) COLUMN C. Enter judgment debtor's disposable earnings for each payday.

(5) COLUMN D. Enter either 50, 55, 60, or 65 percent of disposable earnings, based on which of the following descriptions fits the child support judgment debtor:

(a) 50 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(b) 55 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(c) 60 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received); or

(d) 65 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received). (Multiply column C by .50, .55, .60, or .65, as appropriate.)

(6) COLUMN E. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest that would reduce the amount of earnings owing to the judgment debtor. (Note: Any indebtedness to you incurred within ten days prior to your receipt of the first execution levy on a debt may not be set off against the earnings otherwise subject to this levy. Any wage assignment made by the judgment debtor within ten days prior to your receipt of the first execution levy on a debt is void.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in column E if there are no claims by you or others that would reduce the amount of earnings owing to the judgment debtor.

(7) COLUMN F. Subtract the amount in column E from the amount in column D and enter here. This is the amount of earnings that you must remit for the payday for which the calculations were made.

AFFIRMATION

I, ..... (person signing Affirmation), am the third party/employer or I am authorized by the third party/employer to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature .....

.....  
Title

.....  
Telephone Number

.....

EARNINGS DISCLOSURE WORKSHEET

.....  
Debtor's Name

A

B

C

Payday Date	Gross Earnings	Disposable Earnings
1.....	\$.....	\$.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....
D Either 50, 55, 60, or 65% of Column C	E Setoff, Lien, Adverse Interest, or Other Claims	F Column D minus Column E
1.....	.....	.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....
TOTAL OF COLUMN F \$.....		

\*If you entered any amount in column E for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of such persons, and the nature of their claim, if known.

.....

**AFFIRMATION**

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....

Signature

Dated:.....

(...)

Title

Phone Number

Sec. 20. Minnesota Statutes 1998, section 571.72, subdivision 2, is amended to read:

Subd. 2. [SERVICE OF A GARNISHMENT SUMMONS.] To enforce a claim asserted in a civil action venued in a court of record, a garnishment summons may be issued by a creditor and served upon the garnishee in the same manner as other summons in that court of record, except that service may not be made by publication. Service of a garnishment summons on the garnishee may also be made by certified mail, return receipt requested. A garnishment summons served by certified mail is effective if served at the garnishee's regular place of business. The effective date of service by certified mail is the time of receipt by the garnishee. A single garnishment summons

may be addressed to two or more garnishees but must state whether each is summoned separately or jointly.

The garnishment summons must state:

(1) the full name of the debtor, the debtor’s last known mailing address, and the amount of the claim that remains unpaid;

(2) the date of the entry of judgment against the debtor or that the debtor is in default pursuant to Rule 55.01 of the Minnesota Rules of Civil Procedure for the District Courts. Where there is a prejudgment garnishment pursuant to section 571.93, the garnishment summons must include a copy of the court order;

(3) if the garnishment is on any indebtedness, money, or property other than earnings, the garnishee shall serve upon the creditor and upon the debtor within 20 days after service of the garnishment summons, a written disclosure, of the garnishee’s indebtedness, money, or other property owing to the debtor and answers to all written interrogatories that are served with the garnishment summons. The garnishment summons shall also state that if the garnishment is on earnings and the debtor has garnishable earnings, the garnishee shall serve the disclosure within ten days of the last payday to occur within the 70 days after the date of service of the garnishment summons;

(4) that the creditor shall not require disclosure of the disposable earnings, indebtedness, money, or property of debtor in the garnishee’s possession or under the garnishee’s control in excess of 110 percent of the amount of the claim that remains unpaid;

(5) that the garnishee shall retain disposable earnings, indebtedness, money, or property of the debtor in the garnishee’s possession or under the garnishee’s control not in excess of 110 percent of the amount of the claim that remains unpaid, until the creditor causes a writ of execution to be served upon the garnishee, until the debtor authorizes release to the creditor, until the creditor authorizes release to the debtor, upon court order, or by operation of law;

(6) that after the expiration of the period of time specified in section 571.79 from the date of service of the garnishment summons, the garnishee’s retention obligation automatically expires;

(7) that an assignment of wages made by the debtor within ten days before the service of the first garnishment summons on a debt is void and that any indebtedness to the garnishee incurred with ten days before the service of the first garnishment summons on a debt may not be set off against amounts otherwise subject to the garnishment.

Sec. 21. Minnesota Statutes 1998, section 571.74, is amended to read:

571.74 [GARNISHMENT SUMMONS AND NOTICE TO DEBTOR.]

The garnishment summons and notice to debtor must be substantially in the following form. The notice to debtor must be in no smaller than 14-point type.

GARNISHMENT SUMMONS

STATE OF MINNESOTA	DISTRICT COURT
COUNTY OF.....	.....JUDICIAL DISTRICT
.....(Creditor)	
.....(Debtor)	UNPAID BALANCE.....
.....(Debtor’s Address)	<u>Date of Entry</u>
.....(Garnishee) <u>of Judgment (or) Subject</u>	
	<u>to Minnesota Statutes,</u> <u>section 571.71, subd. 2</u>

GARNISHMENT SUMMONS

The State of Minnesota  
To the Garnishee named above:

You are hereby summoned and required to serve upon the creditor's attorney (or the creditor if not represented by an attorney) and on the debtor within 20 days after service of this garnishment summons upon you, a written disclosure, of ~~the indebtedness, money, or other property that you owe to the debtor~~ the nonexempt indebtedness, money, or other property due or belonging to the debtor and owing by you or in your possession or under your control and answers to all written interrogatories that are served with the garnishment summons. However, if the garnishment is on earnings and the debtor has garnishable earnings, you shall serve the completed disclosure form on the creditor's attorney, or the creditor if not represented by an attorney, within ten days of the last payday to occur within the 70 days after the date of the service of this garnishment summons. "Payday" means the day which you pay earnings in the ordinary course of business. If the debtor has no regular paydays, "payday" means the 15th day and the last day of each month.

Your disclosure need not exceed 110 percent of the amount of the creditor's claim that remains unpaid.

You shall retain garnishable earnings, other indebtedness, money, or other property in your possession in an amount not to exceed 110 percent of the creditor's claim until such time as the creditor causes a writ of execution to be served upon you, until the debtor authorizes you in writing to release the property to the creditor, or until the expiration of ..... days from the date of service of this garnishment summons upon you, at which time you shall return the disposable earnings, other indebtedness, money, or other property to the debtor.

#### EARNINGS

In the event you are summoned as a garnishee because you owe "earnings" (as defined on the Earnings Garnishment Disclosure form attached to this Garnishment Summons, if applicable) to the debtor, then you are required to serve upon the creditor's attorney, or the creditor if not represented by an attorney, a written earnings disclosure form within the time limit set forth above.

