## STATE OF MINNESOTA

## Journal of the Senate

## EIGHTIETH LEGISLATURE

## EIGHTY-THIRD DAY

St. Paul, Minnesota, Monday, March 2, 1998

The Senate met at 11:00 a.m. and was called to order by the President.

#### **CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Rev. Steven J. Knudson.

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

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

Anderson Hanson Beckman Higgins Belanger Hottinger Berg Janezich Berglin Johnson, D.H. Johnson, D.J. Betzold Cohen Johnson, J.B. Dav Junge Kelley, S.P. Dille Fischbach Kelly, R.C. Kiscaden Flvnn Foley Kleis Frederickson Knutson

Krentz Laidig Langseth Larson Lesswski Lessard Limmer Lourey Marty Metzen Morse Murphy Neuville Novak Oliver Olson Ourada Pappas Pariseau Piper Pogemiller Ranum Robertson Robling Runbeck Sams Scheevel Scheid Solon Spear Stevens Stumpf Ten Eyck Terwilliger Vickerman Wiener Wiger

The President declared a quorum present.

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

## **MEMBERS EXCUSED**

Messrs. Johnson, D.E.; Moe, R.D.; Price and Samuelson were excused from the Session of today.

## **EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

February 27, 1998

The Honorable Allan H. Spear President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 2478.

Warmest regards, Arne H. Carlson, Governor

February 27, 1998

The Honorable Phil Carruthers Speaker of the House of Representatives

The Honorable Allan H. Spear President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1998 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F.	H.F.	Session Laws	Date Approved	Date Filed
No.	No.	Chapter No.	1998	1998
2478	2499	259 260	8:58 a.m. February 27 9:00 a.m. February 27	February 27 February 27

Sincerely, Joan Anderson Growe Secretary of State

## **MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 2354.

Edward A. Burdick, Chief Clerk, House of Representatives

Time and

Returned February 27, 1998

#### SECOND READING OF SENATE BILLS

S.F. No. 3388 was read the second time.

## MOTIONS AND RESOLUTIONS

Remaining on the Order of Business of Motions and Resolutions, Ms. Junge moved that the Senate take up the Calendar. The motion prevailed.

## CALENDAR

**S.F. No. 2545:** A bill for an act relating to crime; requiring individuals convicted of felony indecent exposure to register as predatory offenders; amending Minnesota Statutes 1996, section 243.166, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**H.F. No. 3040:** A bill for an act relating to human services; modifying requirements for documentation of long-term care facility payrolls; amending Minnesota Statutes 1996, section 256B.432, subdivision 8.

Mrs. Lourey moved that H.F. No. 3040 be stricken and placed at the top of General Orders. The motion prevailed.

**S.F. No. 2737:** A bill for an act relating to domestic abuse; clarifying provisions for recognition of orders for protection from other jurisdictions; clarifying service provisions; providing that certain mutual orders are not entitled to full faith and credit; amending Minnesota Statutes 1996, section 518B.01, subdivisions 3a, 5, 6, and by adding a subdivision; Minnesota Statutes 1997 Supplement, section 518B.01, subdivision 14.

Ms. Junge moved that S.F. No. 2737 be stricken and placed on General Orders. The motion prevailed.

**S.F. No. 2594:** A bill for an act relating to juveniles; clarifying laws relating to contributing to a child's delinquency, status as a juvenile petty offender, or need for protection or services; imposing civil and criminal penalties; amending Minnesota Statutes 1996, sections 260.155, subdivision 1; 260.255; and 260.315; Minnesota Statutes 1997 Supplement, section 260.161, subdivision 2; repealing Minnesota Statutes 1996, section 260.261.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Kleis
Beckman	Hanson	Knutson
Belanger	Higgins	Krentz
Berg	Hottinger	Langseth
Berglin	Janezich	Lesewski
Betzold	Johnson, D.H.	Limmer
Cohen	Johnson, D.J.	Lourey
Day	Johnson, J.B.	Marty
Dille	Junge	Murphy
Fischbach	Kelley, S.P.	Neuville
Flynn	Kelly, R.C.	Novak
Foley	Kiscaden	Oliver

Pariseau Piper Pogemiller Ranum Robertson Robling Runbeck Sams Scheevel

Scheid

Olson

Pappas

Solon Spear Stevens Stumpf Ten Eyck Terwilliger Vickerman Wiener Wiger

So the bill passed and its title was agreed to.

