

## 116N.06 RURAL INVESTMENT GUIDE.

The board, after appropriate study and public hearings as necessary, shall adopt a comprehensive state rural investment guide consisting of policy statements, objectives, standards, and program criteria to guide state agencies in establishing and implementing programs relating to rural development. The guide must recognize the community and economic needs, the food and agricultural policy, and the resources of rural Minnesota, and provide a plan to coordinate and allocate public and private resources to the rural areas of the state. The board shall submit the guide to the appropriate committees of the legislature. The guide shall be prepared every fourth year.

Sec. 8. Minnesota Statutes 1994, section 446A.03, subdivision 4, is amended to read:

Subd. 4. **BOARD ACTIONS.** (a) A majority of the authority, excluding vacancies, constitutes a quorum to conduct its business, to exercise its powers, and for all other purposes.

(b) The board may conduct its business by any technological means available, including teleconference calls or interactive video, that allows for an interaction between members. If a meeting is conducted under this paragraph, a specific location must be available for the public to attend the meeting and at least one member must be present at that location.

Presented to the governor May 23, 1995

Signed by the governor May 25, 1995, 8:45 a.m.

## CHAPTER 233—H.F.No. 1478

*An act relating to state government; requiring notice to the commissioner of agriculture and certain other actions before an agency adopts or repeals rules that affect farming operations; providing for development of best management practices for feedlots; changing requirements for animal feedlot permits and sewage treatment system licenses; allowing composting of sheep carcasses; regulating administrative rulemaking; revising the procedures for the adoption and review of agency rules; requiring fees to cover costs; making technical changes; appropriating money; amending Minnesota Statutes 1994, sections 3.842, subdivisions 2, 4, and by adding a subdivision; 4A.05, subdivision 2; 14.04; 14.05, subdivision 2, and by adding a subdivision; 14.06; 14.08; 14.09; 14.131; 14.14, subdivision 1a, and by adding a subdivision; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.18, subdivision 1; 14.19; 14.22, subdivision 1; 14.23; 14.24; 14.25; 14.26; 14.365; 14.48; 14.51; 16A.1285, subdivisions 2, 4, and 5; 17.138, by adding a subdivision; 17.84; 18E.03, subdivision 3; 35.82, subdivision 2; 43A.04, by adding a subdivision; 62N.05, by adding a subdivision; 84.027, by adding a subdivision; 115.55, subdivision 2; 115.56, subdivision 2; 116.07, subdivisions 4, 4d, and 7; 144.98, subdivision 3; 221.0335; 326.2421, subdivision 3; and 341.10; Minnesota Rules, parts 1540.2140;*

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7001.0140, subpart 2; 7001.0180; 8130.3500, subpart 3; and 8130.6500, subpart 5; proposing coding for new law in Minnesota Statutes, chapters 14; and 97A; repealing Minnesota Statutes 1994, sections 3.846; 14.10; 14.11; 14.115; 14.12; 14.1311; 14.235; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; and 17.83; Minnesota Rules, chapters 2650; 7047; 7600; 7625; and 9540; Minnesota Rules, parts 1540.0010, subparts 12, 18, 21, 22, and 24; 1540.0060; 1540.0070; 1540.0080; 1540.0100; 1540.0110; 1540.0120; 1540.0130; 1540.0140; 1540.0150; 1540.0160; 1540.0170; 1540.0180; 1540.0190; 1540.0200; 1540.0210; 1540.0220; 1540.0230; 1540.0240; 1540.0260; 1540.0320; 1540.0330; 1540.0340; 1540.0350; 1540.0370; 1540.0380; 1540.0390; 1540.0400; 1540.0410; 1540.0420; 1540.0440; 1540.0450; 1540.0460; 1540.0490; 1540.0500; 1540.0510; 1540.0520; 1540.0770; 1540.0780; 1540.0800; 1540.0810; 1540.0830; 1540.0880; 1540.0890; 1540.0900; 1540.0910; 1540.0920; 1540.0930; 1540.0940; 1540.0950; 1540.0960; 1540.0970; 1540.0980; 1540.0990; 1540.1000; 1540.1005; 1540.1010; 1540.1020; 1540.1030; 1540.1040; 1540.1050; 1540.1060; 1540.1070; 1540.1080; 1540.1090; 1540.1100; 1540.1110; 1540.1120; 1540.1130; 1540.1140; 1540.1150; 1540.1160; 1540.1170; 1540.1180; 1540.1190; 1540.1200; 1540.1210; 1540.1220; 1540.1230; 1540.1240; 1540.1250; 1540.1255; 1540.1260; 1540.1280; 1540.1290; 1540.1300; 1540.1310; 1540.1320; 1540.1330; 1540.1340; 1540.1350; 1540.1360; 1540.1380; 1540.1400; 1540.1410; 1540.1420; 1540.1430; 1540.1440; 1540.1450; 1540.1460; 1540.1470; 1540.1490; 1540.1500; 1540.1510; 1540.1520; 1540.1530; 1540.1540; 1540.1550; 1540.1560; 1540.1570; 1540.1580; 1540.1590; 1540.1600; 1540.1610; 1540.1620; 1540.1630; 1540.1640; 1540.1650; 1540.1660; 1540.1670; 1540.1680; 1540.1690; 1540.1700; 1540.1710; 1540.1720; 1540.1730; 1540.1740; 1540.1750; 1540.1760; 1540.1770; 1540.1780; 1540.1790; 1540.1800; 1540.1810; 1540.1820; 1540.1830; 1540.1840; 1540.1850; 1540.1860; 1540.1870; 1540.1880; 1540.1890; 1540.1900; 1540.1905; 1540.1910; 1540.1920; 1540.1930; 1540.1940; 1540.1950; 1540.1960; 1540.1970; 1540.1980; 1540.1990; 1540.2000; 1540.2010; 1540.2015; 1540.2020; 1540.2090; 1540.2100; 1540.2110; 1540.2120; 1540.2180; 1540.2190; 1540.2200; 1540.2210; 1540.2220; 1540.2230; 1540.2240; 1540.2250; 1540.2260; 1540.2270; 1540.2280; 1540.2290; 1540.2300; 1540.2310; 1540.2320; 1540.2325; 1540.2330; 1540.2340; 1540.2350; 1540.2360; 1540.2370; 1540.2380; 1540.2390; 1540.2400; 1540.2410; 1540.2420; 1540.2430; 1540.2440; 1540.2450; 1540.2490; 1540.2500; 1540.2510; 1540.2530; 1540.2540; 1540.2550; 1540.2560; 1540.2570; 1540.2580; 1540.2590; 1540.2610; 1540.2630; 1540.2640; 1540.2650; 1540.2660; 1540.2720; 1540.2730; 1540.2740; 1540.2760; 1540.2770; 1540.2780; 1540.2790; 1540.2800; 1540.2810; 1540.2820; 1540.2830; 1540.2840; 1540.3420; 1540.3430; 1540.3440; 1540.3450; 1540.3460; 1540.3470; 1540.3560; 1540.3600; 1540.3610; 1540.3620; 1540.3630; 1540.3700; 1540.3780; 1540.3960; 1540.3970; 1540.3980; 1540.3990; 1540.4000; 1540.4010; 1540.4020; 1540.4030; 1540.4040; 1540.4080; 1540.4190; 1540.4200; 1540.4210; 1540.4220; 1540.4320; 1540.4330; 1540.4340; 2642.0120, subpart 1; 2655.1000; 2660.0070; 2770.7400; 4610.2210; 7002.0410 to 7002.0490; 7100.0300 to 7100.0350; 7510.6100 to 7510.6910; 8120.1100, subpart 3; 8121.0500, subpart 2; and 8130.9912 to 8130.9992.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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## ARTICLE 1

## Section 1. [14.111] FARMING OPERATIONS.

Before an agency adopts or repeals rules that affect farming operations, the agency must provide a copy of the proposed rule change to the commissioner of agriculture, no later than 30 days prior to publication of the proposed rule in the State Register.

A rule may not be invalidated for failure to comply with this subdivision if an agency has made a good faith effort to comply.

Sec. 2. Minnesota Statutes 1994, section 14.14, is amended by adding a subdivision to read:

Subd. 1b. FARMING OPERATIONS. When a public hearing is conducted on a proposed rule that affects farming operations, at least one public hearing must be conducted in an agricultural area of the state.

Sec. 3. Minnesota Statutes 1994, section 17.138, is amended by adding a subdivision to read:

Subd. 3. BEST MANAGEMENT PRACTICES. The commissioner of the pollution control agency, in consultation with the commissioner and the feedlot and manure management advisory committee, shall develop voluntary best management practices for odor control at feedlots.

Sec. 4. Minnesota Statutes 1994, section 35.82, subdivision 2, is amended to read:

Subd. 2. **DISPOSITION OF CARCASSES.** (a) Except as provided in subdivision 1b and paragraph (d), every person owning or controlling any domestic animal that has died or been killed otherwise than by being slaughtered for human or animal consumption, shall as soon as reasonably possible bury the carcass at least three feet deep in the ground or thoroughly burn it or dispose of it by another method approved by the board as being effective for the protection of public health and the control of livestock diseases. The board, through its executive secretary, may issue permits to owners of rendering plants located in Minnesota which are operated and conducted as required by law, to transport carcasses of domestic animals and fowl that have died, or have been killed otherwise than by being slaughtered for human or animal consumption, over the public highways to their plants for rendering purposes in accordance with the rules adopted by the board relative to transportation, rendering, and other provisions the board considers necessary to prevent the spread of disease. The board may issue permits to owners of rendering plants located in an adjacent state with which a reciprocal agreement is in effect under subdivision 3.

(b) Carcasses collected by rendering plants under permit may be used for pet food or mink food if the owner or operator meets the requirements of subdivision 1b.

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(c) An authorized employee or agent of the board may enter private or public property and inspect the carcass of any domestic animal that has died or has been killed other than by being slaughtered for human or animal consumption. Failure to dispose of the carcass of any domestic animal within the period specified by this subdivision is a public nuisance. The board may petition the district court of the county in which a carcass is located for a writ requiring the abatement of the public nuisance. A civil action commenced under this paragraph does not preclude a criminal prosecution under this section. No person may sell, offer to sell, give away, or convey along a public road or on land the person does not own, the carcass of a domestic animal when the animal died or was killed other than by being slaughtered for human or animal consumption unless it is done with a special permit pursuant to this section. The carcass or parts of a domestic animal that has died or has been killed other than by being slaughtered for human or animal consumption may be transported along a public road for a medical or scientific purpose if the carcass is enclosed in a leakproof container to prevent spillage or the dripping of liquid waste. The board may adopt rules relative to the transportation of the carcass of any domestic animal for a medical or scientific purpose. A carcass on a public thoroughfare may be transported for burial or other disposition in accordance with this section.

No person who owns or controls diseased animals shall negligently or willfully permit them to escape from that control or to run at large.

(d) A sheep producer may compost sheep carcasses owned by the producer on the producer's land without a permit and is exempt from compost facility specifications contained in rules of the board.

(e) The board shall develop best management practices for dead animal disposal and the pollution control agency feedlot program shall distribute them to livestock producers in the state.

Sec. 5. Minnesota Statutes 1994, section 115.55, subdivision 2, is amended to read:

Subd. 2. **LOCAL ORDINANCES.** (a) Any ordinance adopted by a local unit of government to regulate individual sewage treatment systems must be in compliance with the individual sewage treatment system rules by January 1, ~~1996~~ 1998.

(b) A copy of each ordinance adopted under this subdivision must be submitted to the commissioner upon adoption.