In the case of earnings you are further required to retain in your possession all unpaid nonexempt disposable earnings owed or to be owed by you and earned or to be earned to the debtor within the pay period in which this garnishment summons is served and within all subsequent pay periods whose paydays (defined above) occur within the 70 days after the date of service of this garnishment summons.

Any assignment of earnings made by the debtor to any party within ten days before the receipt of the first garnishment on a debt is void. Any indebtedness to you incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment.

You are prohibited by law from discharging or disciplining the debtor because the debtor's earnings have been subject to garnishment.

This Garnishment Summons includes:

(check applicable box)

- ..... Earnings garnishment  
(see attached Earnings Disclosure Form)
- ..... Nonearnings garnishment  
(see attached Nonearnings Disclosure Form)
- ..... Both Earnings and Nonearnings garnishment  
(see both attached Earnings and Nonearnings Disclosure Form)

#### NOTICE TO DEBTOR

A Garnishment Summons, Earnings Garnishment Disclosure form, Nonwage Garnishment Disclosure form, Garnishment Exemption Notices and/or written Interrogatories (strike out if not applicable), copies of which are hereby served on you, were served upon the Garnishee by delivering copies to the Garnishee. The Garnishee was paid \$15.

Dated:.....

.....

Attorney for Creditor  
(or creditor)

.....  
.....  
.....

Address

Telephone

Attorney I.D. No.

Sec. 22. Minnesota Statutes 1999 Supplement, section 571.75, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF DISCLOSURE.] The disclosure must state:

(a) If an earnings garnishment disclosure, the amount of disposable earnings earned by the debtor within the debtor's pay periods as specified in section 571.921.

(b) If a nonearnings garnishment disclosure, a description of any personal property or any instrument or papers relating to this property belonging to the judgment debtor or in which the debtor is interested or other indebtedness of the garnishee to the debtor.

(c) If the garnishee asserts any setoff, defense, claim, or lien on disposable earnings, other indebtedness, money, or property, the garnishee shall disclose the amount and the facts concerning the same.

(d) Whether the debtor asserts any exemption, or any other objection, known to the garnishee against the right of the creditor to garnish the disposable earnings, other indebtedness, money, or property disclosed.

(e) If other persons assert claims to any disposable earnings, other indebtedness, money, or property disclosed, the garnishee shall disclose the names and addresses of these claimants and, so far as known by the garnishee, the nature of their claims.

(f) The garnishment disclosure forms and earnings disclosure worksheet must be the same or substantially similar to the following forms. If the garnishment affects earnings of the debtor, the creditor shall use the earnings garnishment disclosure form. If the garnishment affects any indebtedness, money, or property of the debtor, other than earnings, the creditor shall use the nonearnings garnishment disclosure form. Nothing contained in this paragraph limits the simultaneous use of the earnings and nonearnings garnishment disclosure forms.

EARNINGS DISCLOSURE FORM AND WORKSHEET

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Creditor)  
.....(Debtor)  
.....(Garnishee)

DISTRICT COURT  
..... JUDICIAL DISTRICT  
  
GARNISHMENT  
EARNINGS DISCLOSURE

DEFINITIONS

"EARNINGS": For the purpose of garnishment, "earnings" means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement.

"DISPOSABLE EARNINGS": Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld, including amounts required by court order to be withheld for child support obligations. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

"PAYDAY": For the purpose of garnishment, "payday(s)" means the date(s) upon which the employer pays earnings to the debtor in the ordinary course of business. If the debtor has no regular payday, payday(s) means the fifteenth and the last day of each month.

THE GARNISHEE MUST ANSWER THE FOLLOWING QUESTIONS:

1. Do you now owe, or within 70 days from the date the garnishment summons was served on you, will you or do you expect to owe money to the debtor for earnings?

Yes.....

No.....

2. Does the debtor earn more than \$..... per week? (This amount is the federal minimum wage per week.)

Yes.....

No.....

INSTRUCTIONS FOR COMPLETING THE  
EARNINGS DISCLOSURE

A. If your answer to either question 1 or 2 is "No," then you must sign the affirmation on Page 2 and return this disclosure to the creditor's attorney (or the creditor if not represented by an attorney) within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answers to both questions 1 and 2 are "Yes," you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the garnishment summons was served on you, YOU MUST calculate the amount of earnings to be retained by completing Steps 3 through 11, and enter the amounts on the Earnings Disclosure Worksheet. UPON REQUEST, THE EMPLOYER MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.

Each payday, you must retain the amount of earnings listed in Column I on the Earnings Disclosure Worksheet.

You must return this Earnings Disclosure Form and the Earnings Disclosure Worksheet to the creditor's attorney (or the creditor if not represented by an attorney) and deliver a copy to the debtor within ten days after the last payday that falls within the 70-day period.

If the claim is wholly satisfied or if the debtor's employment ends before the expiration of the 70-day period, your disclosure should be made within ten days after the last payday for which earnings were attached.

For Steps 3 through 11, "Columns" refers to columns on the Earnings Disclosure Worksheet.

3. COLUMN A. Enter the date of debtor's  
payday.
4. COLUMN B. Enter debtor's gross earnings for  
each payday.
5. COLUMN C. Enter debtor's disposable earnings  
for each payday.
6. COLUMN D. Enter 25 percent of disposable earnings.  
(Multiply Column C by .25.)
7. COLUMN E. Enter here 40 times the hourly federal  
minimum wage (\$....) times the number

of work weeks included in each payday. (Note: If a pay period includes days in excess of whole work weeks, the additional days should be counted as a fraction of a work week equal to the number of work days in excess of a whole work week divided by the number of work days in a normal work week.)

- 8. COLUMN F. Subtract the amount in Column E from the amount in Column C, and enter here.
- 9. COLUMN G. Enter here the lesser of the amount in Column D and the amount in Column F.
- 10. COLUMN H. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest which would reduce the amount of earnings owing to the debtor. (Note: Any indebtedness to you incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment. Any assignment of earnings made by the debtor to any party within ten days before the receipt of the first garnishment on a debt is void.) You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons. Enter zero in Column H if there are no claims by you or others which would reduce the amount of earnings owing to the debtor.
- 11. COLUMN I. Subtract the amount in Column H from the amount in Column G and enter here. This is the amount of earnings that you must retain for the payday for which the calculations were made.

AFFIRMATION

I, ..... (person signing Affirmation), am the garnishee or I am authorized by the garnishee to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature

.....

Title

.....

Telephone Number

EARNINGS DISCLOSURE WORKSHEET

.....

Debtor's Name

A

B

C

	Payday Date	Gross Earnings	Disposable Earnings
1.	.....	.....	.....
2.	.....	.....	.....
3.	.....	.....	.....
4.	.....	.....	.....
5.	.....	.....	.....
6.	.....	.....	.....
7.	.....	.....	.....
8.	.....	.....	.....
9.	.....	.....	.....
10.....	.....	.....	.....