**S.F. No. 3068:** A bill for an act relating to workers' compensation; correcting an appropriation error; modifying reporting requirements; eliminating certain reimbursement requirements; amending Minnesota Statutes 1996, sections 176.183, subdivision 2; 176.231, subdivisions 2 and 7; and 176.305, subdivisions 1 and 2; Laws 1997, chapter 200, article 1, section 12, subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Knutson
Beckman	Higgins	Krentz
Belanger	Hottinger	Langseth
Berg	Janezich	Larson
Berglin	Johnson, D.H.	Lesewski
Betzold	Johnson, D.J.	Limmer
Cohen	Johnson, J.B.	Lourey
Dille	Junge	Marty
Fischbach	Kelley, S.P.	Murphy
Flynn	Kelly, R.C.	Neuville
Foley	Kiscaden	Novak
Frederickson	Kleis	Oliver

Olson Pappas Pariseau Piper Pogemiller Ranum Robertson Robling Runbeck Sams Scheevel Scheid Solon Spear Stevens Stumpf Ten Eyck Terwilliger Vickerman Wiener Wiger

So the bill passed and its title was agreed to.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Remaining on the Order of Business of Motions and Resolutions, Ms. Junge moved that the Senate take up the Consent Calendar. The motion prevailed.

#### **CONSENT CALENDAR**

**S.F. No. 3033:** A bill for an act relating to courts; extending the Ramsey county family court combined jurisdiction pilot project; amending Laws 1996, chapter 365, section 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**H.F. No. 3095:** A bill for an act relating to veterans; designating a date in February as Chaplains Day in honor of four United States army chaplains who sacrificed their lives at sea for other service members; proposing coding for new law in Minnesota Statutes, chapter 10.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Krentz	Olson	Solon
Beckman	Higgins	Langseth	Pappas	Spear
Belanger	Hottinger	Larson	Pariseau	Stevens
Berg	Janezich	Lesewski	Piper	Stumpf
Berglin	Johnson, D.H.	Lessard	Pogemiller	Ten Êyck
Betzold	Johnson, D.J.	Limmer	Ranum	Terwilliger
Cohen	Johnson, J.B.	Lourey	Robertson	Vickerman
Day	Junge	Marty	Robling	Wiener
Dille	Kelley, S.P.	Murphy	Runbeck	Wiger
Fischbach	Kelly, R.C.	Neuville	Sams	U
Foley	Kleis	Novak	Scheevel	
Frederickson	Knutson	Oliver	Scheid	

So the bill passed and its title was agreed to.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Remaining on the Order of Business of Motions and Resolutions, Ms. Junge moved that the Senate take up the General Orders Calendar. The motion prevailed.

#### **GENERAL ORDERS**

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

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

S.F. Nos. 2316, 2097, 2382, 3011, 2334, 2581, 2587, 2420, 1654, 2274, 3090, 2372, 2725, 2595, 2207, 2861, 668, 2068, 2586, 1814, 2498, 2945, 2489, 695, 2879 and H.F. Nos. 2612, 2642, 2809, 2736, 2601, 2846, which the committee recommends to pass.

H.F. No. 3040, which the committee recommends to pass, subject to the following motion:

Mrs. Lourey moved that the amendment made to H.F. No. 3040 by the Committee on Rules and Administration in the report adopted February 23, 1998, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 2445, which the committee recommends to pass with the following amendments offered by Messrs. Novak and Betzold:

Mr. Novak moved to amend S.F. No. 2445 as follows:

Page 2, line 36, delete the new language and insert "and provide readily available information regarding the operator's abandoned and out-of-service underground facilities as shown on maps, drawings, diagrams, or other records used in the operator's normal course of business"

Page 3, lines 1 and 2, delete the new language

Page 3, line 31, delete "removed from service" and insert "out-of-service"

Page 3, delete lines 33 to 35 and insert:

"(f) An operator providing information pursuant to this subdivision is not responsible to any person, for any costs, claims, or damages for information provided regarding abandoned or out-of-service underground facilities."

Page 5, line 27, delete the second comma and after the third comma, insert "state or local government,"

Mr. Betzold moved to amend the Novak amendment to S.F. No. 2445 as follows:

Page 1, line 13, after "provided" insert "in good faith"

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

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

H.F. No. 3332, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Amend H.F. No. 3332, as amended pursuant to Rule 49, adopted by the Senate February 25, 1998, as follows:

(The text of the amended House File is identical to S.F. No. 2949.)

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF REGISTRY; PURPOSE; FEES.] (a) The commissioner of health shall establish a putative fathers' adoption registry for the purpose of determining the identity and location of a putative father interested in a minor child who is, or is expected to be, the subject of an adoption proceeding, in order to provide notice of the adoption proceeding to the putative father who is not otherwise entitled to notice under section 259.49, subdivision 1, paragraph (a) or (b), clauses (1) to (7). The commissioner of health may establish informational material and public service announcements necessary to implement this section. Any limitation on a putative father's right to assert an interest in the child as provided in this section applies only in adoption proceedings and only to those putative fathers not entitled to notice and consent under sections 259.24 and 259.49, subdivision 1, paragraph (a) or (b), clauses (1) to (7). The commissioner of bealth has no independent obligation to gather or update the information to be maintained on the registry. It is the registrant's responsibility to update his personal information on the registry.