Sec. 6. Minnesota Statutes 1994, section 115.56, subdivision 2, is amended to read:

Subd. 2. **LICENSE REQUIRED.** (a) Except as provided in paragraph (b), after March 31, 1996, a person may not design, install, maintain, pump, or inspect an individual sewage treatment system without a license issued by the commissioner.

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(b) A license is not required for a person who complies with the applicable requirements if the person is:

(1) a qualified employee of state or local government who has passed the examination described in paragraph (d) or a similar examination;

(2) an individual who constructs an individual sewage treatment system on land that is owned or leased by the individual and functions solely as the individual's dwelling or seasonal dwelling; ~~or~~

(3) a farmer who pumps and disposes of sewage waste from individual sewage treatment systems, holding tanks, and privies on land that is owned or leased by the farmer; or

(4) an individual who performs labor or services for a person licensed under this section in connection with the design, installation, maintenance, pumping, or inspection of an individual sewage treatment system at the direction and under the personal supervision of a person licensed under this section.

A person constructing an individual sewage treatment system under clause (2) must consult with a site evaluator or designer before beginning construction. In addition, the system must be inspected before being covered and a compliance report must be provided to the local unit of government after the inspection.

(c) The commissioner, in conjunction with the University of Minnesota extension service or another higher education institution, shall ensure adequate training exists for individual sewage treatment system professionals.

(d) The commissioner shall conduct examinations to test the knowledge of applicants for licensing and shall issue documentation of licensing.

(e) Licenses may be issued only upon successful completion of the required examination and submission of proof of sufficient experience, proof of general liability insurance, and a corporate surety bond in the amount of at least \$10,000.

(f) Notwithstanding paragraph (e), the examination and proof of experience are not required for an individual sewage treatment system professional who, on the effective date of the rules adopted under subdivision 1, holds a certification attained by examination and experience under a voluntary certification program administered by the agency.

(g) Local units of government may not require additional local licenses for individual sewage treatment system professionals.

Sec. 7. Minnesota Statutes 1994, section 116.07, subdivision 4, is amended to read:

Subd. 4. **RULES AND STANDARDS.** Pursuant and subject to the provi-

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sions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of air contamination or air pollution, to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. The agency shall promulgate emergency rules for sewage sludge pursuant to sections 14.29 to 14.36. Notwithstanding the provisions of sections 14.29 to 14.36, the emergency rules shall be effective until permanent rules are promulgated or March 1, 1982, whichever is earlier. Any such rule or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. By January 1, 1983, the rules for the management of sewage sludge shall include an analysis of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 18C.215.

Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1971, chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

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As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the pollution control agency.

Pursuant to chapter 14, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for generators of hazardous waste, the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and the location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. In implementing its hazardous waste rules, the pollution control agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long-term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

The pollution control agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

~~In addition to the provisions under section 14.115, before the pollution control agency adopts or repeals rules that affect farming operations, the agency must provide a copy of the proposed rule change and a statement of the effect of the rule change on farming operations to the commissioner of agriculture for review and comment and hold public meetings in agricultural areas of the state.~~

Sec. 8. Minnesota Statutes 1994, section 116.07, subdivision 7, is amended to read:

**Subd. 7. COUNTIES; PROCESSING OF APPLICATIONS FOR ANIMAL LOT PERMITS.** Any Minnesota county board may, by resolution, with approval of the pollution control agency, assume responsibility for processing applications for permits required by the pollution control agency under this section for livestock feedlots, poultry lots or other animal lots. The responsibility for permit application processing, if assumed by a county, may be delegated by the county board to any appropriate county officer or employee.

(a) For the purposes of this subdivision, the term "processing" includes:

(1) the distribution to applicants of forms provided by the pollution control agency;

(2) the receipt and examination of completed application forms, and the certification, in writing, to the pollution control agency either that the animal lot facility for which a permit is sought by an applicant will comply with applicable rules and standards, or, if the facility will not comply, the respects in which a variance would be required for the issuance of a permit; and

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(3) rendering to applicants, upon request, assistance necessary for the proper completion of an application.

(b) For the purposes of this subdivision, the term "processing" may include, at the option of the county board, issuing, denying, modifying, imposing conditions upon, or revoking permits pursuant to the provisions of this section or rules promulgated pursuant to it, subject to review, suspension, and reversal by the pollution control agency. The pollution control agency shall, after written notification, have 15 days to review, suspend, modify, or reverse the issuance of the permit. After this period, the action of the county board is final, subject to appeal as provided in chapter 14.

(c) For the purpose of administration of rules adopted under this subdivision, the commissioner and the agency may provide exceptions for cases where the owner of a feedlot has specific written plans to close the feedlot within five years. These exceptions include waiving requirements for major capital improvements.

(d) For purposes of this subdivision, a discharge caused by an extraordinary natural event such as a precipitation event of greater magnitude than the 25-year, 24-hour event, tornado, or flood in excess of the 100-year flood is not a "direct discharge of pollutants."

(e) In adopting and enforcing rules under this subdivision, the commissioner shall cooperate closely with other governmental agencies.

(f) The pollution control agency shall work with the Minnesota extension service, the department of agriculture, the board of water and soil resources, producer groups, local units of government, as well as with appropriate federal agencies such as the Soil Conservation Service and the Agricultural Stabilization and Conservation Service, to notify and educate producers of rules under this subdivision at the time the rules are being developed and adopted and at least every two years thereafter.

(g) The pollution control agency shall adopt rules governing the issuance and denial of permits for livestock feedlots, poultry lots or other animal lots pursuant to this section. A feedlot permit is not required for livestock feedlots with more than ten but less than 50 animal units; provided they are not in shoreland areas. These rules apply both to permits issued by counties and to permits issued by the pollution control agency directly.

(h) The pollution control agency shall exercise supervising authority with respect to the processing of animal lot permit applications by a county.

#### Sec. 9. **EFFECTIVE DATE.**

Sections 1 and 2 apply to rules for which notice of intent to adopt a rule is published after the effective date of those sections.

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## ARTICLE 2

Section 1. Minnesota Statutes 1994, section 3.842, subdivision 2, is amended to read:

Subd. 2. **JURISDICTION.** The jurisdiction of the commission includes all rules as defined in section 14.02, subdivision 4. The commission also has jurisdiction of rules which are filed with the secretary of state in accordance with ~~section sections~~ sections 14.38, subdivisions 5, 6, 7, 8, 9, and 11 ~~or were filed with the secretary of state in accordance with the provisions of section 14.38, subdivisions 5 to 9, which were in effect on the date the rules were filed;~~ 14.386; and 14.388.

The commission may periodically review statutory exemptions to the rule-making provisions of this chapter.

Sec. 2. Minnesota Statutes 1994, section 3.842, subdivision 4, is amended to read:

Subd. 4. **SUSPENSIONS.** (a) The commission may, on any of the grounds listed in paragraph (b) and on the basis of the testimony received at the public hearings, suspend any rule complained of by the affirmative vote of at least six members provided the provisions of section 3.844 have been met. If any rule is suspended, the commission shall as soon as possible place before the legislature, at the next year's session, a bill to repeal the suspended rule. If the bill is not enacted in that year's session, the rule is effective upon adjournment of the session unless the agency has repealed it. If the bill is enacted, the rule is repealed.

(b) A rule suspension under paragraph (a) must be based on one or more of the following reasons:

(1) an absence of statutory authority;

(2) an emergency relating to public health, safety, or welfare;

(3) a failure to comply with legislative intent;

(4) a conflict with state law;

(5) a change in circumstances since enactment of the earliest law upon which the rule is based;

(6) arbitrariness and capriciousness, or imposition of an undue hardship.

(c) This section authorizes the commission to suspend a rule only when the vote to suspend is taken, and the effective date of the suspension occurs, at a time when the legislature could not enact a bill to repeal the rule.

Sec. 3. Minnesota Statutes 1994, section 3.842, is amended by adding a subdivision to read:

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Subd. 4a. OBJECTIONS TO RULES. (a) If the legislative commission to review administrative rules objects to all or some portion of a rule because the commission considers it to be beyond the procedural or substantive authority delegated to the agency, including a proposed rule submitted under section 14.15, subdivision 4, or 14.26, subdivision 3, paragraph (c), the commission may file that objection in the office of the secretary of state. The filed objection must contain a concise statement of the commission's reasons for its action. An objection to a proposed rule submitted under section 14.15, subdivision 4, or 14.26, subdivision 3, paragraph (c), may not be filed before the rule is adopted.

(b) The secretary of state shall affix to each objection a certification of the date and time of its filing and as soon after the objection is filed as practicable shall transmit a certified copy of it to the agency issuing the rule in question and the revisor of statutes. The secretary of state shall also maintain a permanent register open to public inspection of all objections by the commission.

(c) The legislative commission to review administrative rules shall publish and index an objection filed under this section in the next issue of the State Register. The revisor of statutes shall indicate its existence adjacent to the rule in question when that rule is published in Minnesota Rules.

(d) Within 14 days after the filing of an objection by the commission to a rule, the issuing agency shall respond in writing to the commission. After receipt of the response, the commission may withdraw or modify its objection.

(e) After the filing of an objection by the commission that is not subsequently withdrawn, the burden is upon the agency in any proceeding for judicial review or for enforcement of the rule to establish that the whole or portion of the rule objected to is valid.

(f) The failure of the commission to object to a rule is not an implied legislative authorization of its validity.

(g) Pursuant to sections 14.44 and 14.45, the commission may petition for a declaratory judgment to determine the validity of any rule objected to by the commission.

This action must be started within two years after an objection is filed in the office of the secretary of state.

(h) The commission may intervene in litigation arising from agency action. For purposes of this paragraph, agency action means the whole or part of a rule, or the failure to issue a rule.

Sec. 4. Minnesota Statutes 1994, section 4A.05, subdivision 2, is amended to read:

Subd. 2. FEES. The director shall set fees under section ~~16A.128, subdivision 2,~~ 16A.1285 reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state

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treasury and credited to the land management information center revolving account. Money in the account is appropriated to the director for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the office that is attributable to the land management information system. The director may require a state agency to make an advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution.

Sec. 5. Minnesota Statutes 1994, section 14.04, is amended to read:

**14.04 AGENCY ORGANIZATION; GUIDEBOOK.**

To assist interested persons dealing with it, each agency shall, in a manner prescribed by the commissioner of administration, prepare a description of its organization, stating the ~~process whereby~~ general course and method of its operations and where and how the public may obtain information or make submissions or requests. The commissioner of administration shall publish these descriptions at least once every four years commencing in 1981 in a guidebook of state agencies. Notice of the publication of the guidebook shall be published in the State Register and given in newsletters, newspapers, or other publications, or through other means of communication.

Sec. 6. Minnesota Statutes 1994, section 14.05, subdivision 2, is amended to read:

Subd. 2. **AUTHORITY TO MODIFY PROPOSED RULE.** (a) An agency may modify a proposed rule in accordance with the procedures of the administrative procedure act. However, an agency may not modify a proposed rule so that it is substantially different from the proposed rule in the notice of intent to adopt rules or notice of hearing.

(b) A modification does not make a proposed rule substantially different if:

(1) the differences are within the scope of the matter announced in the notice of intent to adopt or notice of hearing and are in character with the issues raised in that notice;

(2) the differences are a logical outgrowth of the contents of the notice of intent to adopt or notice of hearing and the comments submitted in response to the notice; and

(3) the notice of intent to adopt or notice of hearing provided fair warning that the outcome of that rulemaking proceeding could be the rule in question.