	D 25% of Column C	E 40 X Min. Wage	F Column C minus Column E
1.	.....	.....	.....
2.	.....	.....	.....
3.	.....	.....	.....
4.	.....	.....	.....
5.	.....	.....	.....
6.	.....	.....	.....
7.	.....	.....	.....
8.	.....	.....	.....
9.	.....	.....	.....
10.....	.....	.....	.....

	G Lesser of Column D and Column F	H Setoff, Lien, Adverse Interest, or Other Claims	I Column G minus Column H
1.	.....	.....	.....
2.	.....	.....	.....
3.	.....	.....	.....
4.	.....	.....	.....
5.	.....	.....	.....
6.	.....	.....	.....
7.	.....	.....	.....
8.	.....	.....	.....
9.	.....	.....	.....
10.....	.....	.....	.....

TOTAL OF COLUMN I \$.....

\*If you entered any amount in Column H for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others you must both state the names and addresses of these persons, and the nature of their claim, if known.

.....  
 .....  
 .....

AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.



You must pay the attached earnings and return this earnings disclosure form and the Earnings Disclosure Worksheet to the creditor's attorney (or the creditor if not represented by an attorney) and deliver a copy to the debtor within ten days after the last payday that falls within the 70-day period. If the claim is wholly satisfied or if the debtor's employment ends before the expiration of the 70-day period, your disclosure should be made within ten days after the last payday for which earnings were attached.

For steps 2 through 8, "columns" refers to columns on the Earnings Disclosure Worksheet.

(2) COLUMN A. Enter the date of debtor's payday.

(3) COLUMN B. Enter debtor's gross earnings for each payday.

(4) COLUMN C. Enter debtor's disposable earnings for each payday.

(5) COLUMN D. Enter either 50, 55, 60, or 65 percent of disposable earnings, based on which of the following descriptions fits the child support judgment debtor:

(a) 50 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(b) 55 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(c) 60 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received); or

(d) 65 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received). (Multiply column C by .50, .55, .60, or .65, as appropriate.)

(6) COLUMN E. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest that would reduce the amount of earnings owing to the debtor. (Note: Any assignment of earnings made by the debtor to any party within ten days before the receipt of the first garnishment on a debt is void. Any indebtedness to you incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in column E if there are no claims by you or others that would reduce the amount of earnings owing to the judgment debtor.

(7) COLUMN F. Subtract the amount in column E from the amount in column D and enter here. This is the amount of earnings that you must remit for the payday for which the calculations were made.

AFFIRMATION

I, ..... (person signing Affirmation), am the garnishee or I am authorized by the garnishee to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

Signature

.....  
Title

.....  
Telephone Number

EARNINGS DISCLOSURE WORKSHEET

.....  
Debtor's Name

A Payday Date	B Gross Earnings	C Disposable Earnings
1.....	\$.....	\$.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....

  

D Either 50, 55, 60, or 65% of Column C	E Setoff, Lien, Adverse Interest, or Other Claims	F Column D minus Column E
1.....	.....	.....
2.....	.....	.....
3.....	.....	.....
4.....	.....	.....
5.....	.....	.....
6.....	.....	.....
7.....	.....	.....
8.....	.....	.....
9.....	.....	.....
10.....	.....	.....

TOTAL OF COLUMN F \$.....

\*If you entered any amount in column E for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of such persons, and the nature of their claim, if known.

.....  
AFFIRMATION

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....  
Signature

Dated:.....

(...)

Title

Phone Number

NONEARNINGS DISCLOSURE FORM

STATE OF MINNESOTA  
COUNTY OF.....

DISTRICT COURT  
..... JUDICIAL DISTRICT

.....(Creditor)

against

.....(Debtor)

NONEARNINGS DISCLOSURE

and

.....(Garnishee)

On the .... day of ....., ....., the time of service of garnishment summons herein, there was due and owing the debtor from the garnishee the following:

(1) Money. Enter on the line below any amounts due and owing the debtor, except earnings, from the garnishee.

.....

(2) Property. Describe on the line below any personal property, instruments, or papers belonging to the debtor and in the possession of the garnishee.

.....

(3) Setoff. Enter on the line below the amount of any setoff, defense, lien, or claim which the garnishee claims against the amount set forth on lines (1) and (2) above. State the facts by which the setoff, defense, lien, or claim is claimed. (Any indebtedness to a garnishee incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment.)

.....

(4) Exemption. Enter on the line below any amounts or property claimed by the debtor to be exempt from execution.

.....

(5) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the debtor's property.

.....

(6) Enter on the line below the total of lines (3), (4), and (5).

.....

(7) Enter on the line below the difference obtained (never less than zero) when line (6) is subtracted from the sum of lines (1) and (2).

.....

(8) Enter on the line below 110 percent of the amount of the creditor's claim which remains unpaid.

.....

(9) Enter on the line below the lesser of line (7) and line (8). Retain this amount only if it is \$10 or more.

.....

AFFIRMATION

I, ..... (person signing Affirmation), am the garnishee or I am authorized by the garnishee to complete this nonearnings garnishment disclosure, and have done so truthfully and to the best of my knowledge.

Dated:.....

.....

Signature  
 .....  
 Title  
 .....  
 Telephone Number

Sec. 23. [571.771] [MONEY DUE FROM STATE DEPARTMENTS.]

Money due or owing to any entity or person by the state on account of any employment, work, contract with, or services provided to any state department or agency is subject to garnishment. The garnishment summons may be served upon the head of the department or agency in the same manner as other summons in that court of record except that service may not be made by publication. Service of the garnishment summons may also be made by certified mail, return receipt requested. The disclosure must be made by the head of the department or agency, or by some person designated by the head having knowledge of the facts. If payment is made pursuant to judgment against the state as garnishee, a certificate of satisfaction to the extent of the payment endorsed on it must be delivered to the head of the department or agency as a voucher for the payment.

Sec. 24. Minnesota Statutes 1998, section 571.79, is amended to read:

571.79 [DISCHARGE OF A GARNISHEE.]

Subject to sections 571.78 and 571.80 Except as provided in paragraph (h), the garnishee, after disclosure, shall be discharged of any further retention obligation to the creditor with respect to a specific garnishment summons when one of the following conditions are met:

(a) The garnishee discloses that the garnishee is not indebted to the debtor or does not possess any money or other property belonging to the debtor that is attachable as defined in section 571.73, subdivision 3. The disclosure is conclusive against the creditor and discharges the garnishee from any further obligation to the creditor other than to retain all nonexempt disposable earnings, indebtedness, money, and property of the debtor which was disclosed.

(b) The garnishee discloses that the garnishee is indebted to the debtor as indicated on the garnishment disclosure form. The disclosure is conclusive against the creditor and discharges the garnishee from any further obligation to the creditor other than to retain all nonexempt disposable earnings, indebtedness, money, and property of the debtor that was disclosed.