(b) The putative fathers' adoption registry must contain the following information:

(1) with respect to the putative father, the:

(i) name, including any other names by which the putative father may be known and that he may provide to the registry;

(ii) address at which he may be served with notice of a petition under this chapter, including any change of address;

(iii) social security number, if known;

(iv) date of birth; and

(v) if applicable, a certified copy of an order by a court of another state or territory of the United States adjudicating the putative father to be the father of this child;

(2) with respect to the mother of the child:

(i) name, including all other names known to the putative father by which the mother may be known;

(ii) if known to the putative father, her last address;

(iii) social security number, if known; and

(iv) date of birth;

(3) if known to the putative father, the name, gender, place of birth, and date of birth or anticipated date of birth of the child;

(4) the date that the commissioner of health received the putative father's registration; and

(5) other information the commissioner of health determines by rule to be necessary for the orderly administration of the registry.

(c) The commissioner of health shall notify the mother of the child whenever a putative father has registered with the adoption registry under this section. Notice shall be sent to the name and address submitted by the putative father under paragraph (b), clause (2). If no current address for the mother is submitted by the putative father under paragraph (b), clause (2), the commissioner of health shall not notify the mother. The commissioner of health has no independent obligation to locate the mother. The notice shall be mailed within 14 days of the date that the commissioner received the putative father's adoption registration unless a search has been requested under subdivision 2. There shall be no charge to the birth mother for this notice.

(d) The commissioner of health shall set reasonable fees for the use of the registry; however, a putative father shall not be charged a fee for registering. Revenues generated by the fee must be deposited in the state government special revenue fund and appropriated to the commissioner of health to administer the putative fathers' adoption registry.

Sec. 2. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 4, is amended to read:

Subd. 4. [CLASSIFICATION OF REGISTRY DATA.] Data in the putative fathers' adoption registry are private data on individuals, as defined in section 13.02, subdivision 2. Data in the registry may be released to:

(1) a person who is required to search the registry under subdivision 2, if the data relate to the child who is or may be the subject of the adoption petition;  $\Theta$ 

(2) the mother of the child listed on the putative father's registration form who the commissioner of health is required to notify under subdivision 1, paragraph (c); or

(3) a public authority as provided in subdivision 3.

A person who receives data under this subdivision may use the data only for purposes authorized under this section or other law.

Sec. 3. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 9, is amended to read:

Subd. 9. [NOTICE AND SERVICE FOR THOSE ON PUTATIVE FATHERS' ADOPTION REGISTRY WHO ARE NOT OTHERWISE ENTITLED TO NOTICE.] Any time after conception, an interested party, including persons intending to adopt a child, a child welfare agency with whom the mother has placed or has given written notice of her intention to place a child for adoption, the mother of a child, or any attorney representing an interested party, may file with the court administrator a written request that the putative fathers on the registry who have registered in relation to the child be served with serve by certified mail a putative fathers' adoption registry notice to registered putative father, an intent to claim parental rights with entry of appearance form, and a denial of paternity with entry of appearance form, and a consent to adoption form pursuant to subdivision 11. These documents may be served on a putative father in the same manner as a summons is served in other civil proceedings, or, in lieu of personal service, service may be made as follows:

(a) The person requesting notice shall pay to the court administrator a mailing fee plus the cost of United States postage for certified or registered mail and furnish to the court administrator an original and one copy of the putative fathers' adoption registry notice, the intent to claim parental rights with entry of appearance form, and the denial of paternity with entry of appearance and consent to adoption form together with an affidavit setting forth the putative father's last known address. The original putative fathers' adoption registry notice, the intent to claim parental rights with entry of appearance form, and the denial of paternity with entry of appearance and consent to adoption form must be retained by the court administrator.

(b) The court administrator The interested party or that party's attorney shall mail to the putative father, at the address appearing in the affidavit provided to the registry, the copy of the putative fathers' adoption registry notice to registered putative father, the intent to claim parental rights with entry of appearance form, and the denial of paternity with entry of appearance form, and the consent to adoption form by certified mail, return receipt requested. The envelope and return receipt must bear the return address of the court administrator. The receipt for certified mail must state the name and address of the addressee and the date of mailing and must be attached to the original notice.

(c) (b) The return receipt, when returned to the court administrator filed with the court, must be attached to the original putative fathers' adoption registry notice to registered putative father, the intent to claim parental rights with entry of appearance form, and the denial of paternity with entry of appearance form, and the consent to adoption form and constitutes proof of service.

(d) (c) The court administrator shall note the fact of service in a permanent record.