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(c) In determining whether the notice of intent to adopt or notice of hearing provided fair warning that the outcome of that rulemaking proceeding could be the rule in question the following factors must be considered:

(1) the extent to which persons who will be affected by the rule should have understood that the rulemaking proceeding on which it is based could affect their interests;

(2) the extent to which the subject matter of the rule or issues determined by the rule are different from the subject matter or issues contained in the notice of intent to adopt or notice of hearing; and

(3) the extent to which the effects of the rule differ from the effects of the proposed rule contained in the notice of intent to adopt or notice of hearing.

Sec. 7. Minnesota Statutes 1994, section 14.05, is amended by adding a subdivision to read:

Subd. 5. REVIEW AND REPEAL OF RULES. By December 1 of each year, an agency shall submit a list of all the rules of the agency to the governor, the legislative commission to review administrative rules, and the revisor of statutes. The list must identify any rules that are obsolete and should be repealed. The list must also include an explanation of why the rule is obsolete and the agency's timetable for repeal.

Sec. 8. Minnesota Statutes 1994, section 14.06, is amended to read:

#### 14.06 **REQUIRED RULES.**

(a) Each agency shall adopt rules, in the form prescribed by the revisor of statutes, setting forth the nature and requirements of all formal and informal procedures related to the administration of official agency duties to the extent that those procedures directly affect the rights of or procedures available to the public.

(b) Upon the request of any person, and as soon as feasible and to the extent practicable, each agency shall adopt rules to supersede those principles of law or policy lawfully declared by the agency as the basis for its decisions in particular cases it intends to rely on as precedents in future cases. This paragraph does not apply to the public utilities commission.

Sec. 9. Minnesota Statutes 1994, section 14.08, is amended to read:

#### 14.08 **REVISOR OF STATUTES APPROVAL OF RULE AND RULE FORM; COSTS.**

(a) Two copies of a rule adopted pursuant to the provisions of section 14.26 or 14.32 shall be submitted by the agency to the attorney general chief administrative law judge. The attorney general chief administrative law judge shall send one copy of the rule to the revisor on the same day as it is submitted by the

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agency under section 14.26 ~~or 14.32~~. Within five days after receipt of the rule, excluding weekends and holidays, the revisor shall either return the rule with a certificate of approval of the form of the rule to the attorney general chief administrative law judge or notify the ~~attorney general chief administrative law judge~~ and the agency that the form of the rule will not be approved.

If the ~~attorney general chief administrative law judge~~ disapproves a rule, the agency may modify it and the agency shall submit two copies of the modified rule to the attorney general chief administrative law judge who shall send a copy to the revisor for approval as to form as described in this paragraph.

(b) One copy of a rule adopted after a public hearing shall be submitted by the agency to the revisor for approval of the form of the rule. Within five working days after receipt of the rule, the revisor shall either return the rule with a certificate of approval to the agency or notify the agency that the form of the rule will not be approved.

(c) If the revisor refuses to approve the form of the rule, the revisor's notice shall revise the rule so it is in the correct form.

(d) The ~~attorney general chief administrative law judge~~ shall assess an agency for the ~~attorney general's~~ actual cost of processing rules under this section. ~~The agency shall pay the attorney general's assessments using the procedures of section 8.15.~~ Each agency shall include in its budget money to pay the ~~attorney general's~~ assessments. Receipts from the assessment must be deposited in the ~~state treasury and credited to the general fund~~ administrative hearings account created in section 14.54.

Sec. 10. Minnesota Statutes 1994, section 14.09, is amended to read:

#### 14.09 PETITION FOR ADOPTION OF RULE.

Any ~~interested~~ person may petition an agency requesting the adoption, ~~suspension,~~ amendment, or repeal of any rule. The petition shall be specific as to what action is requested and the need for the action. Upon receiving a petition an agency shall have 60 days in which to make a specific and detailed reply in writing as to its planned disposition of the request and the reasons for its planned disposition of the request. If the agency states its intention to hold a public hearing on the subject of the request, it shall proceed according to sections 14.05 to ~~14.36~~ 14.28. The ~~attorney general chief administrative law judge~~ shall prescribe by rule the form for all petitions under this section and may prescribe further procedures for their submission, consideration, and disposition.

#### Sec. 11. [14.101] ADVICE ON POSSIBLE RULES.

Subdivision 1. REQUIRED NOTICE. In addition to seeking information by other methods designed to reach persons or classes of persons who might be affected by the proposal, an agency, at least 60 days before publication of a notice of intent to adopt or a notice of hearing, shall solicit comments from the

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public on the subject matter of a possible rulemaking proposal under active consideration within the agency by causing notice to be published in the State Register. The notice must include a description of the subject matter of the proposal, the types of groups and individuals likely to be affected, and indicate where, when, and how persons may comment on the proposal and whether and how drafts of any proposal may be obtained from the agency.

This notice must be published within 60 days of the effective date of any new statutory grant of required rulemaking.

Subd. 2. ADVISORY COMMITTEES. Each agency may also appoint committees to comment, before publication of a notice of intent to adopt or a notice of hearing, on the subject matter of a possible rulemaking under active consideration within the agency. The membership of those committees must be published at least annually in the State Register.

Subd. 3. EFFECT OF GOOD FAITH COMPLIANCE. If an agency has made a good faith effort to comply with this section, a rule may not be invalidated on the grounds that the contents of this notice are insufficient or inaccurate.

**Sec. 12. [14.125] TIME LIMIT ON AUTHORITY TO ADOPT, AMEND, OR REPEAL RULES.**

An agency shall publish a notice of intent to adopt rules or a notice of hearing within 18 months of the effective date of the law authorizing or requiring rules to be adopted, amended, or repealed. If the notice is not published within the time limit imposed by this section, the authority for the rules expires. The agency shall not use other law in existence at the time of the expiration of rule-making authority under this section as authority to adopt, amend, or repeal these rules.

An agency that publishes a notice of intent to adopt rules or a notice of hearing within the time limit specified in this section may subsequently amend or repeal the rules without additional legislative authorization.

Sec. 13. Minnesota Statutes 1994, section 14.131, is amended to read:

**14.131 STATEMENT OF NEED AND REASONABLENESS.**

Before the agency orders the publication of a rulemaking notice required by section 14.14, subdivision 1a, the agency must prepare, review, and make available for public review a statement of the need for and reasonableness of the rule and a fiscal note if required by section 3.982. The statement of need and reasonableness must be prepared under rules adopted by the chief administrative law judge, and must include the following to the extent the agency, through reasonable effort, can ascertain this information:

(1) a description of the classes of persons who probably will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule;

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(2) the probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues;

(3) a determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule;

(4) a description of any alternative methods for achieving the purpose of the proposed rule that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule;

(5) the probable costs of complying with the proposed rule; and

(6) an assessment of any differences between the proposed rule and existing federal regulations and a specific analysis of the need for and reasonableness of each difference.

For rules setting, adjusting, or establishing regulatory, licensure, or other charges for goods and services, the statement of need and reasonableness must include the comments and recommendations of the commissioner of finance and must address any fiscal and policy concerns raised during the review process, as required by section 16A.1285.

The statement must also describe the agency's efforts to provide additional notification to persons or classes of persons who may be affected by the proposed rule or must explain why these efforts were not made.

The agency shall send a copy of the statement of need and reasonableness to the legislative commission to review administrative rules when it becomes available for public review.

Sec. 14. Minnesota Statutes 1994, section 14.14, subdivision 1a, is amended to read:

Subd. 1a. **NOTICE OF RULE HEARING.** (a) Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of rule ~~hearings~~ proceedings. The agency may inquire as to whether those persons on the list wish to maintain their names thereon and may remove names for which there is a negative reply or no reply within 60 days. The agency shall, at least 30 days prior to the date set for the hearing, give notice of its intention to adopt rules by United States mail to all persons on its list, and by publication in the State Register. The mailed notice shall include either a copy of the proposed rule or a description of the nature and effect of the proposed rule and an announcement that a free copy of the proposed rule is available on request from the agency. Each agency may, at its own discretion, also contact persons not on its list ~~and may give who may be affected by the rule being proposed.~~ In addition, each agency shall make reasonable efforts to notify persons or classes of persons who may be significantly affected by the rule being proposed by giving notice of its intention in newsletters, newspapers, or other

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publications, or through other means of communication. The notice in the State Register must include the proposed rule or an amended rule in the form required by the revisor under section 14.07, together with a citation to the most specific statutory authority for the proposed rule, a statement of the place, date, and time of the public hearing, a statement that persons may register with the agency for the purpose of receiving notice of rule proceedings and notice that a rule has been adopted, and other information as required by law or rule. When an entire rule is proposed to be repealed, the agency need only publish that fact, giving the citation to the rule to be repealed in the notice.

(b) The legislative commission to review administrative rules may authorize an agency to omit from the notice of rule hearing the text of any proposed rule, the publication of which would be unduly cumbersome, expensive, or otherwise inexpedient if:

(1) knowledge of the rule is likely to be important to only a small class of persons;

(2) the notice of rule hearing states that a free copy of the entire rule is available upon request to the agency; and

(3) the notice of rule hearing states in detail the specific subject matter of the omitted rule, cites the statutory authority for the proposed rule, and details the proposed rule's purpose and motivation.

Sec. 15. Minnesota Statutes 1994, section 14.15, subdivision 3, is amended to read:

Subd. 3. **FINDING OF SUBSTANTIAL CHANGE DIFFERENCE.** If the report contains a finding that a rule has been modified in a way which makes it substantially different, as determined under section 14.05, subdivision 2, from that which was originally proposed, or that the agency has not met the requirements of sections 14.131 to 14.18, it shall be submitted to the chief administrative law judge for approval. If the chief administrative law judge approves the finding of the administrative law judge, the chief administrative law judge shall advise the agency and the revisor of statutes of actions which will correct the defects. The agency shall not adopt the rule until the chief administrative law judge determines that the defects have been corrected or, if applicable, that the agency has satisfied the rule requirements for the adoption of a substantially different rule.

Sec. 16. Minnesota Statutes 1994, section 14.15, subdivision 4, is amended to read:

Subd. 4. **NEED OR REASONABLENESS NOT ESTABLISHED.** If the chief administrative law judge determines that the need for or reasonableness of the rule has not been established pursuant to section 14.14, subdivision 2, and if the agency does not elect to follow the suggested actions of the chief administrative law judge to correct that defect, then the agency shall submit the proposed

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rule to the legislative commission to review administrative rules for the commission's advice and comment. The agency shall not adopt the rule until it has received and considered the advice of the commission. However, the agency is not required to ~~delay adoption longer wait for the~~ commission's advice for more than 30 60 days after the commission has received the agency's submission. ~~Advice of the commission shall not be binding on the agency.~~

Sec. 17. Minnesota Statutes 1994, section 14.16, subdivision 1, is amended to read:

Subdivision 1. **REVIEW OF MODIFICATIONS.** If the report of the administrative law judge finds no defects, the agency may proceed to adopt the rule. After receipt of the administrative law judge's report, if the agency makes any modifications to the rule other than those recommended by the administrative law judge, it must return the rule to the chief administrative law judge for a review on the issue of substantial change whether the rule as modified is substantially different, as determined under section 14.05, subdivision 2, from the rule as originally proposed. If the chief administrative law judge determines that the modified rule is substantially different from that which was originally proposed, the chief administrative law judge shall advise the agency of actions which will correct the defects. The agency shall not adopt the modified rule until the chief administrative law judge determines that the defects have been corrected or, if applicable, that the agency has satisfied the rule requirements for the adoption of a substantially different rule.