(c) If the garnishee was served with a garnishment summons before entry of judgment against the debtor by the creditor in the civil action and the garnishee has retained any disposable earnings, indebtedness, money, or property of the debtor, 270 days after the garnishment summons is served the garnishee is discharged and the garnishee shall return any disposable earnings, indebtedness, money, and property to the debtor.

(d) If the garnishee was served with a garnishment summons after entry of judgment against the debtor by the creditor in the civil action and the garnishee has retained any disposable earnings, indebtedness, money, or property of the debtor, 180 days after the garnishment summons is served the garnishee is discharged and the garnishee shall return any disposable earnings, other indebtedness, money, and property to the debtor.

(e) If the garnished indebtedness, money, or other property is destroyed without any negligence of the garnishee, the garnishee is discharged of any liability to the creditor for nondelivery of the garnished indebtedness, money, and other property.

(f) The court may, upon motion of an interested person, discharge the garnishee as to any disposable earnings, other indebtedness, money, and property in excess of the amount that may be required to satisfy the creditor's claim.

(g) The discharge of the garnishee pursuant to paragraph (a), (b), (c), or (d) is not determinative of the rights of the creditor, debtor, or garnishee with respect to any other garnishment summons,

even another garnishment summons involving the same parties, unless and to the extent adjudicated pursuant to the procedures described in paragraph (h).

(h) The garnishee is not discharged if within 20 days of the service of the garnishee’s disclosure or the return to the debtor of any disposable earnings, indebtedness money, or other property of the debtor, whichever is later, an interested person (1) serves a motion scheduled to be heard within 30 days of the service of the motion relating to the garnishment, or (2) serves a motion scheduled to be heard within 30 days of the service of the motion for leave to file a supplemental complaint against the garnishee, as provided under section 571.75, subdivision 4, and the court upon proper showing vacates the discharge of the garnishee.

Sec. 25. Minnesota Statutes 1998, section 571.82, subdivision 1, is amended to read:

Subdivision 1. [JUDGMENT UPON FAILURE TO DISCLOSE.] If a garnishee fails to serve a disclosure as required in this chapter, the court may render judgment against the garnishee, upon motion by the creditor, for an amount not exceeding the creditor’s claim against the debtor or 110 percent of the amount claimed in the garnishment summons, whichever is less. The motion shall be supported by an affidavit of the facts and shall be served upon both the debtor and the garnishee. The court upon good cause shown may remove the default and permit the garnishee to disclose on just terms.

Sec. 26. Minnesota Statutes 1999 Supplement, section 571.912, is amended to read:

571.912 [FORM OF EXEMPTION NOTICE.]

The notice informing a debtor that an order for attachment, garnishment summons, or levy by execution has been used to attach funds of the debtor to satisfy a claim must be substantially in the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Creditor)  
.....(Debtor)

DISTRICT COURT  
.....JUDICIAL DISTRICT

TO: Debtor

EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (bank or other financial institution) ..... where you have an account.

Your account balance is \$.....

The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors’ claims if they are in one of the following categories:

(1) relief based on need. This includes the Minnesota Family Investment Program (MFIP), Emergency Assistance (EA), Work First Program, Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) reemployment compensation, workers’ compensation, or veterans’ benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child and any child support paid to you; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every debtor's after tax earnings; and

(11) all of a debtor's after tax earnings below 40 times the federal minimum wage.

#### TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the creditor is being held in your account to give you a chance to claim an exemption.

#### TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the creditor's attorney. In the event that there is no attorney for the creditor, then such notice shall be sent directly to the creditor. The address for the creditor's attorney or the creditor is set forth below. **Both copies must be mailed or delivered on the same day.**

**NOTE: You may help resolve your claim faster if you send to the creditor's attorney written proof or documents that show why your money is exempt. If you have questions regarding the documents to send as proof of an exemption, call the creditor's attorney. If you do not send written proof and the creditor's attorney has questions about your exemption claim, the creditor's attorney may object to your claim which may result in a further delay in releasing your exempt funds.**

If they do not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

#### IF YOU CLAIM AN EXEMPTION:

(1) nonexempt money can be turned over to the creditor or sheriff;

(2) the financial institution will keep holding the money claimed to be exempt; and

(3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

#### IF THE CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:

The institution will hold the money until a court decides if your exemption claim is valid, BUT ONLY IF the institution gets a copy of your court motion papers asserting the exemption WITHIN TEN DAYS after the objection is personally served on you, or within 13 days from the date the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

MOTION TO DETERMINE EXEMPTION:

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

PENALTIES:

If you claim an exemption in bad faith, or if the creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
.....  
.....  
.....  
Name and address of (Attorney  
for) Judgment Creditor

EXEMPTION:

(If you claim an exemption complete the following):

(a) Amount of exemption claim.

// I claim ALL the funds being held are exempt.

// I claim SOME of the funds being held are exempt.

The exempt amount is \$.....

(b) Basis for exemption.

Of the eleven categories listed above, I am in category number ..... (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

.....  
.....  
.....

(If the source is a type of relief based on need, list the case number and county:

case number: .....

county: .....

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above named creditor or its attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institute within the last six months.

I have mailed or delivered a copy of the exemption notice to the creditor's attorney at the address indicated above.

DATED:.....

.....  
DEBTOR  
.....  
DEBTOR ADDRESS  
.....  
DEBTOR TELEPHONE NUMBER

Sec. 27. Minnesota Statutes 1998, section 571.914, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF OBJECTION.] (a) The written objection to the debtor must be in substantially the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Creditor)  
.....(Debtor)  
.....(Garnishee)

DISTRICT COURT  
.....JUDICIAL DISTRICT  
  
CREDITOR'S OBJECTION  
TO EXEMPTION CLAIM

The creditor objects to your claim for exemption from garnishment, levy of execution, order for attachment (strike inapplicable language) for the following reason(s):....  
.....

Because of this objection, your financial institution will retain the funds you claimed to be exempt for an additional ten days. If you wish to request a hearing on your exemption claim, you should need to do so within ten days of your receipt of this from the date the objection was personally served on you, or within 13 days of the date the objection was mailed to you. You may request a hearing by completing the attached form and filing it with the court administrator.

1. The court shall provide clerical assistance to help with the writing and filing of a Request for Hearing by any person not represented by counsel. The court administrator may charge a fee of \$1 for the filing of a Request for Hearing.

2. Upon the filing of a Request for Hearing, the clerk shall schedule the matter for a hearing no later than five business days from the date of filing. The court administrator shall forthwith send a completed copy of the request, including the hearing date, time, and place to the adverse party and to the financial institution by first class mail.

3. If it is possible that the financial institution might not receive the request mailed from the court administrator within ten days, then you may want to personally deliver a copy of the request to the financial institution after you have filed your request with the court.

4. An order stating whether your funds are exempt shall be issued by the court within three days of the date of the hearing.