Sec. 4. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 10, is amended to read:

Subd. 10. [RESPONSE TO PUTATIVE FATHERS' ADOPTION REGISTRY NOTICE TO REGISTERED PUTATIVE FATHER; LIMITATION OF RIGHTS FOR FAILURE TO RESPOND AND UPON FILING OF DISCLAIMER DENIAL OF PATERNITY.] Within 30 days of receipt of the putative fathers' adoption registry notice to registered putative father, the intent to claim parental rights with entry of appearance form, and the denial of paternity with entry of appearance form, and the consent to adoption form, the putative father must file a completed intent to claim parental rights with entry of appearance form with the court administrator stating that he intends to initiate a paternity action within 30 days of receipt of the putative fathers<sup>2</sup> adoption registry notice to registered putative father in order to preserve the right to maintain an interest in the child and receive notice during the pending adoption proceeding. Failure to initiate a paternity action within 30 days of receipt of the putative fathers' adoption registry notice to registered putative father does not act as a bar to receiving notice under section 259.49. If good cause is shown, the putative father must be allowed more time to initiate the paternity action. A putative father who files a completed denial of paternity with entry of appearance form and consent to adoption form or who fails to timely file an intent to claim parental rights with entry of appearance form with the court:

(1) is barred from later bringing or maintaining an action to assert any interest in the child during the pending adoption proceeding concerning the child;

(2) is considered to have waived and surrendered a right to notice of a hearing in any judicial proceeding for adoption of the child, and consent of that person to the adoption of the child is not required; and

(3) is considered to have abandoned the child.

Failure to register is prima facie evidence of sufficient grounds to support termination of the putative father's parental rights.

Sec. 5. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 11, is amended to read:

Subd. 11. [PUTATIVE FATHERS' ADOPTION REGISTRY NOTICE; INTENT TO CLAIM PARENTAL RIGHTS WITH ENTRY OF APPEARANCE FORM; DENIAL OF PATERNITY WITH ENTRY OF APPEARANCE; AND CONSENT TO ADOPTION FORM FORMS.] (a) The putative father's adoption registry notice sent under subdivision 9 must be substantially as follows:

#### "IN THE MATTER OF NOTICE TO ....., REGISTERED PUTATIVE FATHER.

The mother of the child is .....

The mother has indicated that she intends to place the child for adoption.

If you do not file an intent to claim parental rights with entry of appearance form or a request for notice, then whatever legal rights you have with respect to the child, including the right to notice of any future proceedings for the adoption of the child, may be terminated without any further notice to you. When your legal rights with respect to the child are so terminated, you will not be entitled to notice of any proceeding instituted for the adoption of the child.

If you are not the father of the child, you may file with the court administrator the denial of paternity with entry of appearance and consent to adoption form enclosed herewith and you will receive no further notice with respect to the child."

(b) The intent to claim parental rights with entry of appearance form sent under subdivision 9 must be substantially as follows:

#### "INTENT TO CLAIM PARENTAL RIGHTS WITH ENTRY OF APPEARANCE

I, ...., state as follows:

(1) That I am ..... years of age; and I reside at ..... in the County of ......, State of ......

(2) That I have been advised that ..... is the mother of a ..... male/female child named ...... born or expected to be born on or about ...... and that such mother has stated that I am the father of this child.

(3) I declare that I am the father of this child.

(4) I understand that the mother of this child wishes to consent to the adoption of this child. I do not consent to the adoption of this child, and I understand that I must return this intent to claim parental rights with entry of appearance form to the court administrator of ........... County, located at ........., within 30 days of receipt of this notice.

(5) I further understand that I am also obligated to initiate a paternity action under the Parentage Act (Minnesota Statutes, sections 257.51 to 257.74) within 30 days of my receiving the putative fathers' adoption registry notice, or, if the child is not yet born, within 30 days after the birth of the child, unless for good cause shown I am unable to do so. That proceeding is separate and distinct from the above mailing of intent to claim parental rights with entry of appearance form; in the paternity action, I must state that I am, in fact, the father of said child for one or more of the reasons stated in Minnesota Statutes, section 257.55, subdivision 1, and that I intend to retain my legal rights with respect to said child, and request to be notified of any further proceedings with respect to custody or adoption of the child.

(6) I hereby enter my appearance in the above entitled cause.

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I have been duly sworn and I say under oath that I have read and understand this intent to claim parental rights with entry of appearance form. The facts that it contains are true and correct to the best of my knowledge, and I understand that by signing this document I admit my paternity. I have signed this document as my free and voluntary act.

<del>.....</del>

Dated this ..... day of ....., .....

Signed and Sworn Before Me This ...... day of .........

(notary public)"

(c) The denial of paternity with entry of appearance and consent to adoption form sent under subdivision 9 must be substantially as follows:

"DENIAL OF PATERNITY WITH ENTRY OF APPEARANCE AND

#### **CONSENT TO ADOPTION**

I, ...., state as follows:

(1) That I am ..... years of age; and I reside at ..... in the County of ......, State of .....

(2) That I have been advised that ..... is the mother of a ......... male/female child named ......... born or expected to be born on or about ......... and that I have registered with the putative fathers' adoption registry stating that I am the father of this child.

(3) I now deny that I am the father of this child. My denial at this time will not subject me to any criminal liability.