The agency shall give notice to all persons who requested to be informed that the rule has been adopted and filed with the secretary of state. This notice shall be given on the same day that the rule is filed.

Sec. 18. Minnesota Statutes 1994, section 14.18, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** A rule is effective after it has been subjected to all requirements described in sections 14.131 to 14.20 and five working days after the notice of adoption is published in the State Register unless a later date is required by law or specified in the rule. If the rule adopted is the same as the proposed rule, publication may be made by publishing notice in the State Register that the rule has been adopted as proposed and by citing the prior publication. If the rule adopted differs from the proposed rule, the portions of the adopted rule which differ from the proposed rule shall be included in the notice of adoption together with a citation to the prior State Register publication of the remainder of the proposed rule. The nature of the modifications must be clear to a reasonable person when the notice of adoption is considered together with the State Register publication of the proposed rule, except that modifications may also be made which comply with the form requirements of section 14.07, subdivision 7.

If the agency omitted from the notice of proposed rule adoption the text of the proposed rule, as permitted by section 14.14, subdivision 1a, paragraph (b), the legislative commission to review administrative rules may provide that the

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notice of the adopted rule need not include the text of any changes from the proposed rule. However, the notice of adoption must state in detail the substance of the changes made from the proposed rule, and must state that a free copy of that portion of the adopted rule that was the subject of the rulemaking proceeding, not including any material adopted by reference as permitted by section 14.07, is available upon request to the agency.

Sec. 19. Minnesota Statutes 1994, section 14.19, is amended to read:

#### 14.19 DEADLINE TO COMPLETE RULEMAKING.

The agency shall, within 180 days after issuance of the administrative law judge's report, submit its notice of adoption, amendment, ~~suspension~~, or repeal to the State Register for publication. If the agency has not submitted its notice to the State Register within 180 days, the rule is automatically withdrawn. The agency shall not adopt the withdrawn rules without again following the procedures of sections 14.05 to 14.36. It shall report to the legislative commission to review administrative rules, other appropriate committees of the legislature, and the governor its failure to adopt rules and the reasons for that failure. The 180-day time limit of this section does not include any days used for review by the chief administrative law judge, ~~the attorney general~~, or the legislative commission to review administrative rules if the review is required by law.

Sec. 20. Minnesota Statutes 1994, section 14.22, subdivision 1, is amended to read:

Subdivision 1. **CONTENTS.** (a) Unless an agency proceeds directly to a public hearing on a proposed rule and gives the notice prescribed in section 14.14, subdivision 1a, the agency shall give notice of its intention to adopt a rule without public hearing. The notice shall be given by publication in the State Register and by United States mail to persons who have registered their names with the agency pursuant to section 14.14, subdivision 1a. The mailed notice shall include either a copy of the proposed rule or a description of the nature and effect of the proposed rule and an announcement that a free copy of the proposed rule is available on request from the agency. Each agency may, at its own discretion, also contact persons not on its list who may be affected by the rule being proposed. In addition, each agency shall make reasonable efforts to notify persons or classes of persons who may be significantly affected by the rule by giving notice of its intention in newsletters, newspapers, or other publications, or through other means of communication. The notice in the State Register shall include the proposed rule or the amended rule in the form required by the revisor under section 14.07, ~~and~~ a citation to the most specific statutory authority for the proposed rule, a statement that persons may register with the agency for the purpose of receiving notice of rule proceedings and notice that a rule has been submitted to the chief administrative law judge, and other information as required by law or rule. When an entire rule is proposed to be repealed, the notice need only state that fact, giving the citation to the rule to be repealed in the notice. The notice shall include a statement advising the public:

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(1) that they have 30 days in which to submit comment in support of or in opposition to the proposed rule and that comment is encouraged;

(2) that each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed;

(3) that if 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held;

(4) of the manner in which persons shall request a public hearing on the proposed rule;

(5) ~~that the name and address of the person requesting a public hearing shall be stated of the requirements contained in section 14.25 relating to a written request for a public hearing, and that the requester is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and propose any change proposed desired;~~

(6) that the proposed rule may be modified if the modifications are supported by the data and views submitted; and

(7) that if a hearing is not required, notice of the date of submission of the proposed rule to the ~~attorney general~~ chief administrative law judge for review will be mailed to any person requesting to receive the notice.

In connection with the statements required in clauses (1) and (3), the notice must also include the date on which the 30-day comment period ends.

(b) The legislative commission to review administrative rules may authorize an agency to omit from the notice of intent to adopt the text of any proposed rule, the publication of which would be unduly cumbersome, expensive, or otherwise inexpedient if:

(1) knowledge of the rule is likely to be important to only a small class of persons;

(2) the notice of intent to adopt states that a free copy of the entire rule is available upon request to the agency; and

(3) the notice of intent to adopt states in detail the specific subject matter of the omitted rule, cites the statutory authority for the proposed rule, and details the proposed rule's purpose and motivation.

Sec. 21. Minnesota Statutes 1994, section 14.23, is amended to read:

#### 14.23 STATEMENT OF NEED AND REASONABLENESS.

Before the date of the section 14.22 notice, the agency shall prepare a statement of need and reasonableness which shall be available to the public. The statement of need and reasonableness must include the analysis required in section 14.131 and the comments and recommendations of the commissioner of finance, and must address any fiscal and policy concerns raised during the review process, as required by section 16A.1285. The statement must also describe the agency's efforts to provide additional notification to persons or classes of persons who may be affected by the proposed rules or must explain

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why these efforts were not made. For at least 30 days following the notice, the agency shall afford ~~all interested persons~~ the public an opportunity to request a public hearing and to submit data and views on the proposed rule in writing.

The agency shall send a copy of the statement of need and reasonableness to the legislative commission to review administrative rules when it becomes available to the public.

Sec. 22. Minnesota Statutes 1994, section 14.24, is amended to read:

#### 14.24 MODIFICATIONS OF PROPOSED RULE.

The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a ~~substantial change~~ substantially different rule, as determined under section 14.05, subdivision 2, from the rule as originally proposed. An agency may adopt a substantially different rule after satisfying the rule requirements for the adoption of a substantially different rule.

Sec. 23. Minnesota Statutes 1994, section 14.25, is amended to read:

#### 14.25 PUBLIC HEARING REQUIRED.

Subdivision 1. REQUESTS FOR HEARING. If, during the 30-day period allowed for comment, 25 or more persons submit to the agency a written request for a public hearing of the proposed rule, the agency shall proceed under the provisions of sections 14.14 to 14.20. The written request must include: (1) the name and address of the person requesting the public hearing; and (2) the portion or portions of the rule to which the person objects or a statement that the person opposes the entire rule. A notice of the public hearing must be published in the State Register and mailed to those persons who submitted a written request for the public hearing. Unless the agency has modified the proposed rule, the notice need not include the text of the proposed rule but only a citation to the State Register pages where the text appears.

A written request for a public hearing that does not comply with the requirements of this section is invalid and must not be counted by the agency for purposes of determining whether a public hearing must be held.

Subd. 2. WITHDRAWAL OF HEARING REQUESTS. If a request for a public hearing has been withdrawn, the agency must give written notice of that fact to all persons who have requested the public hearing. The notice must explain why the request is being withdrawn, and must include a description of any action the agency has taken or will take that affected or may have affected the decision to withdraw the request. The notice must also invite persons to submit written comments to the agency relating to the withdrawal. The notice and any written comments received by the agency is part of the rulemaking record submitted to the administrative law judge under section 14.14 or 14.26. The administrative law judge shall review the notice and any comments received and

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determine whether the withdrawal is consistent with section 14.001, clauses (2), (4), and (5).

This subdivision applies only to a withdrawal of a hearing request that affects whether a public hearing must be held and only if the agency has taken any action to obtain the withdrawal of the hearing request.

Sec. 24. Minnesota Statutes 1994, section 14.26, is amended to read:

**14.26 ADOPTION OF PROPOSED RULE; SUBMISSION TO ATTORNEY GENERAL ADMINISTRATIVE LAW JUDGE.**

Subdivision 1. **SUBMISSION.** If no hearing is required, the agency shall submit to the ~~attorney general~~ an administrative law judge assigned by the chief administrative law judge the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the ~~attorney general~~ administrative law judge. This notice shall be given on the same day that the record is submitted. If the proposed rule has been modified, the notice shall state that fact, and shall state that a free copy of the proposed rule, as modified, is available upon request from the agency. The rule and these materials shall be submitted to the ~~attorney general~~ administrative law judge within 180 days of the day that the comment period for the rule is over or the rule is automatically withdrawn. The agency shall report its failure to adopt the rules and the reasons for that failure to the legislative commission to review administrative rules, other appropriate legislative committees, and the governor.

Subd. 2. **RESUBMISSION.** Even if the 180-day period expires while the ~~attorney general~~ administrative law judge reviews the rule, if the ~~attorney general~~ administrative law judge rejects the rule, the agency may resubmit it after taking corrective action. The resubmission must occur within 30 days of when the agency receives written notice of the disapproval. If the rule is again disapproved, the rule is withdrawn. An agency may resubmit at any time before the expiration of the 180-day period. If the agency withholds some of the proposed rule, it may not adopt the withheld portion without again following the procedures of sections 14.14 to 14.28; ~~or 14.29 to 14.36.~~

Subd. 3. **REVIEW.** (a) The ~~attorney general~~ administrative law judge shall, within 14 days, approve or disapprove the rule as to its legality and its form to the extent the form relates to legality, including the ~~issue~~ issues of substantial change whether the rule if modified is substantially different, as determined under section 14.05, subdivision 2, from the rule as originally proposed, and determine whether the agency has the authority to adopt the rule, and whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rule within 14 days. If the rule is approved, the ~~attorney general~~ administrative law judge shall promptly file two copies of it in the office of the secretary of state. The secretary of state shall forward one copy of each rule to

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the revisor of statutes. If the rule is disapproved, the attorney general administrative law judge shall state in writing the reasons and make recommendations to overcome the deficiencies and defects.

(b) The written disapproval must be submitted to the chief administrative law judge for approval. If the chief administrative law judge approves of the findings of the administrative law judge, the chief administrative law judge shall send the statement of the reasons for disapproval of the rule to the agency, the legislative commission to review administrative rules, and the revisor of statutes and advise the agency and the revisor of actions that will correct the defects. The rule shall not be filed in the office of the secretary of state, nor published until the deficiencies chief administrative law judge determines that the defects have been overcome corrected or, if applicable, that the agency has satisfied the rule requirements for the adoption of a substantially different rule. The attorney general shall send a statement of reasons for disapproval of the rule to the agency, the chief administrative law judge, the legislative commission to review administrative rules, and the revisor of statutes, and to the revisor of statutes.

(c) If the chief administrative law judge determines that the need for or reasonableness of the rule has not been established, and if the agency does not elect to follow the suggested actions of the chief administrative law judge to correct that defect, then the agency shall submit the proposed rule to the legislative commission to review administrative rules for the commissioner's advice and comment. The agency shall not adopt the rule until it has received and considered the advice of the commission. However, the agency is not required to wait for the commissioner's advice for more than 60 days after the commission has received the agency's submission.

(d) The attorney general administrative law judge shall disregard any error or defect in the proceeding due to the agency's failure to satisfy any procedural requirements imposed by law or rule if the attorney general administrative law judge finds:

(1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process; or

(2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Subd. 4. COSTS. The attorney general office of administrative hearings shall assess an agency for the actual cost of processing rules under this section. The agency shall pay the attorney general's assessments using the procedures of section 8.15. Each agency shall include in its budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund administrative hearings account created in section 14.54.