If you do not file a Request for Hearing within ten days of the date you receive this objection the objection was personally served on you, or within 13 days from the date the objection was mailed to you, your financial institution may turn your funds over to your creditor.

If you file a Request for Hearing and your financial institution receives it within ten days of the date it received this objection, your financial institution will retain your funds claimed to be exempt until otherwise ordered by the court, or until the garnishment lapses pursuant to Minnesota Statutes, section 571.79.

.....  
(CREDITOR OR CREDITOR'S ATTORNEY.)

Sec. 28. Minnesota Statutes 1998, section 571.921, is amended to read:

571.921 [DEFINITIONS.]

For purposes of sections 571.921 to 571.926, the following terms have the meanings given them:

(a) "Earnings" means:

(1) compensation paid or payable to an employee for personal service whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program;

(2) compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when

the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2; or

(3) maintenance as defined in section 518.54, subdivision 3;

(b) "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld, including amounts required by court order to be withheld for child support obligations.

(c) "Employee" means an individual who performs services subject to the right of the employer to control both what is done and how it is done.

(d) "Employer" means a person for whom an individual performs services as an employee.

Sec. 29. Minnesota Statutes 1999 Supplement, section 571.925, is amended to read:

571.925 [FORM OF NOTICE.]

The ten-day notice informing a debtor that a garnishment summons may be used to garnish the earnings of an individual must be substantially in the following form:

STATE OF MINNESOTA  
COUNTY OF.....  
.....(Creditor)  
against

DISTRICT COURT  
..... JUDICIAL DISTRICT

.....(Debtor)  
and

GARNISHMENT EXEMPTION  
NOTICE AND NOTICE OF  
INTENT TO GARNISH EARNINGS  
WITHIN TEN DAYS

.....(Garnishee)

PLEASE TAKE NOTICE that a garnishment summons or levy may be served upon your employer or other third parties, without any further court proceedings or notice to you, ten days or more from the date hereof. Some or all of your earnings are exempt from garnishment. If your earnings are garnished, your employer must show you how the amount that is garnished from your earnings was calculated. You have the right to request a hearing if you claim the garnishment is incorrect.

Your earnings are completely exempt from garnishment if you are now a recipient of relief based on need, if you have been a recipient of relief within the last six months, or if you have been an inmate of a correctional institution in the last six months.

Relief based on need includes the Minnesota Family Investment Program (MFIP), Emergency Assistance (EA), Work First Program, Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance.

If you wish to claim an exemption, you should fill out the appropriate form below, sign it, and send it to the creditor's attorney and the garnishee.

You may wish to contact the attorney for the creditor in order to arrange for a settlement of the debt or contact an attorney to advise you about exemptions or other rights.

**PENALTIES**

(1) Be advised that even if you claim an exemption, a garnishment summons may still be served on your employer. If your earnings are garnished after you claim an exemption, you may petition the court for a determination of your exemption. If the court finds that the creditor disregarded your claim of exemption in bad faith, you will be entitled to costs, reasonable attorney fees, actual damages, and an amount not to exceed \$100.

(2) HOWEVER, BE WARNED if you claim an exemption, the creditor can also petition the court for a determination of your exemption, and if the court finds that you claimed an exemption in bad faith, you will be assessed costs and reasonable attorney's fees plus an amount not to exceed \$100.

(3) If after receipt of this notice, you in bad faith take action to frustrate the garnishment, thus requiring the creditor to petition the court to resolve the problem, you will be liable to the creditor for costs and reasonable attorney's fees plus an amount not to exceed \$100.

DATED:.....

.....  
(Attorney for) Creditor  
.....  
Address  
.....  
Telephone

DEBTOR'S EXEMPTION CLAIM NOTICE

I hereby claim that my earnings are exempt from garnishment because:

(1) I am presently a recipient of relief based on need. (Specify the program, case number, and the county from which relief is being received.)

.....  
Program Case Number (if known) County

(2) I am not now receiving relief based on need, but I have received relief based on need within the last six months. (Specify the program, case number, and the county from which relief has been received.)

.....  
Program Case Number (if known) County

(3) I have been an inmate of a correctional institution within the last six months. (Specify the correctional institution and location.)

.....  
Correctional Institution Location

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above-named creditor or the creditor's attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institution within the last six months. I have mailed or delivered a copy of this form to the creditor or creditor's attorney.

.....  
Date Debtor  
.....  
Address  
.....  
Debtor Telephone Number

Sec. 30. [REPEALER.]

Minnesota Statutes 1998, section 571.80, is repealed."

Delete the title and insert:

"A bill for an act relating to creditors' remedies; regulating garnishments, executions, and levies; revising forms; regulating service; defining terms; providing notification; increasing the dollar amount of attorneys' execution levies; making various housekeeping and technical changes; amending Minnesota Statutes 1998, sections 550.051, subdivision 1; 550.136, subdivisions 2 and

9; 550.143, subdivisions 7 and 8; 551.01; 551.04, subdivisions 4, 6, and 9; 551.05, subdivision 5; 551.06, subdivision 9; 571.72, subdivision 2; 571.74; 571.79; 571.82, subdivision 1; 571.914, subdivision 2; and 571.921; Minnesota Statutes 1999 Supplement, sections 550.136, subdivisions 6 and 10; 550.143, subdivision 3; 551.05, subdivision 1a; 551.06, subdivision 10; 571.75, subdivision 2; 571.912; and 571.925; proposing coding for new law in Minnesota Statutes, chapters 551; and 571; repealing Minnesota Statutes 1998, section 571.80."