(4) I further understand that the mother of this child wishes to consent to the adoption of the child. I hereby consent to the adoption of this child, and waive any rights, remedies, and defenses that I may have now or in the future. This consent is being given in order to facilitate the adoption of the child and so that the court may terminate what rights I may have to the child. This consent is not in any manner an admission of paternity.

(5) I hereby enter my appearance in the above entitled cause and waive service of summons and other pleading.

#### OATH

I have been duly sworn and I say under oath that I have read and understood this denial of paternity with entry of appearance and consent to adoption. The facts it contains are true and correct to the best of my knowledge, and I understand that by signing this document I have not admitted paternity. I have signed this document as my free and voluntary act in order to facilitate the adoption of the child.

Dated this ..... day of ....., .....

Signed and Sworn Before Me This ...... day of .........

[The names of adoptive parents must not be included in the notice.] The office of the state court administrator shall develop the following forms:

(1) notice to registered putative father;

(2) intent to claim parental rights;

(3) denial of paternity; and

(4) consent to adoption.

Sec. 6. Minnesota Statutes 1997 Supplement, section 259.52, subdivision 12, is amended to read:

Subd. 12. [RIGHT TO COUNSEL AT PUBLIC EXPENSE.] Upon proof of indigency, a putative father who has registered with the fathers' adoption registry, has received a putative fathers' adoption registry notice to registered putative father, and has timely filed an intent to claim paternal rights with entry of appearance form with the court administrator, must have counsel appointed at public expense.

Sec. 7. Minnesota Statutes 1997 Supplement, section 259.52, is amended by adding a subdivision to read:

Subd. 15. [INTERNATIONAL ADOPTIONS.] This section does not apply to international adoptions."

Page 3, line 6, delete "Section 1" and insert "Sections 1 to 7 are effective the day following final enactment. Section 8"

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2684, which the committee recommends to pass with the following amendment offered by Ms. Ranum:

Page 3, after line 18, insert:

"Sec. 3. Laws 1997, chapter 239, article 10, section 1, is amended to read:

Section 1. [PILOT PROGRAM.]

Actions under sections 2 to 26 are limited to a pilot program in the 4th judicial district for the period June 1, 1998, through July 31, 1999 2000. At the conclusion of the pilot period, the 4th judicial district shall report to the legislature on the number of petitions filed under sections 2 to 26, the relationship of the parties, and the disposition of each petition."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2895, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Amend H.F. No. 2895, as amended pursuant to Rule 49, adopted by the Senate February 19, 1998, as follows:

(The text of the amended House File is identical to S.F. No. 2293.)

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1996, section 67A.191, subdivision 1, is amended to read:

Subdivision 1. [FARM RISKS.] A township mutual fire insurance company may issue an insurance policy for qualified and secondary property as defined in section 67A.14, subdivision 1, in combination with a policy issued by an insurer authorized to sell property and casualty insurance in this state. Except as provided in subdivision 2, The portions of the combination policy

issued by a township mutual insurance company are excluded from all provisions of the insurance laws of this state as provided in section 67A.25, subdivision 2."

Page 2, line 32, strike ", Federal Savings and Loan"

Page 2, line 33, strike "Corporation,"

Page 3, line 7, strike "and"

Page 3, line 10, before the period, insert "; and

(k) Up to \$10,000 in shares of stock of the National Association of Mutual Insurance Companies bank, subject to the commissioner's approval"

Page 3, line 12, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2256, which the committee recommends to pass with the following amendment offered by Mr. Marty:

Page 1, line 17, strike everything after "incompetent"

Page 1, strike line 18

Page 4, delete section 5 and insert:

"Sec. 5. Minnesota Statutes 1996, section 609.165, is amended by adding a subdivision to read:

Subd. 1c. [PERSONS CIVILLY COMMITTED.] Notwithstanding subdivision 1, a person who has been deprived of civil rights by reason of conviction of a crime is not restored to civil rights as long as the person remains civilly committed under chapter 253B or Minnesota Statutes 1992, section 526.10, based in whole or in part on the same conduct as caused the person to be convicted of the crime."

The motion prevailed. So the amendment was adopted.

H.F. No. 3250, which the committee recommends to pass with the following amendment offered by Mr. Kleis:

Page 1, delete lines 6 to ll

The motion prevailed. So the amendment was adopted.

S.F. No. 3016, which the committee recommends to pass with the following amendment offered by Mr. Johnson, D.J.:

Page 4, after line 28, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day after final enactment."

The motion prevailed. So the amendment was adopted.

S.F. No. 3032, which the committee recommends to pass with the following amendment offered by Ms. Wiener:

Page 1, line 11, delete "14" and insert "15"

Page 1, line 24, after the period, insert "For purposes of any other investment limitation based

on the amount of the admitted assets of a life insurer governed by sections 60L.01 to 60L.15, "admitted assets" has the meaning given under this subdivision."