Sec. 25. Minnesota Statutes 1994, section 14.365, is amended to read:

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## 14.365 OFFICIAL RULEMAKING RECORD.

The agency shall maintain the official rulemaking record for every rule adopted pursuant to sections 14.05 to ~~14.36~~ 14.28. The record shall be available for public inspection. The record required by this section constitutes the official and exclusive agency rulemaking record with respect to agency action on or judicial review of the rule. The record shall contain:

- (1) copies of all publications in the State Register pertaining to the rule;
- (2) all written petitions, requests, submissions, or comments received by the agency; ~~or the administrative law judge; or the attorney general~~ pertaining to the rule;
- (3) the statement of need and reasonableness for the rule; ~~if any~~;
- (4) the official transcript of the hearing if one was held, or the tape recording of the hearing if a transcript was not prepared;
- (5) the report of the administrative law judge, if any;
- (6) the rule in the form last submitted to the administrative law judge under sections 14.14 to 14.20 or first submitted to the ~~attorney general~~ administrative law judge under sections 14.22 to 14.28;
- (7) the ~~attorney general's~~ administrative law judge's written statement of required modifications and of approval or disapproval by the chief administrative law judge, if any;
- (8) any documents required by applicable rules of the office of administrative hearings ~~or of the attorney general~~;
- (9) the agency's order adopting the rule;
- (10) the revisor's certificate approving the form of the rule; and
- (11) a copy of the adopted rule as filed with the secretary of state.

Sec. 26. **[14.366] PUBLIC RULEMAKING DOCKET.**

- (a) Each agency shall maintain a current, public rulemaking docket.
- (b) The rulemaking docket must contain a listing of the precise subject matter of each possible proposed rule currently under active consideration within the agency for proposal, the name and address of agency personnel with whom persons may communicate with respect to the matter, and an indication of its present status within the agency.
- (c) The rulemaking docket must list each pending rulemaking proceeding. A rulemaking proceeding is pending from the time it is begun, by publication of the notice of solicitation, the notice of intent to adopt, or notice of hearing, to the time it is terminated, by publication of a notice of withdrawal or the rule becoming effective. For each rulemaking proceeding, the docket must indicate:

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- (1) the subject matter of the proposed rule;
- (2) a citation to all published notices relating to the proceeding;
- (3) where written comments on the proposed rule may be inspected;
- (4) the time during which written comments may be made;
- (5) the names of persons who have made written requests for a public hearing, where those requests may be inspected, and where and when the hearing will be held;
- (6) the current status of the proposed rule and any agency determinations with respect to the rule;
- (7) any known timetable for agency decisions or other action in the proceeding;
- (8) the date of the rule's adoption;
- (9) the date the rule was filed with the secretary of state; and
- (10) when the rule will become effective.

Sec. 27. **[14.386] PROCEDURE FOR ADOPTING EXEMPT RULES; DURATION.**

(a) A rule adopted, amended, or repealed by an agency, under a statute authorizing or requiring rules to be adopted but excluded from the rulemaking provisions of chapter 14 or from the definition of a rule, has the force and effect of law only if:

- (1) the revisor of statutes approves the form of the rule by certificate;
- (2) the office of administrative hearings approves the rule as to its legality within 14 days after the agency submits it for approval and files two copies of the rule with the revisor's certificate in the office of the secretary of state; and
- (3) a copy is published by the agency in the State Register.

(b) A rule adopted under this section is effective for a period of two years from the date of publication of the rule in the State Register. The authority for the rule expires at the end of this two-year period.

(c) The chief administrative law judge shall adopt rules relating to the rule approval duties imposed by this section and section 14.388, including rules establishing standards for review.

(d) This section does not apply to rules adopted, amended, or repealed under section 14.388.

This section also does not apply to:

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(1) rules implementing emergency powers pursuant to sections 12.31 to 12.37;

(2) rules of agencies directly in the legislative or judicial branches;

(3) rules of the regents of the University of Minnesota;

(4) rules of the department of military affairs;

(5) rules of the comprehensive health association provided in section 62E.10;

(6) rules of the tax court provided by section 271.06;

(7) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public;

(8) rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term, the internal management of institutions under the commissioner's control, and rules adopted under section 609.105 governing the inmates of those institutions;

(9) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;

(10) opinions of the attorney general;

(11) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;

(12) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932;

(13) the occupational safety and health standards provided in section 182.655;

(14) revenue notices and tax information bulletins of the commissioner of revenue;

(15) uniform conveyancing forms adopted by the commissioner of commerce under section 507.09;

(16) game and fish rules of the commissioner of natural resources adopted under section 84.027, subdivision 13, or sections 97A.0451 to 97A.0459; or

(17) experimental and special management waters designated by the commissioner of natural resources under sections 97C.001 and 97C.005.

Sec. 28. **[14.387] LEGAL STATUS OF EXISTING EXEMPT RULES.**

A rule adopted on or before the day following final enactment of this sec-

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tion, and which was not adopted under sections 14.05 to 14.36 or their predecessor provisions, does not have the force and effect of law on and after July 1, 1997, and the authority for the rule expires on that date.

This section does not apply to:

- (1) rules implementing emergency powers under sections 12.31 to 12.37;
- (2) rules of agencies directly in the legislative or judicial branches;
- (3) rules of the regents of the University of Minnesota;
- (4) rules of the department of military affairs;
- (5) rules of the comprehensive health association provided in section 62E.10;
- (6) rules of the tax court provided by section 271.06;
- (7) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public;
- (8) rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term, the internal management of institutions under the commissioner's control, and rules adopted under section 609.105 governing the inmates of those institutions;
- (9) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;
- (10) opinions of the attorney general;
- (11) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;
- (12) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932;
- (13) the occupational safety and health standards provided in section 182.655;
- (14) revenue notices and tax information bulletins of the commissioner of revenue;
- (15) uniform conveyancing forms adopted by the commissioner of commerce under section 507.09;
- (16) game and fish rules of the commissioner of natural resources adopted under section 84.027, subdivision 13, or sections 97A.0451 to 97A.0459; or
- (17) experimental and special management waters designated by the commissioner of natural resources under sections 97C.001 and 97C.005.

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Sec. 29. **[14.388] GOOD CAUSE EXEMPTION.**

If an agency for good cause finds that the rulemaking provisions of this chapter are unnecessary, impracticable, or contrary to the public interest when adopting, amending, or repealing a rule to:

(1) address a serious and immediate threat to the public health, safety, or welfare;

(2) comply with a court order or a requirement in federal law in a manner that does not allow for compliance with sections 14.14 to 14.28;

(3) incorporate specific changes set forth in applicable statutes when no interpretation of law is required; or

(4) make changes that do not alter the sense, meaning, or effect of a rule,

the agency may adopt, amend, or repeal the rule after satisfying the requirements of section 14.386, paragraph (a), clauses (1) to (3). The agency shall incorporate its findings and a brief statement of its supporting reasons in its order adopting, amending, or repealing the rule.

In review of the rule under section 14.386, the office of administrative hearings shall determine whether the agency has provided adequate justification for its use of this section.

Rules adopted, amended, or repealed under clauses (1) and (2) are effective for a period of two years from the date of publication of the rule in the State Register.

Rules adopted, amended, or repealed under clause (3) or (4) are effective upon publication in the State Register.

Sec. 30. Minnesota Statutes 1994, section 14.48, is amended to read:

**14.48 CREATION OF OFFICE OF ADMINISTRATIVE HEARINGS; CHIEF ADMINISTRATIVE LAW JUDGE APPOINTED; OTHER ADMINISTRATIVE LAW JUDGES APPOINTED.**

A state office of administrative hearings is created. The office shall be under the direction of a chief administrative law judge who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. Senate confirmation of the chief administrative law judge shall be as provided by section 15.066. The chief administrative law judge may hear cases and shall appoint additional administrative law judges and compensation judges to serve in the office as necessary to fulfill the duties prescribed in ~~sections 14.48 to 14.56~~ chapters 14 and chapter 176. The chief administrative law judge may delegate to a subordinate employee the exercise of a specified statutory power or duty as deemed advisable, subject to the control of the chief administrative law judge.

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Every delegation must be by written order filed with the secretary of state. All administrative law judges and compensation judges shall be in the classified service except that the chief administrative law judge shall be in the unclassified service, but may be removed only for cause. All administrative law judges shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner. All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.

Sec. 31. Minnesota Statutes 1994, section 14.51, is amended to read:

#### 14.51 PROCEDURAL RULES FOR HEARINGS.

The chief administrative law judge shall adopt rules to govern: (1) the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings, contested case hearings, and workers' compensation hearings, and to govern the conduct of voluntary mediation sessions for rule-making and contested cases other than those within the jurisdiction of the bureau of mediation services. Temporary rulemaking authority is granted to the chief administrative law judge for the purpose of implementing Laws 1981, chapter 346, sections 2 to 6, 103 to 122, 127 to 135, and 141; and (2) the review of rules adopted without a public hearing. The procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to ~~recessing and reconvening new hearings~~ the procedure to be followed when the proposed final rule of an agency is substantially different, as determined under section 14.05, subdivision 2, from that which was proposed ~~at the public hearing.~~ The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief administrative law judge ~~to determine whether or not a new hearing is required because on the issue of substantial changes whether the proposed final rule of the agency is substantially different than that which was proposed~~ or failure of the agency to meet the requirements of ~~sections 14.131 to 14.18~~ chapter 14. The rules must also provide: (1) an expedited procedure, consistent with section 14.001, clauses (1) to (5), for the adoption of substantially different rules by agencies; and (2) a procedure to allow an agency to receive prior binding approval of its plan regarding the additional notice contemplated under sections 14.101, 14.131, 14.14, 14.22, and 14.23. Upon the chief administrative law judge's own initiative or upon written request of an interested party, the chief administrative law judge may issue a subpoena for the attendance of a witness or the production of books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 32. Minnesota Statutes 1994, section 16A.1285, subdivision 2, is amended to read:

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Subd. 2. **POLICY.** Unless otherwise provided by law, specific charges falling within definitions stipulated in subdivision 1 must be set ~~in the manner prescribed in this subdivision provided that:~~ (1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; ~~or~~ (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.

Unless specifically provided otherwise in statute, in setting, adjusting, or authorizing charges that in whole or in part recover previously unrecovered costs, recovery is limited to those unrecovered costs incurred during the two fiscal years immediately preceding the setting, adjustment, or authorization.

Sec. 33. Minnesota Statutes 1994, section 16A.1285, subdivision 4, is amended to read:

Subd. 4. **RULEMAKING.** (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust ~~individual~~ the following kinds of charges ~~when:~~

(1) charges for goods and services ~~are~~ provided for the direct and primary use of a private individual, business, or other similar entity;

(2) ~~charges are~~ nonrecurring charges;

(3) charges that would produce insignificant revenues;

(4) charges ~~are~~ billed within or between state agencies; ~~or~~

(5) charges ~~are~~ for admissions to or for use of public facilities operated by the state, if the charges are set according to prevailing market conditions to recover operating costs:

~~(b) In addition to the exceptions in paragraph (a), agencies may adjust charges, with the approval of the commissioner of finance, if the; or~~

(6) proposed adjustments to charges that are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments and do not change the type or purpose of the item being adjusted.