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

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

**S.F. No. 3801:** A bill for an act relating to education; prekindergarten through grade 12; higher education; early childhood and family education; providing for general education, special programs, employment and other transitions, facilities and technology, education excellence and other policy, nutrition and other programs, libraries, and the department of children, families, and learning; making technical, conforming, and clarifying amendments; appropriating money; amending Minnesota Statutes 1998, sections 119B.03, by adding a subdivision; 120A.22, subdivision 3; 120B.13, subdivision 4; 121A.22, subdivisions 2 and 3; 121A.61, subdivision 3; 122A.25, subdivision 3, and by adding subdivisions; 122A.31, subdivision 4; 122A.68, subdivision 4; 123A.485, subdivision 4; 123B.02, by adding a subdivision; 123B.04, subdivision 2; 123B.143, subdivision 1; 123B.51, subdivision 6; 123B.52, by adding a subdivision; 123B.53, as amended; 123B.57, subdivision 1; 123B.58, subdivisions 3 and 4; 123B.59, as amended; 123B.63, subdivisions 3 and 4; 123B.71, subdivision 10; 123B.72, subdivision 3; 123B.75, subdivision 5; 123B.77, subdivision 3; 123B.79, subdivision 7; 123B.80, by adding a subdivision; 123B.85, subdivision 1; 123B.86, subdivision 1; 123B.88, subdivision 3; 123B.90, subdivision 1; 124D.03, subdivision 1; 124D.081, subdivision 6; 124D.10, subdivisions 9 and 20; 124D.111, subdivision 1; 124D.128, subdivision 4; 124D.16, subdivision 1; 124D.44; 124D.454, subdivisions 2, 4, 6, 7, and 10; 124D.52, subdivisions 1, 2, 3, and by adding a subdivision; 124D.86, subdivision 6, and by adding subdivisions; 124D.88, by adding a subdivision; 124D.892, subdivision 3; 125A.76, subdivision 7; 126C.10, by adding subdivisions; 126C.12, subdivision 2; 126C.40, subdivisions 1, 2, and 3; 126C.69, subdivision 15; 127A.05, subdivision 4; 127A.41, subdivisions 8 and 9; 128D.11, subdivision 3; 136A.125, by adding a subdivision; 169.447, by adding a subdivision; 169.448, subdivision 3; 171.06, subdivision 2; 171.321; 245A.14, subdivision 4, and by adding a subdivision; 354.05, subdivision 2; 354A.011, subdivision 27; and 471.15; Minnesota Statutes 1999 Supplement, sections 119B.011, subdivisions 12, 15, and 20; 119B.03, subdivision 4; 119B.05, subdivision 1; 120B.30, subdivision 1; 122A.18, subdivision 3; 122A.23; 122A.31, subdivisions 1 and 2; 122A.61, subdivision 1; 123A.05, subdivision 2; 123B.54; 123B.83, subdivision 4; 123B.90, subdivision 2; 123B.91, subdivision 1; 124D.10, subdivisions 3, 4, 8, 11, 15, and 23; 124D.11, subdivisions 1, 4, and 6; 124D.128, subdivision 2; 124D.221, subdivision 2; 124D.53, subdivision 3; 124D.84, subdivision 1; 124D.86, subdivisions 1 and 3; 124D.87; 124D.88, subdivision 3; 125A.023, subdivisions 3 and 5; 125A.027, subdivision 3; 125A.08; 125A.51; 125A.76, subdivisions 1 and 2; 125A.79, subdivisions 1, 2, 5, and 8; 125A.80; 125B.21, subdivision 3; 126C.05, subdivisions 3, 5, and 6; 126C.10, subdivisions 2, 5, 13, 14, 24, 25, and 26; 126C.17, subdivision 9; 126C.40, subdivision 6; 126C.44; 127A.05, subdivision 6; 127A.42, subdivision 3; 127A.45, subdivision 12a; 127A.51; 148.235, by adding a subdivision; and 181A.04, subdivision 6; Laws 1992, chapter 499, article 7, sections 31, as amended; and 32; Laws 1997, chapter 157, section 71, as amended; Laws 1997, First Special Session chapter 4, article 8, section 4, as amended; Laws 1998, chapter 404, section 5, subdivision 11, as amended; Laws 1998, First Special Session chapter 1, article 1, sections 10 and 11; Laws 1999, chapters 205, articles 1, sections 65 and 71, subdivisions 3, 7, and 9; 2, section 4, subdivision 3; 4, section 12, subdivisions 5, 6, and 7; 214, article 1, section 4, subdivision 2; 241, articles 1, sections 68, subdivisions 2, 4, and 5; and 69; 2, section 60, subdivisions 7, 9, 12, 13, 14, 17, and 19; 3, section 3, subdivisions 2 and 4; 4, section 27, subdivisions 2, 3, 4, and 5; 5, section 18, subdivisions 5 and 6; 6, section 14, subdivisions 2, 3, 4, and 5; 7, section 2, subdivisions 2 and 5; 8, section 4, subdivisions 4 and 5; 9, section 49; and 10, section 6; proposing coding for new law in Minnesota Statutes, chapters 121A; 123B; 124D; 125B; and 126C; repealing Minnesota Statutes 1998, sections 120A.41; and 124D.53, subdivisions 1, 2, and 5; Minnesota Statutes 1999 Supplement, sections 124D.1155, subdivision 5; and 124D.53, subdivision 4; Laws 1998, First

Special Session chapter 1, article 1, section 10, subdivision 2; Laws 1999, chapters 241, article 9, sections 35 and 36; and 245, article 4, section 3; Minnesota Rules, parts 3535.9920; 4830.9005; 4830.9010; 4830.9015; 4830.9020; and 4830.9030.

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

Page 22, line 9, before "For" insert "(a)"

Page 22, after line 15, insert:

"(b) For fiscal year 2001 only, a school district that is located in a city of the first class and is outside the seven-county metropolitan area and has an adjusted net tax capacity of less than \$100,000,000 is eligible for metro equity aid equal to \$40 times its district equity index, under Minnesota Statutes, section 126C.10, subdivision 27, times its adjusted marginal cost pupil units. The district's equity index shall be computed as if it were eligible for equity revenue under Minnesota Statutes, section 126C.10, subdivision 24."

Page 22, line 29, delete "\$9,281,000" and insert "\$9,566,000"

Page 24, after line 6, insert:

"Sec. 4. Minnesota Statutes 1999 Supplement, section 124D.68, subdivision 9, is amended to read:

Subd. 9. [ENROLLMENT VERIFICATION.] (a) For a pupil attending an eligible program full time under subdivision 3, paragraph (d), the department must pay 90 percent of the district's average general education revenue less basic skills revenue to the eligible program and ten percent of the district's average general education revenue less basic skills revenue to the resident district within 30 days after the eligible program verifies enrollment using the form provided by the department. For a pupil attending a private area learning center that provides chemical treatment services to students, the department must pay 100 percent of the district's general education revenue less basic skills revenue to the eligible program. For a pupil attending an eligible program part time, revenue shall be reduced proportionately, according to the amount of time the pupil attends the program, and the payments to the eligible program and the resident district shall be reduced accordingly. A pupil for whom payment is made according to this section may not be counted by any district for any purpose other than computation of general education revenue. If payment is made for a pupil under this subdivision, a district shall not reimburse a program under section 124D.69 for the same pupil. Basic skills revenue shall be paid according to section 126C.10, subdivision 4.

(b) The department must pay up to 100 percent of the revenue to the eligible program if there is an agreement to that effect between the school district and the eligible program."

Page 48, line 6, delete "ten" and insert "11"

Page 48, line 18, delete "\$4,073" and insert "\$4,210"

Page 50, line 5, reinstate the stricken "\$300,000" and delete the new language

Page 50, lines 6 and 7, delete the new language

Page 50, line 8, reinstate the stricken "1991" and delete "1999"

Page 56, line 7, delete "or charter school"

Page 57, line 19, after "administration" insert "and the Minnesota education telecommunications council"

Page 57, after line 28, insert:

"Subd. 9. [EXPIRATION.] This section expires on July 1, 2003."