Page 2, line 14, delete "federal"

Page 2, line 22, delete ", and a United"

Page 2, delete line 23

Page 2, line 24, delete "state"

Page 3, after line 9, insert:

"Subd. 13. [NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION.] "Nationally recognized statistical rating organization" means a rating organization so designated by the Securities and Exchange Commission of the United States and that has applied to, and whose status as a nationally recognized statistical rating organization has been confirmed by, the Securities Valuation Office of the National Association of Insurance Commissioners, or any other rating organization approved by the commissioner as a nationally recognized statistical rating organization for purposes of sections 60L.01 to 60L.15."

Page 3, line 10, delete "13" and insert "14"

Page 3, line 18, delete "14" and insert "15"

Page 4, line 10, after "capital" insert "notes"

Page 4, after line 17, insert:

"Subd. 2. [OTHER INSURERS.] In order to be eligible to be governed by sections 60L.01 to 60L.15, an insurer other than a life insurer must meet the following requirements:

(a) For each calendar year during which sections 60L.01 to 60L.15 apply to the insurer, the insurer shall have had, as of the end of the immediately preceding calendar year:

(1) total admitted assets of at least \$2,000,000,000; and

(2) a total amount of capital plus surplus of at least \$200,000,000.

(b) For each calendar year during which sections 60L.01 to 60L.15 apply to the insurer, the insurer shall have had, as of the end of the immediately preceding calendar year, total adjusted capital equal to or greater than company action level risk-based capital, as defined in section 60A.60, subdivision 11. For purposes of this subdivision, "total adjusted capital" means total adjusted capital as defined in section 60A.60, subdivision 14, adjusted to deduct the value of capital notes and surplus notes as provided in the risk-based instructions as defined in section 60A.60, subdivision 10.

(c) For each calendar year during which sections 60L.01 to 60L.15 apply to the insurer, the mean of the ratio, calculated as of the end of each of the five immediately preceding calendar years, of total adjusted capital to company action level risk-based capital, as defined in section 60A.60, subdivision 11, must equal at least 1.0.

(d) An insurer is considered to have met the requirements of this subdivision if the insurer participates in a 100 percent reinsurance pooling agreement which substantially affects the solvency and integrity of its reserves and cedes all of its direct and assumed business to the pool, and where the insurer with the largest share of pooled business subject to the agreement meets the requirements of this subdivision.

Subd. 3. [ADDITIONAL REQUIREMENTS.] (a) In order to be eligible to be governed by sections 60L.01 to 60L.15, the insurer must meet the requirements specified under this subdivision."

Page 4, line 18, delete "(d)" and insert "(b)"

Page 4, line 21, after "claims-paying" insert ", financial strength,"

Page 4, line 25, after the period, insert "For purposes of this subdivision, the rating must be based on a review of the insurer by the nationally recognized statistical rating organization with the cooperation of the insurer; must not depend on a guarantee or other credit enhancement from another entity; and must not be modified or otherwise qualified to show dependence of the rating on the performance or a contractual obligation of, or the insurer's affiliation with, another insurer."

Page 4, line 26, delete "(e)" and insert "(c)"

Page 4, line 28, delete "or group of individuals"

Page 4, line 35, after the period, insert "For purposes of complying with this paragraph, an employee of an affiliate may only be used if they are responsible for managing the insurer's investments."

Page 4, line 36, delete "(f)" and insert "(d)"

Page 5, line 7, delete "(g)" and insert "(e)"

Page 5, line 8, delete "(j)" and insert "(l)"

Page 5, line 9, delete "material" and insert "significant"

Page 5, line 10, delete "systems of" and delete "controls" and insert "control structure"

Page 5, delete lines 14 to 28

Page 5, line 29, delete "3" and insert "4"

Page 6, line 4, delete " $\underline{4}$ " and insert " $\underline{5}$ "

Page 6, line 12, delete "5" and insert "6"

Page 6, line 13, after the first comma, insert "then, in the case of a life insurer,"

Page 6, line 14, after "<u>61A.31;</u>" insert "<u>and 61A.315;</u>" and after "<u>and</u>" insert a comma and delete "a" and insert "an"

Page 6, line 15, delete "life" and after the first "insurer" insert "other than a life insurer" and delete "61A.315" and insert "60A.11"

Page 6, line 16, delete "6" and insert "7"

Page 6, line 21, after the second comma, insert "and with the requirements of subdivision 3"

Page 6, line 28, after "(3)" insert "all of the following conditions have been met:" and before "(i)" insert paragraph coding and delete "adopts" and insert "has adopted"

Page 6, line 34, after "(iii)" insert "during the period ending 30 days after the receipt by the commissioner of the written notice,"

Page 6, line 35, delete everything after "60L.14"

Page 6, line 36, delete "notice"

Page 7, after line 9, insert:

<sup>&</sup>quot;(d) If sufficient voting securities of the insurer or an affiliate are acquired to require a filing under section 60D.17, sections 60L.01 to 60L.15 cease to apply to the insurer 30 days following the completion of the acquisition of voting securities. If the board of directors of the insurer desires the insurer to continue to be governed by sections 60L.01 to 60L.15, it shall comply with the requirements of subdivision 4 and shall notify the commissioner as required under and subject to subdivision 5. If the notification is received within 30 days of the completion of the acquisition,

the insurer is governed by sections 60L.01 to 60L.15 during the time period allowed for the commissioner's disapproval."