~~(e) Any (b)~~ Departmental earnings changes or adjustments authorized by the commissioner of finance or listed in paragraph (a), clause (1), (5), or (6), must be reported by the commissioner of finance to the chairs of the senate committee on finance and the house ways and means committee before ~~August 4~~ November 30 of each year.

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Sec. 34. Minnesota Statutes 1994, section 16A.1285, subdivision 5, is amended to read:

Subd. 5. **PROCEDURE.** The commissioner of finance shall review and comment on all departmental charges submitted ~~for approval~~ under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process.

Sec. 35. Minnesota Statutes 1994, section 17.84, is amended to read:

#### 17.84 DUTIES OF THE COMMISSIONER.

Within 30 days of the receipt of the ~~notices~~ notice provided in section 17.82 ~~or 17.83~~, the commissioner shall review the agency's proposed action, shall negotiate with the agency, and shall recommend to the agency in writing the implementation either of the action as proposed or an alternative. In making recommendations, the commissioner shall follow the statement of policy contained in section 17.80. ~~If the proposed agency action is the adoption of a rule, the recommendation of the commissioner shall be made a part of the record in the rule hearing.~~ If the agency receives no response from the commissioner within 30 days, it shall be deemed a recommendation that the agency take the action as proposed.

Sec. 36. Minnesota Statutes 1994, section 18E.03, subdivision 3, is amended to read:

Subd. 3. **DETERMINATION OF RESPONSE AND REIMBURSEMENT FEE.** (a) The commissioner shall determine the amount of the response and reimbursement fee under subdivision 4 after a public hearing, ~~but notwithstanding section 16A.128~~; based on:

(1) the amount needed to maintain an unencumbered balance in the account of \$1,000,000;

(2) the amount estimated to be needed for responses to incidents as provided in subdivision 2, clauses (1) and (2); and

(3) the amount needed for payment and reimbursement under section 18E.04.

(b) The commissioner shall determine the response and reimbursement fee so that the total balance in the account does not exceed \$5,000,000.

(c) Money from the response and reimbursement fee shall be deposited in the treasury and credited to the agricultural chemical response and reimbursement account.

Sec. 37. Minnesota Statutes 1994, section 43A.04, is amended by adding a subdivision to read:

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Subd. 11. TRAINING FOR AGENCY RULEMAKING STAFF. The commissioner, in cooperation with the office of administrative hearings, the attorney general, the revisor of statutes, and experienced agency rulemaking staff, shall provide training to agency staff involved in rulemaking, including information about the availability of mediators through the office of administrative hearings.

The commissioner may charge agency staff a registration fee for attending this training. The fee must be set at a level that permits the commissioner to recover the costs, excluding costs of staff time for staff positions funded through general fund appropriations, of providing this training.

The office of administrative hearings, the attorney general, agencies involved in providing this training, and the revisor of statutes shall not assess the commissioner for the cost of staff time to conduct the training provided under this subdivision.

Sec. 38. Minnesota Statutes 1994, section 62N.05, is amended by adding a subdivision to read:

Subd. 4. RECOVERY OF COSTS. The provisions of section 16A.1285, subdivision 2, limiting recovery of costs to the two fiscal years immediately preceding the setting, adjustment, or authorization of fees do not apply to fees charged to entities licensed under this chapter. This subdivision expires June 30, 1999.

Sec. 39. Minnesota Statutes 1994, section 84.027, is amended by adding a subdivision to read:

Subd. 13. GAME AND FISH RULES. (a) The commissioner of natural resources may adopt rules under sections 97A.0451 to 97A.0459 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game, to prohibit or allow taking of wild animals to protect a species, and to prohibit or allow importation, transportation, or possession of a wild animal; and

(2) sections 84.093, 84.14, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas.

Clause (2) does not limit or supersede the commissioner's authority to establish opening dates, days, and hours of the wild rice harvesting season under section 84.14, subdivision 3.

(b) If conditions exist that do not allow the commissioner to comply with sections 97A.0451 to 97A.0459, the commissioner may adopt a rule under this subdivision by submitting the rule to the attorney general for review under section 97A.0455, publishing a notice in the State Register and filing the rule with the secretary of state and the legislative commission to review administrative rules, and complying with section 97A.0459, and including a statement of the emergency conditions and a copy of the rule in the notice. The notice may be

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published after it is received from the attorney general or five business days after it is submitted to the attorney general, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under paragraph (b), if:

(1) the commissioner of natural resources determines that an emergency exists;

(2) the attorney general approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 97A.0458, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is adopted.

#### **Sec. 40. [97A.0451] AUTHORITY FOR USE OF EMERGENCY RULES PROCEDURE; EXPIRATION OF AUTHORITY.**

Subdivision 1. WHEN TO USE EMERGENCY RULEMAKING. When the commissioner is directed by statute, federal law, or court order to adopt, amend, suspend, or repeal a rule in a manner that does not allow for compliance with sections 14.14 to 14.28, or if the commissioner is expressly required or authorized by statute to adopt emergency rules, the commissioner shall adopt emergency rules in accordance with sections 97A.0451 to 97A.0459.

Subd. 2. 180-DAY TIME LIMIT. Unless the commissioner is directed by federal law or court order to adopt, amend, suspend, or repeal a rule in a manner that does not allow for compliance with sections 14.14 to 14.28, the commissioner may not adopt an emergency rule later than 180 days after the effective date of the statutory authority, except as provided in section 84.027, subdivision 13. If emergency rules are not adopted within the time allowed, the authority for the rules expires. The time limit of this section does not include any days used for review by the attorney general. If the 180-day period expires while the attorney general is reviewing the rule and the attorney general disapproves the rule,

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the commissioner may resubmit the rule to the attorney general after taking corrective action. The resubmission must occur within five working days after the commissioner receives written notice of disapproval. If the rule is again disapproved by the attorney general, it is withdrawn.

**Sec. 41. [97A.0452] NOTICE OF PROPOSED ADOPTION OF EMERGENCY RULE.**

The proposed emergency rule must be published with a notice of intent to adopt emergency rules in the State Register, and the same notice must be mailed to all persons registered with the commissioner to receive notice of any rulemaking proceedings. The notice must include a statement advising the public that a free copy of the proposed rule is available on request from the commissioner and that notice of the date of submission of the proposed emergency rule to the attorney general will be mailed to any person requesting to receive the notice. For at least 25 days after publication the commissioner shall afford all interested persons an opportunity to submit data and views on the proposed emergency rule in writing. The notice must also include the date on which the 25-day comment period ends.

**Sec. 42. [97A.0453] NOTICE TO COMMITTEES FOR FEES FIXED BY RULE.**

Before the commissioner submits notice to the State Register of intent to adopt emergency rules that establish or adjust fees, the commissioner shall comply with section 16A.128, subdivision 2a.

**Sec. 43. [97A.0454] MODIFICATIONS OF PROPOSED EMERGENCY RULE.**

The proposed emergency rule may be modified if the modifications are supported by the data and views submitted to the commissioner.

**Sec. 44. [97A.0455] SUBMISSION OF PROPOSED EMERGENCY RULE TO ATTORNEY GENERAL.**

Subdivision 1. SUBMISSION. The commissioner shall submit to the attorney general the proposed emergency rule as published, with any modifications. On the same day that it is submitted, the commissioner shall mail notice of the submission to all persons who requested to be informed that the proposed emergency rule has been submitted to the attorney general. If the proposed emergency rule has been modified, the notice must state that fact, and must state that a free copy of the proposed emergency rule, as modified, is available upon request from the commissioner.

Subd. 2. REVIEW. The attorney general shall review the proposed emergency rule as to its legality, review its form to the extent the form relates to legality, and shall approve or disapprove the proposed emergency rule and any modifications on the tenth working day following the date of receipt of the pro-

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posed emergency rule from the commissioner. The attorney general shall send a statement of reasons for disapproval of the rule to the commissioner, the chief administrative law judge, the legislative commission to review administrative rules, and to the revisor of statutes.

The attorney general shall disregard any error or defect in the proceeding due to the commissioner's failure to satisfy any procedural requirement imposed by law or rule if the attorney general finds:

(1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process; or

(2) that the commissioner has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Subd. 3. COSTS. The attorney general shall assess the commissioner for the actual cost of processing rules under this section. The commissioner shall include in the department's budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund.

#### Sec. 45. [97A.0456] EFFECTIVE DATE OF EMERGENCY RULE.

The emergency rule takes effect five working days after approval by the attorney general. The attorney general shall file two copies of the approved emergency rule with the secretary of state. The secretary of state shall forward one copy of each approved and filed emergency rule to the revisor of statutes. Failure of the attorney general to approve or disapprove a proposed emergency rule within ten working days is approval.

#### Sec. 46. [97A.0457] PUBLICATION OF APPROVAL.

As soon as practicable, notice of the attorney general's decision must be published in the State Register and the adopted rule must be published in the manner as provided for adopted rules in section 14.18.

#### Sec. 47. [97A.0458] EFFECTIVE PERIOD OF EMERGENCY RULE.

Emergency rules adopted under sections 97A.0451 to 97A.0459 shall be effective for the period stated in the notice of intent to adopt emergency rules which may not be longer than 180 days. The emergency rules may be continued in effect for an additional period of up to 180 days if the commissioner gives notice of continuation by publishing notice in the State Register and mailing the same notice to all persons registered with the commissioner to receive notice of any rulemaking proceedings. The continuation is not effective until these notices have been mailed. No emergency rule may remain in effect on a date 361 days after its original effective date. The emergency rules may not be continued in effect after 360 days without following the procedure of sections 14.14 to 14.28.

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Sec. 48. **[97A.0459] APPROVAL OF FORM OF EMERGENCY RULE.**

No approved emergency rule shall be filed with the secretary of state or published in the State Register unless the revisor of statutes has certified that the emergency rule's form is approved.

Sec. 49. Minnesota Statutes 1994, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. **PERMIT FEES.** (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of reviewing and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The agency shall adopt rules under section 16A.128 establishing the amounts and methods of collection of any permit fees collected under this subdivision. The fee schedule must reflect reasonable and routine permitting, implementation, and enforcement costs. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the special revenue account.

(b) Notwithstanding paragraph (a), ~~and section 16A.128, subdivision 1,~~ the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., or section 116.081. The annual fee shall be used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., and sections of this chapter and the rules adopted under this chapter related to air contamination and noise. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; providing information to the public about these activities; and, after June 30, 1992, the costs of acid deposition monitoring currently assessed under section 116C.69, subdivision 3.

(c) The agency shall adopt fee rules in accordance with the procedures in section ~~16A.128, subdivisions 1a and 2a,~~ 16A.1285 that will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) in fiscal years 1992 and 1993, the amount appropriated by the legislature

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from the air quality account in the environmental fund for the agency's air quality program;

(2) for fiscal year 1994 and thereafter, an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated; and

(3) for fiscal year 1994 and thereafter, the agency fee rules may also result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (2) that is regulated under Minnesota Rules, chapter 7005, or for which a state primary ambient air quality standard has been adopted.

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules any amount in excess of 4,000 tons per year of each air pollutant from a source.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year beginning after fiscal year 1993 by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in an air quality account in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Persons who wish to construct or expand an air emission facility may offer to reimburse the agency for the costs of staff overtime or consultant services needed to expedite permit review. The reimbursement shall be in addition to fees imposed by paragraphs (a) to (d). When the agency determines that it needs additional resources to review the permit application in an expedited manner, and that expediting the review would not disrupt air permitting program priorities, the agency may accept the reimbursement. Reimbursements accepted by the agency are appropriated to the agency for the purpose of reviewing the permit application. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit and shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations.