Pages 58 to 60, delete section 14 and insert:

"Sec. 14. Minnesota Statutes 1998, section 126C.40, subdivision 1, is amended to read:

Subdivision 1. [TO LEASE BUILDING OR LAND.] (a) When a district finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to ~~make an additional capital expenditure levy~~ increase its equalized facilities revenue under section 123B.53, subdivision 5, for this purpose. An application for permission to levy under this subdivision increase the equalized facilities revenue must contain financial justification for the proposed levy increase, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.

(b) The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a ~~levy revenue under this subdivision in an amount greater than the cost to the district of renting or leasing a building or land for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services. A district may not levy receive revenue under this subdivision for the purpose of leasing or renting a district-owned building or site to itself.~~

(c) For agreements finalized after July 1, 1997, a district may not ~~levy receive revenue under this subdivision for the purpose of leasing: (1) a newly constructed building used primarily for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed building addition or additions used primarily for regular kindergarten, elementary, or secondary instruction that contains more than 20 percent of the square footage of the previously existing building.~~

(d) The total ~~levy revenue under this subdivision for a district for any year must not exceed \$100 times the resident pupil units for the fiscal year to which the levy is attributable.~~

(e) For agreements for which a review and comment have been submitted to the department of children, families, and learning after April 1, 1998, the term "instructional purpose" as used in this subdivision excludes expenditures on stadiums.

**EFFECTIVE DATE:** This section is effective for revenue for fiscal year 2002 and thereafter.

Sec. 15. Minnesota Statutes 1998, section 126C.40, subdivision 1, is amended to read:

Subdivision 1. [TO LEASE BUILDING OR LAND.] (a) When a district finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to ~~make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.~~

(b) The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a ~~levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building or land for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services. A district may not levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself.~~

(c) For agreements finalized after July 1, 1997, a district may not ~~levy under this subdivision~~

for the purpose of leasing: (1) a newly constructed building used primarily for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed building addition or additions used primarily for regular kindergarten, elementary, or secondary instruction that contains more than 20 percent of the square footage of the previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself only if the amount is needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, and the levy meets the requirements of paragraph (c). A levy authorized for a district by the commissioner under this paragraph may be in the amount needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, provided that any agreement include a provision giving the school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed \$100 times the resident pupil units for the fiscal year to which the levy is attributable.

(e) (f) For agreements for which a review and comment have been submitted to the department of children, families, and learning after April 1, 1998, the term "instructional purpose" as used in this subdivision excludes expenditures on stadiums.

(g) For purposes of this subdivision, any reference to building or land includes personal property.

(h) The commissioner of children, families, and learning may authorize a school district to exceed the limit in paragraph (e) if the school district petitions the commissioner for approval. The commissioner shall grant approval to a school district to exceed the limit in paragraph (e) for not more than five years if the district meets the following criteria:

(1) the school district has been experiencing pupil enrollment growth in the preceding five years;

(2) the purpose of the increased levy is in the long-term public interest;

(3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding over construction of school facilities."

Pages 61 and 62, delete section 17 and insert:

"Sec. 18. Minnesota Statutes 1999 Supplement, section 126C.40, subdivision 6, is amended to read:

Subd. 6. [LEASE PURCHASE; INSTALLMENT BUYS.] (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) a school district required to have a comprehensive plan for the elimination of segregation whose plan has been determined by the commissioner to be in compliance with department of children, families, and learning rules relating to equality of educational opportunity and school desegregation and for a district qualifying for revenue under section 124D.86, subdivision 3, clause (4), where the property subject to the levy authority is determined by the commissioner to contribute to implementation of the desegregation plan; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program and the commissioner determines that the joint programs are being undertaken to implement the districts' desegregation plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

Sec. 19. Minnesota Statutes 1999 Supplement, section 126C.40, subdivision 6, is amended to read:

Subd. 6. [LEASE PURCHASE; INSTALLMENT BUYS.] (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy increase its equalized facilities revenue under section 123B.53, subdivision 5, by the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy equalized facilities revenue increase authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) a school district required to have a comprehensive plan for the elimination of segregation whose plan has been determined by the commissioner to be in compliance with department of children, families, and learning rules relating to equality of educational opportunity and school desegregation; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program.

(e) Notwithstanding subdivision 1, the prohibition against ~~a levy by a district to lease~~ receiving revenue for the purpose of leasing or rent renting a district-owned building to itself does not apply to levies revenues otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

**EFFECTIVE DATE:** This section is effective for revenue for fiscal year 2002 and thereafter."

Page 64, line 31, delete "\$11.50" and insert "\$11.20"

Page 67, after line 6, insert:

"Sec. 32. [CHISHOLM SCHOOL DISTRICT BONDS.]

Subdivision 1. [AUTHORIZATION.] Independent school district No. 695, Chisholm, may issue bonds in an aggregate principal amount not exceeding \$4,250,000.

Subd. 2. [USES; PROCESS.] The bonds authorized under subdivision 1 may be issued in addition to any bonds already issued or authorized. The proceeds of the bonds shall be used to provide funds to design, construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings and to pay any architect, engineer and legal fees incidental to those purposes or to the sale of bonds. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, chapter 475. A referendum on the question of issuing the bonds authorized under subdivision 1 is required. A resolution of the board levying taxes for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of Minnesota Statutes, chapter 475, with respect to the levying of taxes for their payment.

Subd. 3. [APPROPRIATION.] There is annually appropriated from the distribution of taconite production tax revenues to the taconite environmental protection fund pursuant to Minnesota Statutes, section 298.28, subdivision 11, and to the northeast Minnesota economic protection trust pursuant to Minnesota Statutes, section 298.28, subdivisions 9 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal and interest on the bonds issued under subdivision 1. If the annual distribution to the northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling any obligations of the trust under Minnesota Statutes, section 298.225 or 298.293, the deficiency shall be appropriated from the taconite environmental protection fund.

Subd. 4. [DISTRICT OBLIGATIONS.] Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the amount received under subdivision 3, they shall be satisfied by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, section 475.74. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

Subd. 5. [DISTRICT LEVY.] The school board of the school district authorized to issue bonds under subdivision 1 shall by resolution levy on all property in the school district subject to the general ad valorem school tax levies, and not subject to taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due 20 percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

Subd. 6. [LEVY LIMITATIONS.] Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.

Subd. 7. [BONDING LIMITATIONS.] Bonds may be issued under authority of this section notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.

Subd. 8. [TERMINATION OF APPROPRIATION.] The appropriation authorized in subdivision 3 terminates upon payment or maturity of the last of the bonds issued under this section.

Subd. 9. [BOND ISSUE REQUIREMENT.] No bonds may be issued under this section after April 30, 2002, unless they are issued under a contract in effect on or before April 30, 2002.