Page 7, line 10, delete "(d)" and insert "(e)"

Page 7, line 11, after "then" insert ", in the case of a life insurer,"

Page 7, line 12, delete ", in the case of a life insurer," and after "<u>61A.315</u>," insert "<u>and, in the</u> case of an insurer other than a life insurer, section 60A.11,"

Page 7, line 14, delete "7" and insert "8"

Page 7, line 15, delete "60D.15" and insert "60D.16"

Page 10, after line 9, insert:

"Subd. 4. [COMPLIANCE.] Compliance with sections 60L.01 to 60L.15 is determined in light of the facts and circumstances existing at the time of the insurer's decision or action and not by hindsight."

Page 11, line 28, delete ""modern portfolio theory"" and insert "modern portfolio theory"

Page 11, line 29, after "investments" insert ". For purposes of this section, "modern portfolio theory" means the collection of models and applications that prescribe the maximization of expected returns for a given level of aggregate risk as the primary objective of investment portfolio management"

Page 14, lines 10, 16, and 22, delete "nonlife" and after "insurers" insert "other than life insurers"

Page 14, line 35, delete "nonlife"

Page 14, line 36, after "insurers" insert "other than life insurers"

Page 15, line 12, after the first "value" insert a comma

Page 19, line 5, delete "or" and insert a comma and after "divestment" insert ", or requiring investments by insurers to be governed by section 60A.11 in the case of insurers other than life insurers, and sections 61A.28; 61A.282, subdivision 2; 61A.283; 61A.29; 61A.31; and 61A.315 in the case of life insurers"

Page 20, line 1, strike "60A.11" and delete the first comma

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1378, which the committee recommends to pass with the following amendment offered by Mr. Betzold:

Page 12, lines 30 to 35, delete the new language and strike the old language

Page 12, after line 35, insert:

"(d) The department may disseminate, for noncommercial use, an employer's name, address, industry code, occupations employed, and the number of employees by ranges of not less than 100 for the purpose of assisting individuals using the Minnesota workforce center system in obtaining employment."

The motion prevailed. So the amendment was adopted.

S.F. No. 2108, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 4, line 16, delete "reduced" and insert "reduces"

The motion prevailed. So the amendment was adopted.

S.F. No. 2346, which the committee recommends to pass with the following amendment offered by Ms. Flynn:

Page 3, delete lines 18 to 24

Page 3, line 25, delete "3" and insert "2"

The motion prevailed. So the amendment was adopted.

S.F. No. 2269, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Page 4, line 24, delete "January 15" and insert "March 1"

The motion prevailed. So the amendment was adopted.

S.F. No. 2317, which the committee recommends to pass with the following amendment offered by Ms. Higgins:

Page 1, line 22, before "If" insert "Except as otherwise provided in this subdivision,"

Page 2, line 2, after the period, insert "In the event the property damage is caused by the misconduct or negligence of a peace officer, the government unit employing that peace officer is responsible for paying just compensation."

The motion prevailed. So the amendment was adopted.

S.F. No. 2378, which the committee recommends to pass with the following amendment offered by Ms. Junge:

Page 1, line 12, after the second "service" insert "required or permitted to be"

Page 1, line 13, after "license" insert ", registration,"

Page 1, line 15, after the comma, insert "as a physician assistant pursuant to sections 147A.01 to 147A.27,"

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 1997 Supplement, section 319A.02, subdivision 2a, is amended to read:

Subd. 2a. [PROFESSIONAL HEALTH SERVICE.] (a) Individuals who furnish professional services pursuant to a license, registration, or certificate issued by the state of Minnesota to practice medicine pursuant to sections 147.01 to 147.22, as a physician assistant pursuant to sections 147A.01 to 147A.27, chiropractic pursuant to sections 148.01 to 148.106, registered nursing pursuant to sections 148.171 to 148.285, optometry pursuant to sections 148.52 to 148.62, psychology pursuant to sections 148.88 to 148.98, dentistry pursuant to sections 150A.01 to 150A.12, pharmacy pursuant to sections 151.01 to 151.40, or podiatric medicine pursuant to sections 153.01 to 153.26 are specifically authorized to practice any of these categories of services in combination if the individuals are organized under this chapter.

(b) This authorization does not authorize an individual to practice any profession, or furnish a professional service, for which the individual is not licensed, <u>registered</u>, or <u>certified</u>, but otherwise applies regardless of any contrary provision of a licensing statute or rules adopted pursuant to that statute, related to practicing and organizing in combination with other health services professionals.