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Sec. 50. Minnesota Statutes 1994, section 144.98, subdivision 3, is amended to read:

Subd. 3. **FEES.** (a) An application for certification under subdivision 1 must be accompanied by the annual fee specified in this subdivision. The fees are for:

- (1) base certification fee, \$250; and
- (2) test category certification fees:

Test Category	Certification Fee
Bacteriology	\$100
Inorganic chemistry, fewer than four constituents	\$ 50
Inorganic chemistry, four or more constituents	\$150
Chemistry metals, fewer than four constituents	\$100
Chemistry metals, four or more constituents	\$250
Volatile organic compounds	\$300
Other organic compounds	\$300

(b) The total annual certification fee is the base fee plus the applicable test category fees. The annual certification fee for a contract laboratory is 1.5 times the total certification fee.

(c) Laboratories located outside of this state that require an on-site survey will be assessed an additional \$1,200 fee.

(d) The commissioner of health may adjust fees under section ~~16A.128, subdivision 2~~ 16A.1285 without rulemaking. Fees must be set so that the total fees support the laboratory certification program. Direct costs of the certification service include program administration, inspections, the agency's general support costs, and attorney general costs attributable to the fee function.

Sec. 51. Minnesota Statutes 1994, section 221.0335, is amended to read:

**221.0335 HAZARDOUS MATERIALS TRANSPORTATION REGISTRATION; FEES.**

A person required to file a registration statement under section 106(c) of the federal Hazardous Materials Transportation Safety Act of 1990 may not transport a hazardous material unless the person files an annual hazardous materials registration statement with the commissioner and pays a fee. The commissioner shall adopt rules to implement this section, including administration of the registration program and establishing registration fees. A fee may not exceed a person's annual registration fee under the federal act. Fees must be set in accordance with section ~~16A.128, subdivision 1a,~~ 16A.1285 to cover the costs of administering and enforcing this section and the costs of hazardous materials incident response capability under sections 299A.48 to 299A.52 and 299K.095. All fees collected under this section must be deposited in the general fund.

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Sec. 52. Minnesota Statutes 1994, section 326.2421, subdivision 3, is amended to read:

Subd. 3. **ALARM AND COMMUNICATION CONTRACTOR'S LICENSES.** No person may lay out, install, maintain, or repair alarm and communication systems, unless the person is licensed as an alarm and communication contractor under this subdivision, or is a licensed electrical contractor under section 326.242, subdivision 6, or is an employee of the contractor. The board of electricity shall issue an alarm and communication contractor's license to any individual, corporation, partnership, sole proprietorship, or other business entity that provides adequate proof that a bond and insurance in the amounts required by section 326.242, subdivision 6, have been obtained by the applicant. The board ~~may initially shall~~ set license fees ~~without rulemaking~~, pursuant to section ~~16A.128~~ 16A.1285. Installation of alarm and communication systems are subject to inspection and inspection fees as provided in section 326.244, subdivision 1a.

Sec. 53. Minnesota Statutes 1994, section 341.10, is amended to read:

#### 341.10 LICENSE FEES.

The board shall have authority to collect and require the payment of a license fee in an amount set by the board from the owners of franchises or licenses. ~~Notwithstanding section 16A.128, subdivision 1a;~~ The fee is not subject to approval by the commissioner of finance and need not recover all costs. The board shall require the payment of the fee at the time of the issuance of the license or franchise to the owner. The moneys so derived shall be collected by the board and paid to the state treasurer. The board shall have authority to license all boxers, managers, seconds, referees and judges and may require them to pay a license fee. All moneys collected by the board from such licenses shall be paid to the state treasurer.

#### Sec. 54. APPROPRIATION.

(a) \$35,000 is appropriated from the general fund to the administrative hearings account in Minnesota Statutes, section 14.54, for the purposes of section 55. The appropriation is available until spent and must be reimbursed to the general fund by June 30, 1997.

(b) The office of the attorney general shall transfer \$15,000 in fiscal year 1996 to the office of administrative hearings.

#### Sec. 55. TRANSFER OF RULE REVIEW AUTHORITY.

(a) The rule review duties of the office of the attorney general are transferred to the office of administrative hearings on January 1, 1996. Minnesota Statutes, section 15.039, does not apply to this transfer.

(b) Proposed rules for which a notice under Minnesota Statutes, section 14.22 or 14.30, has been published in the State Register before January 1, 1996, shall continue to be reviewed by the attorney general under the rule review authority transferred by this article and are governed by Minnesota Statutes 1994, chapter 14, and Minnesota Rules, chapter 2010.

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(c) Except as otherwise provided in paragraph (b), Minnesota Rules, chapter 2010, shall be enforced by the office of administrative hearings until it is amended or repealed by that office.

**Sec. 56. REVISOR INSTRUCTION.**

The revisor of statutes shall correct or remove the references in Minnesota Statutes and Minnesota Rules to the statutory sections repealed in this article.

The revisor of statutes shall change the terms "office of attorney general," "attorney general," or similar terms to "office of administrative hearings," "chief administrative law judge," "administrative law judge," or similar terms in Minnesota Rules, chapter 2010, to reflect the intent of the legislature to transfer the attorney general's rule review functions in the manner provided in this article.

**Sec. 57. REPEALER.**

(a) Minnesota Statutes 1994, sections 3.846; 14.11; 14.115; 14.12; 14.1311; 14.235; and 17.83, are repealed.

(b) Minnesota Statutes 1994, sections 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; and 14.36, are repealed.

(c) Minnesota Statutes 1994, section 14.10, is repealed.

**Sec. 58. EFFECTIVE DATE.**

Sections 1 to 3; 5; 7; 8; 11; 16; 28; 35; 57, paragraph (c); and the rulemaking authority granted in sections 27 and 31 are effective the day following final enactment. Section 12 applies to laws authorizing or requiring rulemaking that are finally enacted after January 1, 1996. Section 32 is effective for costs incurred after June 30, 1995. Sections 4, 33, 34, 36, and 49 to 54 are effective July 1, 1995. The remainder of the article is effective January 1, 1996.

**ARTICLE 3**

**Section 1. REPEALER; DEPARTMENT OF AGRICULTURE.**

Minnesota Rules, parts 1540.0010, subparts 12, 18, 21, 22, and 24; 1540.0060; 1540.0070; 1540.0080; 1540.0100; 1540.0110; 1540.0120; 1540.0130; 1540.0140; 1540.0150; 1540.0160; 1540.0170; 1540.0180; 1540.0190; 1540.0200; 1540.0210; 1540.0220; 1540.0230; 1540.0240; 1540.0260; 1540.0320; 1540.0330; 1540.0340; 1540.0350; 1540.0370; 1540.0380; 1540.0390; 1540.0400; 1540.0410; 1540.0420; 1540.0440; 1540.0450; 1540.0460; 1540.0490; 1540.0500; 1540.0510; 1540.0520; 1540.0770; 1540.0780; 1540.0800; 1540.0810; 1540.0830; 1540.0880; 1540.0890; 1540.0900; 1540.0910; 1540.0920; 1540.0930; 1540.0940; 1540.0950; 1540.0960; 1540.0970; 1540.0980; 1540.0990; 1540.1000;

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1540.1005; 1540.1010; 1540.1020; 1540.1030; 1540.1040; 1540.1050;  
1540.1060; 1540.1070; 1540.1080; 1540.1090; 1540.1100; 1540.1110;  
1540.1120; 1540.1130; 1540.1140; 1540.1150; 1540.1160; 1540.1170;  
1540.1180; 1540.1190; 1540.1200; 1540.1210; 1540.1220; 1540.1230;  
1540.1240; 1540.1250; 1540.1255; 1540.1260; 1540.1280; 1540.1290;  
1540.1300; 1540.1310; 1540.1320; 1540.1330; 1540.1340; 1540.1350;  
1540.1360; 1540.1380; 1540.1400; 1540.1410; 1540.1420; 1540.1430;  
1540.1440; 1540.1450; 1540.1460; 1540.1470; 1540.1490; 1540.1500;  
1540.1510; 1540.1520; 1540.1530; 1540.1540; 1540.1550; 1540.1560;  
1540.1570; 1540.1580; 1540.1590; 1540.1600; 1540.1610; 1540.1620;  
1540.1630; 1540.1640; 1540.1650; 1540.1660; 1540.1670; 1540.1680;  
1540.1690; 1540.1700; 1540.1710; 1540.1720; 1540.1730; 1540.1740;  
1540.1750; 1540.1760; 1540.1770; 1540.1780; 1540.1790; 1540.1800;  
1540.1810; 1540.1820; 1540.1830; 1540.1840; 1540.1850; 1540.1860;  
1540.1870; 1540.1880; 1540.1890; 1540.1900; 1540.1905; 1540.1910;  
1540.1920; 1540.1930; 1540.1940; 1540.1950; 1540.1960; 1540.1970;  
1540.1980; 1540.1990; 1540.2000; 1540.2010; 1540.2015; 1540.2020;  
1540.2090; 1540.2100; 1540.2110; 1540.2120; 1540.2180; 1540.2190;  
1540.2200; 1540.2210; 1540.2220; 1540.2230; 1540.2240; 1540.2250;  
1540.2260; 1540.2270; 1540.2280; 1540.2290; 1540.2300; 1540.2310;  
1540.2320; 1540.2325; 1540.2330; 1540.2340; 1540.2350; 1540.2360;  
1540.2370; 1540.2380; 1540.2390; 1540.2400; 1540.2410; 1540.2420;  
1540.2430; 1540.2440; 1540.2450; 1540.2490; 1540.2500; 1540.2510;  
1540.2530; 1540.2540; 1540.2550; 1540.2560; 1540.2570; 1540.2580;  
1540.2590; 1540.2610; 1540.2630; 1540.2640; 1540.2650; 1540.2660;  
1540.2720; 1540.2730; 1540.2740; 1540.2760; 1540.2770; 1540.2780;  
1540.2790; 1540.2800; 1540.2810; 1540.2820; 1540.2830; 1540.2840;  
1540.3420; 1540.3430; 1540.3440; 1540.3450; 1540.3460; 1540.3470;  
1540.3560; 1540.3600; 1540.3610; 1540.3620; 1540.3630; 1540.3700;  
1540.3780; 1540.3960; 1540.3970; 1540.3980; 1540.3990; 1540.4000;  
1540.4010; 1540.4020; 1540.4030; 1540.4040; 1540.4080; 1540.4190;  
1540.4200; 1540.4210; 1540.4220; 1540.4320; 1540.4330; and 1540.4340, are  
repealed.

**Sec. 2. REPEALER; DEPARTMENT OF COMMERCE.**

Minnesota Rules, parts 2642.0120, subpart 1; 2650.0100; 2650.0200;  
2650.0300; 2650.0400; 2650.0500; 2650.0600; 2650.1100; 2650.1200;  
2650.1300; 2650.1400; 2650.1500; 2650.1600; 2650.1700; 2650.1800;  
2650.1900; 2650.2000; 2650.2100; 2650.3100; 2650.3200; 2650.3300;  
2650.3400; 2650.3500; 2650.3600; 2650.3700; 2650.3800; 2650.3900;  
2650.4000; 2650.4100; 2655.1000; 2660.0070; and 2770.7400, are repealed.

**Sec. 3. REPEALER; DEPARTMENT OF HEALTH.**

Minnesota Rules, part 4610.2210, is repealed.

**Sec. 4. REPEALER; DEPARTMENT OF HUMAN SERVICES.**

New language is indicated by underline, deletions by ~~strikeout~~.