Subd. 10. [LOCAL APPROVAL.] This section is effective for independent school district No. 695 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 33. [GREENWAY-COLERAINE SCHOOL DISTRICT BONDS.]

Subdivision 1. [AUTHORIZATION.] Independent school district No. 316, Greenway-Coleraine, may issue bonds in an aggregate principal amount not exceeding \$2,500,000.

Subd. 2. [USES; PROCESS.] The bonds authorized under subdivision 1 may be issued in addition to any bonds already issued or authorized. The proceeds of the bonds shall be used to provide funds to design, construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings and to pay any architect, engineer and legal fees incidental to those purposes or to the sale of bonds. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, chapter 475. A referendum on the question of issuing the bonds authorized under subdivision 1 is required. A resolution of the board levying taxes for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of Minnesota Statutes, chapter 475, with respect to the levying of taxes for their payment.

Subd. 3. [APPROPRIATION.] There is annually appropriated from the distribution of taconite production tax revenues to the taconite environmental protection fund pursuant to Minnesota Statutes, section 298.28, subdivision 11, and to the northeast Minnesota economic protection trust pursuant to Minnesota Statutes, section 298.28, subdivisions 9 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal and interest on the bonds issued under subdivision 1. If the annual distribution to the northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling any obligations of the trust under Minnesota Statutes, section 298.225 or 298.293, the deficiency shall be appropriated from the taconite environmental protection fund.

Subd. 4. [DISTRICT OBLIGATIONS.] Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the amount received under subdivision 3, they shall be satisfied by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, section 475.74. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

Subd. 5. [DISTRICT LEVY.] The school board of the school district authorized to issue bonds under subdivision 1 shall by resolution levy on all property in the school district subject to the general ad valorem school tax levies, and not subject to taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due 20 percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

Subd. 6. [LEVY LIMITATIONS.] Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.

Subd. 7. [BONDING LIMITATIONS.] Bonds may be issued under authority of this section

notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.

Subd. 8. [TERMINATION OF APPROPRIATION.] The appropriation authorized in subdivision 3 terminates upon payment or maturity of the last of the bonds issued under this section.

Subd. 9. [BOND ISSUE REQUIREMENT.] No bonds may be issued under this section after April 30, 2002, unless they are issued under a contract in effect on or before April 30, 2002.

Subd. 10. [LOCAL APPROVAL.] This section is effective for independent school district No. 316 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 34. [LAKE SUPERIOR SCHOOL DISTRICT BONDS.]

Subdivision 1. [AUTHORIZATION.] Independent school district No. 381, Lake Superior, may issue bonds in an aggregate principal amount not exceeding \$6,000,000.

Subd. 2. [USES; PROCESS.] The bonds authorized under subdivision 1 may be issued in addition to any bonds already issued or authorized. The proceeds of the bonds shall be used to provide funds to design, construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings and to pay any architect, engineer and legal fees incidental to those purposes or to the sale of bonds. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, chapter 475. A referendum on the question of issuing the bonds authorized under subdivision 1 is required. A resolution of the board levying taxes for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of Minnesota Statutes, chapter 475, with respect to the levying of taxes for their payment.

Subd. 3. [APPROPRIATION.] There is annually appropriated from the distribution of taconite production tax revenues to the taconite environmental protection fund pursuant to Minnesota Statutes, section 298.28, subdivision 11, and to the northeast Minnesota economic protection trust pursuant to Minnesota Statutes, section 298.28, subdivisions 9 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal and interest on the bonds issued under subdivision 1. If the annual distribution to the northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling any obligations of the trust under Minnesota Statutes, section 298.225 or 298.293, the deficiency shall be appropriated from the taconite environmental protection fund.

Subd. 4. [DISTRICT OBLIGATIONS.] Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the amount received under subdivision 3, they shall be satisfied by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, section 475.74. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

Subd. 5. [DISTRICT LEVY.] The school board of the school district authorized to issue bonds under subdivision 1 shall by resolution levy on all property in the school district subject to the general ad valorem school tax levies, and not subject to taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due 20 percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

Subd. 6. [LEVY LIMITATIONS.] Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.

Subd. 7. [BONDING LIMITATIONS.] Bonds may be issued under authority of this section notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.

Subd. 8. [TERMINATION OF APPROPRIATION.] The appropriation authorized in subdivision 3 terminates upon payment or maturity of the last of the bonds issued under this section.

Subd. 9. [BOND ISSUE REQUIREMENT.] No bonds may be issued under this section after April 30, 2002, unless they are issued under a contract in effect on or before April 30, 2002.

Subd. 10. [LOCAL APPROVAL.] This section is effective for independent school district No. 381 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3."

Page 67, line 25, delete "\$26,701,000" and insert "\$26,411,000"

Page 68, line 26, after the period, insert "Notwithstanding Minnesota Statutes, section 126C.69, subdivision 12, the monies for maximum effort loans approved in this article are from the general fund. The interest rate on the loans shall equal the weighted average annual rate payable on state bonds issued on a date closest to the execution of the contract between the state and the district."

Page 68, line 36, delete "\$2,155,000" and insert "\$2,422,000"

Page 96, line 14, strike "shall not exceed" and insert "equals"

Page 115, line 16, delete "shall not exceed" and insert "equals"

Page 116, line 1, delete "\$300,000" and insert "\$150,000"

Page 126, after line 29, insert:

"Subd. 8. [GEOGRAPHIC INFORMATION SYSTEMS.] To the director of the office of strategic and long-range planning to enhance the office's use of geographic information systems for educational demographics and other purposes:

\$100,000                      .....                      2001

Subd. 9. [SOBRIETY HIGH GRANT; UNITED SOUTH CENTRAL.] For a grant to independent school district No. 2134, United South Central, for its sobriety high program:

\$50,000                      .....                      2001 "

Page 129, line 26, strike "of" and insert "up to"

Page 129, line 30, delete "member of the library district" and insert "signatory to the joint powers agreement"

Page 129, line 35, after "project" insert "or to a maximum of three consecutive three-year terms"

Page 130, lines 12 and 13, reinstate the stricken language

Page 131, delete lines 27 and 28 and insert:

"The budget base for this program for fiscal years 2002 and 2003 is \$1,200,000 for each year."

Page 165, line 7, delete "\$30,155,000" and insert "\$30,207,000"

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 7, after the first semicolon, insert "124D.68, subdivision 9;"

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

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 3116 and 3801 were read the second time.

### **MEMBERS EXCUSED**

Senators Oliver and Price were excused from the Session of today from 9:00 to 9:40 a.m. Senator Robling was excused from the Session of today from 1:45 to 2:15 p.m. Senator Stevens was excused from the Session of today at 2:55 p.m. Senator Terwilliger was excused from the Session of today at 4:50 p.m. Senator Spear was excused from the Session of today at 5:29 p.m.

### **ADJOURNMENT**

Senator Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Wednesday, March 22, 2000. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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