(c) A professional corporation may not adopt, implement, or follow a policy, procedure, or

practice that would give a board grounds for disciplinary action against a professional who follows, agrees to, or acquiesces in the policy, procedure, or practice.

(d) This subdivision expires on December 31, 1998."

Page 2, after line 12, insert:

"Sec. 4. Minnesota Statutes 1996, section 319A.02, is amended by adding a subdivision to read:

Subd. 8. [LICENSE.] (a) "License" includes any license, certificate, registration, or other authority referred to in subdivision 2 or 3.

(b) This subdivision expires on December 31, 1998."

Page 2, line 16, after the comma, insert "registration,"

Page 2, line 30, after "required" insert "or permitted"

Page 2, line 31, after "license" insert ", registration,"

Page 2, line 33, after the first comma, insert "as a physician assistant pursuant to sections 147A.01 to 147A.27,"

Page 3, after line 11, insert:

"Sec. 8. Minnesota Statutes 1997 Supplement, section 319B.40, is amended to read:

319B.40 [PROFESSIONAL HEALTH SERVICES.]

(a) Individuals who furnish professional services pursuant to a license, registration, or certificate issued by the state of Minnesota to practice medicine pursuant to sections 147.01 to 147.22, as a physician assistant pursuant to sections 147A.01 to 147A.27, chiropractic pursuant to sections 148.01 to 148.106, registered nursing pursuant to sections 148.171 to 148.285, optometry pursuant to sections 148.52 to 148.62, psychology pursuant to sections 148.88 to 148.98, dentistry pursuant to sections 150A.01 to 150A.12, pharmacy pursuant to sections 151.01 to 151.40, or podiatric medicine pursuant to sections 153.01 to 153.26 are specifically authorized to practice any of these categories of services in combination if the individuals are organized under this chapter.

(b) This authorization does not authorize an individual to practice any profession, or furnish a professional service, for which the individual is not licensed, <u>registered</u>, or <u>certified</u>, but otherwise applies regardless of any contrary provision of a licensing statute or rules adopted pursuant to that statute, related to practicing and organizing in combination with other health services professionals."

Page 3, line 13, delete "Sections 1 to 5 are" and insert "This act is"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2883, which the committee recommends be re-referred to the Committee on Commerce.

On motion of Ms. Junge, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

#### Messrs. Johnson, D.J. and Lessard introduced--

**S.F. No. 3389:** A bill for an act relating to game and fish; prohibiting the use of underwater video cameras to take fish; amending Minnesota Statutes 1996, section 97C.325.

Referred to the Committee on Environment and Natural Resources.

#### Messrs. Lessard and Johnson, D.J. introduced--

**S.F. No. 3390:** A bill for an act relating to game and fish; prohibiting the use of underwater video cameras to take fish; amending Minnesota Statutes 1996, section 97C.325.

Referred to the Committee on Environment and Natural Resources.

#### Mrs. Scheid, Messrs. Johnson, D.H. and Day introduced--

**S.F. No. 3391:** A bill for an act relating to taxation; exempting certain personal property from taxation; providing for state aid payments to local governments; requiring rate reductions for customers of rate regulated utilities; providing for state guarantee of local bond obligations; appropriating money; amending Minnesota Statutes 1996, sections 124A.24; 272.02, by adding a subdivision; and 273.1398, subdivision 6, and by adding subdivisions; Minnesota Statutes 1997 Supplement, sections 272.02, subdivision 1; and 273.13, subdivision 31; proposing coding for new law in Minnesota Statutes, chapters 216B; and 475A.

Referred to the Committee on Taxes.

#### Mrs. Scheid, Mr. Murphy, Ms. Runbeck, Messrs. Metzen and Belanger introduced--

**S.F. No. 3392:** A bill for an act relating to taxation; repealing the sales tax on health club memberships; amending Minnesota Statutes 1997 Supplement, sections 297A.01, subdivision 3; and 297A.44, subdivision 1, as amended.

Referred to the Committee on Taxes.

#### MEMBERS EXCUSED

Messrs. Larson and Lessard were excused from the Session of today from 11:00 to 11:30 a.m. Mr. Laidig was excused from the Session of today from 11:00 a.m. to 12:00 noon. Mr. Metzen was excused from the Session of today from 11:00 a.m. to 12:15 p.m. Mr. Ourada was excused from the Session of today from 11:00 a.m. to 12:30 p.m. Mr. Morse was excused from the Session of today at 12:00 noon. Mr. Novak was excused from the Session of today from 11:00 a.m. to 3:00 p.m. Mr. Murphy was excused from the Session of today at 12:00 noon. Mr. Novak was excused from the Session of today from 12:00 to 3:00 p.m. Mses. Ranum, Robertson and Runbeck were excused from the Session of today at 1:30 p.m. Mr. Terwilliger was excused from the Session of today at 3:20 p.m.

#### **ADJOURNMENT**

Ms. Junge moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 4, 1998. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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