Minnesota Rules, parts 9540.0100; 9540.0200; 9540.0300; 9540.0400; 9540.0500; 9540.1000; 9540.1100; 9540.1200; 9540.1300; 9540.1400; 9540.1500; 9540.2000; 9540.2100; 9540.2200; 9540.2300; 9540.2400; 9540.2500; 9540.2600; and 9540.2700, are repealed.

**Sec. 5. REPEALER; POLLUTION CONTROL AGENCY.**

Minnesota Rules, parts 7002.0410; 7002.0420; 7002.0430; 7002.0440; 7002.0450; 7002.0460; 7002.0470; 7002.0480; 7002.0490; 7047.0010; 7047.0020; 7047.0030; 7047.0040; 7047.0050; 7047.0060; 7047.0070; 7100.0300; 7100.0310; 7100.0320; 7100.0330; 7100.0335; 7100.0340; and 7100.0350, are repealed.

**Sec. 6. REPEALER; DEPARTMENT OF PUBLIC SAFETY.**

Minnesota Rules, parts 7510.6100; 7510.6200; 7510.6300; 7510.6350; 7510.6400; 7510.6500; 7510.6600; 7510.6700; 7510.6800; 7510.6900; and 7510.6910, are repealed.

**Sec. 7. REPEALER; DEPARTMENT OF PUBLIC SERVICE.**

Minnesota Rules, parts 7600.0100; 7600.0200; 7600.0300; 7600.0400; 7600.0500; 7600.0600; 7600.0700; 7600.0800; 7600.0900; 7600.1000; 7600.1100; 7600.1200; 7600.1300; 7600.1400; 7600.1500; 7600.1600; 7600.1700; 7600.1800; 7600.1900; 7600.2000; 7600.2100; 7600.2200; 7600.2300; 7600.2400; 7600.2500; 7600.2600; 7600.2700; 7600.2800; 7600.2900; 7600.3000; 7600.3100; 7600.3200; 7600.3300; 7600.3400; 7600.3500; 7600.3600; 7600.3700; 7600.3800; 7600.3900; 7600.4000; 7600.4100; 7600.4200; 7600.4300; 7600.4400; 7600.4500; 7600.4600; 7600.4700; 7600.4800; 7600.4900; 7600.5000; 7600.5100; 7600.5200; 7600.5300; 7600.5400; 7600.5500; 7600.5600; 7600.5700; 7600.5800; 7600.5900; 7600.6000; 7600.6100; 7600.6200; 7600.6300; 7600.6400; 7600.6500; 7600.6600; 7600.6700; 7600.6800; 7600.6900; 7600.7000; 7600.7100; 7600.7200; 7600.7210; 7600.7300; 7600.7400; 7600.7500; 7600.7600; 7600.7700; 7600.7750; 7600.7800; 7600.7900; 7600.8100; 7600.8200; 7600.8300; 7600.8400; 7600.8500; 7600.8600; 7600.8700; 7600.8800; 7600.8900; 7600.9000; 7600.9100; 7600.9200; 7600.9300; 7600.9400; 7600.9500; 7600.9600; 7600.9700; 7600.9800; 7600.9900; 7625.0100; 7625.0110; 7625.0120; 7625.0200; 7625.0210; 7625.0220; and 7625.0230, are repealed.

**Sec. 8. REPEALER; DEPARTMENT OF REVENUE.**

Minnesota Rules, parts 8120.1100, subpart 3; 8121.0500, subpart 2; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; and 8130.9992, are repealed.

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## ARTICLE 4

Section 1. Minnesota Rules, part 1540.2140, is amended to read:

1540.2140 DISPOSITION OF CONDEMNED MEAT OR PRODUCT AT OFFICIAL ESTABLISHMENTS HAVING NO TANKING FACILITIES.

Any carcass or product condemned at an official establishment which has no facilities for tanking shall be denatured with crude carbolic acid, cresylic disinfectant, or other prescribed agent, or be destroyed by incineration under the supervision of a department employee. When such carcass or product is not incinerated it shall be slashed freely with a knife, before the denaturing agent is applied.

Carcasses and products condemned on account of anthrax, ~~and the materials identified in parts 1540.1300 to 1540.1360,~~ which are derived therefrom at establishments which are not equipped with tanking facilities shall be disposed of by complete incineration, or by thorough denaturing with a prescribed denaturant, and then disposed of in accordance with the requirements of the Board of Animal Health, who shall be notified immediately by the inspector in charge.

Sec. 2. Minnesota Rules, part 7001.0140, subpart 2, is amended to read:

Subp. 2. **Agency findings.** The following findings by the agency constitute justification for the agency to refuse to issue a new or modified permit, to refuse permit reissuance, or to revoke a permit without reissuance:

A. that with respect to the facility or activity to be permitted, the proposed permittee or permittees will not comply with all applicable state and federal pollution control statutes and rules administered by the agency, or conditions of the permit;

B. that there exists at the facility to be permitted unresolved noncompliance with applicable state and federal pollution control statutes and rules administered by the agency, or conditions of the permit and that the permittee will not undertake a schedule of compliance to resolve the noncompliance;

C. that the permittee has failed to disclose fully all facts relevant to the facility or activity to be permitted, or that the permittee has submitted false or misleading information to the agency or to the commissioner;

D. that the permitted facility or activity endangers human health or the environment and that the danger cannot be removed by a modification of the conditions of the permit;

E. that all applicable requirements of Minnesota Statutes, chapter 116D and the rules adopted under Minnesota Statutes, chapter 116D have not been fulfilled;

F. that with respect to the facility or activity to be permitted, the proposed

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permittee has not complied with any requirement under parts 7002.0210 to 7002.0310; ~~7002.0410 to 7002.0490~~; or chapter 7046 to pay fees; or

G. that with respect to the facility or activity to be permitted, the proposed permittee has failed to pay a penalty owed under Minnesota Statutes, section 116.072.

Sec. 3. Minnesota Rules, part 7001.0180, is amended to read:

**7001.0180 JUSTIFICATION TO COMMENCE REVOCATION WITHOUT REISSUANCE OF PERMIT.**

The following constitute justification for the commissioner to commence proceedings to revoke a permit without reissuance:

A. existence at the permitted facility of unresolved noncompliance with applicable state and federal pollution statutes and rules or a condition of the permit, and refusal of the permittee to undertake a schedule of compliance to resolve the noncompliance;

B. the permittee fails to disclose fully the facts relevant to issuance of the permit or submits false or misleading information to the agency or to the commissioner;

C. the commissioner finds that the permitted facility or activity endangers human health or the environment and that the danger cannot be removed by a modification of the conditions of the permit;

D. the permittee has failed to comply with any requirement under parts 7002.0210 to 7002.0310; ~~7002.0410 to 7002.0490~~; or chapter 7046 to pay fees; or

E. the permittee has failed to pay a penalty owed under Minnesota Statutes, section 116.072.

Sec. 4. Minnesota Rules, part 8130.3500, subpart 3, is amended to read:

Subp. 3. **Motor carrier direct pay certificate.** A motor carrier direct pay certificate will be issued to qualified electing carriers by the commissioner of revenue and will be effective as of the date shown on the certificate. ~~A facsimile of the authorized motor carrier direct pay certificate is reproduced at part 8130.9958.~~

Sec. 5. Minnesota Rules, part 8130.6500, subpart 5, is amended to read:

Subp. 5. **Sale of aircraft.** When the dealer sells the aircraft, the selling price must be included in gross sales. The fact that the aircraft commercial use permit has not expired or that the dealer has reported and paid use tax on the aircraft has no effect on the taxability of the sale. The dealer must return the aircraft commercial use permit (unless previously returned) when the dealer files the

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sales and use tax return for the month in which the sale was made. No credit or refund is given for the \$20 fee originally paid.

~~A facsimile of the authorized aircraft commercial use permit is reproduced at part 8130.9992.~~

Presented to the governor May 23, 1995

Signed by the governor May 25, 1995, 10:15 a.m.

### CHAPTER 234—S.F.No. 845

*An act relating to health; MinnesotaCare; expanding provisions of health care; establishing requirements for integrated service networks; modifying requirements for health plan companies; repealing the regulated all-payer option; modifying universal coverage and insurance reform provisions; revising the research and data initiatives; modifying eligibility for the MinnesotaCare program; creating the prescription drug purchasing authority; establishing a drug purchasing benefit program for senior citizens; extending the health care commission and regional coordinating boards; making technical changes; providing penalties; appropriating money; amending Minnesota Statutes 1994, sections 13.99, by adding a subdivision; 16A.724; 60A.02, by adding a subdivision; 60B.02; 60B.03, subdivision 2; 60G.01, subdivisions 2, 4, and 5; 62A.10, subdivisions 1 and 2; 62A.65, subdivisions 5 and 8; 62D.02, subdivision 8; 62D.042, subdivision 2; 62D.11, subdivision 1; 62D.181, subdivisions 2, 3, 6, and 9; 62E.05; 62E.141; 62H.04; 62H.08; 62J.017; 62J.04, subdivisions 1a and 3; 62J.05, subdivisions 2 and 9; 62J.06; 62J.09, subdivisions 1, 1a, 2, 6, 8, and by adding a subdivision; 62J.152, subdivision 5; 62J.17, subdivisions 4a, 6a, and by adding a subdivision; 62J.212; 62J.37; 62J.38; 62J.40; 62J.41, subdivisions 1 and 2; 62J.48; 62J.54; 62J.55; 62J.58; 62L.02, subdivisions 11, 16, 24, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.09, subdivision 1; 62L.12, subdivision 2; 62L.17, by adding a subdivision; 62L.18, subdivision 2; 62M.07; 62M.09, subdivision 5; 62M.10, by adding a subdivision; 62N.02, by adding subdivisions; 62N.04; 62N.10, by adding a subdivision; 62N.11, subdivision 1; 62N.13; 62N.14, subdivision 3; 62N.25, subdivision 2; 62P.05, subdivision 4, and by adding a subdivision; 62Q.01, subdivisions 2, 3, 4, and by adding subdivisions; 62Q.03, subdivisions 1, 6, 7, 8, 9, 10, and by adding subdivisions; 62Q.07, subdivisions 1 and 2; 62Q.075, subdivision 4; 62Q.09, subdivision 3; 62Q.11, subdivision 2; 62Q.165; 62Q.17, subdivisions 2, 6, 8, and by adding a subdivision; 62Q.18; 62Q.19; 62Q.30; 62Q.32; 62Q.33, subdivisions 4 and 5; 62Q.41; 72A.20, by adding subdivisions; 72A.201, by adding a subdivision; 136A.1355, subdivisions 3 and 5; 136A.1356, subdivisions 3 and 4; 144.1464, subdivisions 2, 3, and 4; 144.147, subdivision 1; 144.1484, subdivision 1; 144.1486, subdivision 4; 144.1487, subdivision 1; 144.1488, subdivisions 1 and 4; 144.1489, subdivisions 1, 3, and 4; 144.1490; 144.1491, subdivision 2; 144.801, by adding a subdivision; 144.804, subdivision 1; 145.414; 148B.32, subdivision 1; 151.48; 214.16, subdivisions 2 and 3; 256.9354, subdivisions 1, 4, 5, and by adding a subdivision; 256.9355, subdivision 2; 256.9357, subdivisions 1, 2, and 3; 256.9358, subdivisions 3, 4, and by adding a subdivision; 256.9363, subdivision 5; 256B.037, subdivisions 1, 3, 4, and by adding subdivisions; 256B.04, by adding a subdivision; 256B.055, by adding a subdivision; 256B.057, by*

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